Public Document Pack

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THE CABINET

Wednesday, 6th July, 2022 at 7.00 pm in the Conference Room, Civic Centre, Silver Street, Enfield, EN1 3XA

Membership:

Councillors : Nesil Caliskan (Leader of the Council), Ergin Erbil (Deputy Leader of the Council), Abdul Abdullahi (Cabinet Member for Children's Services), Chinelo Anyanwu (Cabinet Member for Public Spaces, Culture and Local Economy), Alev Cazimoglu (Cabinet Member for Health and Social Care), Susan Erbil (Cabinet Member for Licensing, Planning and Regulatory Services), Rick Jewell (Cabinet Member for Environment), Tim Leaver (Cabinet Member for Finance and Procurement), Gina Needs (Cabinet Member for Community Safety and Cohesion), George Savva MBE (Cabinet Member for Social Housing), Mustafa Cetinkaya (Associate Cabinet Member (Enfield South East)), Ayten Guzel (Associate Cabinet Member (Non-geographical)), Ahmet Hasan (Associate Cabinet Member (Enfield North)) and Chris James (Associate Cabinet Member (Enfield West))

Associate Cabinet Members

Note: The Associate Cabinet Member posts are non-executive, with no voting rights at Cabinet. Associate Cabinet Members are accountable to Cabinet and are invited to attend Cabinet meetings.

Mustafa Cetinkaya (Associate Cabinet Member – Non Voting), Ayten Guzel (Associate Cabinet Member – Non Voting), Ahmet Hasan (Associate Cabinet Member – Non Voting) and Chris James (Associate Cabinet Member – Non Voting)

NOTE: CONDUCT AT MEETINGS OF THE CABINET

Members of the public and representatives of the press are entitled to attend meetings of the Cabinet and to remain and hear discussions on matters within Part 1 of the agenda which is the public part of the meeting. They are not however, entitled to participate in any discussions.

AGENDA – PART 1

1. APOLOGIES FOR ABSENCE

2. DECLARATIONS OF INTEREST

Members of the Cabinet are invited to identify any disclosable pecuniary, other pecuniary or non pecuniary interests relevant to items on the agenda.

3. DEPUTATIONS

To note, that no requests for deputations have been received for presentation to this Cabinet meeting.

4. MINUTES (Pages 1 - 8)

To confirm the minutes of the previous Cabinet meeting held on 9 March 2022.

5. ADOPTION OF STATUTORY WASTE PLAN FOR NORTH LONDON (Pages 9 - 68)

A report from the Executive Director Place is attached. **(Key decision – reference number 5269)**

6. ENFIELD CARBON OFFSETTING SCHEME (Pages 69 - 80)

A report from the Executive Director Place is attached. **(Key decision – reference number 5457)**

7. ADULT SOCIAL CARE FINANCE AND CHARGING REFORM (Pages 81 - 116)

A report from the Executive Director People is attached. **(Key decision – reference number 5448)**

8. QUARTERLY CORPORATE PERFORMANCE REPORT (Q4) (Pages 117 - 162)

A report from the Executive Director Resources is attached. **(Non key)**

9. CAPITAL OUTTURN REPORT 2021/22 (Pages 163 - 226)

A report from the Executive Director Resources is attached. **(Key decision – reference number 5464)**

10. REVENUE OUTTURN REPORT 2021/22 (Pages 227 - 288)

A report from the Executive Director Resources is attached. **(Key decision – reference number 5465)**

11. TREASURY MANAGEMENT OUTTURN REPORT 2021/22 (Pages 289 - 310)

A report from the Executive Director Resources is attached. **(Key decision – reference number 5466)**

12. HOUSING REVENUE ACCOUNT (HRA) OUTTURN REPORT 2021/22 (Pages 311 - 338)

A report from the Executive Director Resources is attached. **(Key decision – reference number 5467)**

13. CABINET AGENDA PLANNING - FUTURE ITEMS (Pages 339 - 344)

Attached for information is a provisional list of items scheduled for future Cabinet meetings.

14. DATE OF NEXT MEETING

To note that the next meeting of the Cabinet is scheduled to take place on Wednesday 14 September 2022 at 7.00pm.

15. ANASTASIA LODGE AND AUTUMN GARDENS - RESIDENTIAL & NURSING CARE CONTRACT AWARD (Pages 345 - 382)

A report from the Executive Director People is attached. **(Key decision – reference number 5411)**

(This item will contain exempt information as defined in Paragraph 3 (information relating to the financial or business affairs of any particular person – including the authority holding that information) of Schedule 12A to the Local Government Act 1972, as amended.)

16. EXCLUSION OF THE PRESS AND PUBLIC

To consider passing a resolution under Section 100(A) of the Local Government Act 1972 excluding the press and public from the meeting for the items of business listed on part 2 of the agenda on the grounds that they involve the likely disclosure of exempt information as defined in those paragraphs of Part 1 of Schedule 12A to the Act (as amended by the Local Government (Access to Information) (Variation) Order 2006). (Members are asked to refer to the part 2 agenda)

AGENDA – PART 2

17. ANASTASIA LODGE AND AUTUMN GARDENS - RESIDENTIAL & NURSING CARE CONTRACT AWARD

Item 15 above refers.

MINUTES OF THE MEETING OF THE CABINET HELD ON WEDNESDAY, 9TH MARCH, 2022

MEMBERS: Councillors Nesil Caliskan (Leader of the Council), Ian Barnes (Deputy Leader of the Council), Rick Jewell (Cabinet Member for Environment), Nneka Keazor (Cabinet Member for Community Safety & Cohesion), Alev Cazimoglu (Cabinet Member for Health & Social Care), George Savva MBE (Cabinet Member for Licensing & Regulatory Services), Gina Needs (Cabinet Member for Social Housing), Mahtab Uddin (Cabinet Member for Children's Services) and Ahmet Hasan (Associate Cabinet Member (Enfield North))

Officers:

Ian Davis (Chief Executive), Fay Hammond (Executive Director Resources), Joanne Drew (Director of Housing and Regeneration), Dudu Sher-Arami (Director of Public Health), Terry Osborne (Interim Director of Law and Governance), Keith Rowley (Interim Head of Asset Management) and Peter George (Programme Director - Meridian Water), Jane Creer (Secretary)

Also Attending: Local press representative and officers and councillors observing

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Mary Maguire, Guney Dogan, Mustafa Cetinkaya, Katherine Chibah, and Ergin Erbil and from Tony Theodoulou, Executive Director – People (represented by Dudu Sher-Arami, Director of Public Health) and Sarah Carey, Executive Director – Place (represented by Joanne Drew, Director of Housing and Regeneration).

Apologies for lateness were received from Councillor Nneka Keazor.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. DEPUTATIONS

NOTED that no requests for deputations had been received for presentation to this Cabinet meeting.

4. MINUTES

AGREED that the minutes of the previous meeting of the Cabinet held on 16 February 2022 be confirmed as a correct record.

5. QUARTERLY REVENUE MONITORING 2021/22 QUARTER 3

Councillor Nesil Caliskan (Leader of the Council) introduced the report of the Executive Director Resources setting out the Council's revenue budget monitoring position based on information to the end of December 2021.

- The financial pressures the Council was facing as a result of the Covid-19 pandemic were reported collectively. Despite the impact of Covid-19, the Council was in a robust financial position.
- It was expected that the Government funding would be sufficient to meet the Covid-19 impact, but £6.3m was built into the Medium Term Plan initially as a one off but potentially as ongoing cost for Covid risk.
- The Pressures Challenge Board continued to review the most significant financial pressures on the Council, mainly linked to demand-led services.
- The Dedicated Schools Grant was forecasting an outturn position of a deficit, and the cumulative forecast deficit would be the first call on the 2021/22 grant allocation.
- In response to Members' queries, it was confirmed that eligible businesses were proactively contacted in respect of Covid-19 payments. Further details were also provided in relation to the Dedicated Schools Grant and the SEN expansion programme.

Councillor Keazor arrived at the meeting at this point.

Alternative Options Considered:

Not relevant in the context of this report.

DECISION: The Cabinet agreed to

1. Note the adverse variance of £0.129m on the General Fund and £5.2m overspend in the Dedicated Schools Grant (DSG) forecasted revenue outturn position for 2021/22.
2. Note that the £3m contingency is no longer required to achieve the General Fund forecast outturn and therefore the planned drawdown from reserves of £1.927m will no longer be required and £0.944m will be added to the Council's reserves.
3. Note the Covid-19 impact of £44.191m which is expected to be funded by Government grants.
4. Approve the allocation of Covid-19 grant to support catch up provision for secondary schools costing £218k (allocated in Appendix G of the report); and a further allocation of £300k to extend the approach to primary as well also funded from Covid-19 Grant.
5. Note the progress made on the journey to setting a robust and resilient budget.
6. Request Executive Directors continue to work with Cabinet Members to robustly manage the underlying budget position and implement savings, whilst managing, mitigating and minimising the Covid-19 financial impact.
7. That Cabinet Members note the forecast level of reserves and implications for 2021/22 and challenging financial position over the life of the MTFP.

Reason:

To ensure that Members are aware of the forecast outturn position, including the level of reserves for the authority, including all major variances which are contributing to the outturn position and the mitigating actions being taken and proposed to manage the financial position for 2021/22.

(Key decision – reference number 5351)

6. SCHOOLS CAPITAL PROGRAMME 2022-23

Councillor Mahtab Uddin (Cabinet Member for Children's Services) introduced the report of the Executive Director People outlining the People Schools Capital Programme for inclusion in the Council's Capital Programme, and the Council's landlord responsibilities undertaking major capital projects at school buildings to ensure the safety and wellbeing of school pupils and staff, whilst also maintaining the Council's assets.

- The Council retained responsibility for major items of repair in schools, and as Corporate Landlord had responsibility for major works at schools.
- Officers confirmed that the programme covered major works to ensure schools were safe, and capital projects to invest to save, and to contribute towards the Climate Change Agenda by reducing carbon emissions.
- In response to Members' queries, it was confirmed that school caretaker property disposals were progressing; that work in respect of schools' connection to Energetik's network continued; and that there were around 70 projects in total in the schools' capital programme at different stages. The programme was reviewed and updated as part of the quarterly capital monitoring reporting processes. Assurance was given that critical items were up to date, and condition surveys were ongoing.

Alternative Options Considered:

Projects have been prioritised for inclusion in the Programme based on technical information in condition surveys commissioned by CMFM through external consultants.

DECISION: The Cabinet agreed to

1. Grant the approval to spend the 2022/23 and 2023/24 Capital Budget of £21.098m and £6.520m as set out in section 37 of the report.
2. Agree the proposed programme of works including professional and technical expenses detailed in the restricted Appendix A of the report and allowance for emergency schemes proceeding up to the total two-year indicative Programme total value of £42 Million (which includes previously approved schools programme KD5210, Cabinet 3rd March 2021) and become part of the Council's future capital programme.

3. As previously agreed by Cabinet approval (Condition and Fire Safety Programme 2021/22 to 2023/24) to continue to delegate authority to the Executive Director of People to:
   (i) approve tenders for individual projects or schemes of aggregated value up to a maximum of £500,000 including professional and technical expenses;
   (ii) manage the Programme's individual project budgets so the overall budget remains within approved resources. This is to take account of variations between estimates and tender return costs and the potential need to substitute schemes having a greater technical priority if the need arises; and
   (iii) allocate any contingency provision (up to a maximum of £350,000 including professional and technical expenses) to emergency projects and/or to schemes identified as priority but not yet programmed.
4. Note the procurement and award of the works contracts including entering into the contracts for each will conform to the Council's Contract Procedure Rules and standing orders.
5. Note the contract award for professional services and works above £500,000 will also conform to the Council's standing orders with approval sought at the appropriate authority level, following the key decision process as required.

Reason:

1. Under the Scheme for Financing Schools, the Council retains responsibility for major items of repair in schools. A programme of projects has been collated to rectify and repair items of a high technical or strategic priority for consideration in 2022/23 to 2023/24.
2. The Council as Corporate Landlord has responsibility for major works at schools and seeks to employ the latest technology and energy saving improvements to contribute towards the Climate Change Agenda where it is practical and feasible to do so.

(Key decision – reference number 5383)

7. MERIDIAN WATER : APPOINTMENT OF RAIL MAIN CONTRACTOR

Councillor Nesil Caliskan (Leader of the Council) introduced the report of the Executive Director Place seeking approval to award a Pre-Construction Services Agreement (PCSA) and, subject to satisfactory performance of PCSA obligations, a subsequent NEC4 construction contract for the completion of the works.

- The approvals requested of Cabinet were highlighted, and that the process was on track to meet the proposed timetable for the delivery of rail infrastructure works at Ponders End station, which will enable the increase of rail frequency at Meridian Water station.
- There had been a constructive discussion at the recent Regeneration and Economic Development Scrutiny Panel meeting in respect of the

infrastructure, HIF agreement, and delivery of the work, and the Panel would receive further updates.

- Officers confirmed the timescale for the works and that the preferred bidder had submitted a programme demonstrating they were able to deliver the works by the deadline. The next stage would be to finalise contractual terms, and delegated authority was sought for the final negotiations. Any material amendments would be submitted to Cabinet for approval.

Alternative Options Considered:

Doing nothing would leave the Council without the strategic infrastructure and prevent phase delivery at Meridian Water delaying provision of much needed affordable homes.

DECISION: The Cabinet agreed to

1. Approve the appointment of the preferred contractor, Bidder A, based on GRIP stage 3 design information for the delivery of a programme of strategic rail infrastructure works at Ponders End to facilitate the uplift in train frequency at Meridian Water station as set out in the confidential appendix to the report.
2. Approve the entry by the Council into a PCSA with the preferred contractor.
3. Delegate authority to award the NEC4 contract to Bidder A to the Director of Development subject to (i) unconditional availability of funding from DHLUC under the HIF Grant Agreement, (ii) agreement of design and prices that are within the required project scope and budget (iii) all necessary licences and approvals for works being granted by Network Rail.
4. Subject to availability of sufficient funds in the approved capital budgets delegate authority to approve and enter into subsequent variations to scope under the contract to the Meridian Water Development Director.
5. Approve for the additional expenditure of £9.3m for the main works to be forward funded in 2022/23 and 2023/24 from the Capital Programme subject to unconditionality of the HIF funding. This is in addition to the previously approved HIF budget. The forward funding will be reimbursed quarterly from the Housing Infrastructure Fund (HIF funding) up to £53.9m until the end of 2023/24. Refer to paragraph 10 of the report.

Reason:

1. Strategic rail infrastructure is required to provide 4 trains per hour at Meridian Water station to facilitate the growth expected at Meridian Water between 2024 and 2041. The agreed approach with relevant rail stakeholders is the introduction of a passing loop at Ponders End station to enable stopping services at Ponders End station to be overtaken by fast services. This allows an increase of stopping services at Meridian Water Station.
2. It is intended that the entirety of the rail infrastructure works will be funded by the HIF grant. It is a requirement of HIF Grant Determination

Agreement that the funding is claimed by 31st March 2024. The Council will be unable to claim HIF funding for any works completed after 31st March 2024. The Council therefore needs to appoint a contractor to commence the Strategic Rail Infrastructure Works in time to claim 100% of the funding available to it.

3. The original project programme had GRIP 4 design being completed prior to the appointment of the main contractor and commencement of GRIP 5. However, due to delays of the design to date, alternative methods for delivering the work have been investigated. The preferred method to mitigate design delays is to enter into a PCSA with the preferred contractor to enable critical path activities in the NEC4 contract to be brought forward to protect the funding expiration date of March 2024.
4. Subject to satisfactory performance of the PCSA obligations, the Contractor is expected to be appointed under a NEC4 works contract in the Summer 2022 to build upon the PCSA and commence GRIP 5 design work, with GRIP 6 construction works commencing in early 2023. The construction works are estimated to take around 12 months on site to complete.
5. The PCSA period coincides with the preliminary expenditure phase of the HIF agreement which allows the Council to be reimbursed by DLUHC for costs incurred by the PCSA works.

(Key decision – reference number 5311)

8. CABINET AGENDA PLANNING - FUTURE ITEMS

NOTED, for information, the provisional list of items scheduled for future Cabinet meetings.

9. DATE OF NEXT MEETING

NOTED

1. The meeting of the Cabinet scheduled on Wednesday 6 April 2022 was no longer required.
2. Future Cabinet meeting dates to be confirmed following Annual Council meeting.

10. EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED in accordance with Section 100(A) of the Local Government Act 1972 to exclude the press and public from the meeting for the item of business listed as part two on the agenda on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 (information relating to the financial or business affairs of any particular person (including the authority holding that information) of Part 1 of Schedule 12A to the Act (as amended by the Local Government (Access to Information) (Variation) Order 2006).

11. MERIDIAN WATER : APPOINTMENT OF RAIL MAIN CONTRACTOR - PART 2

NOTED the information in the confidential appendix, and officer responses to Members' queries.

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London Borough of Enfield

Cabinet and Full Council Meeting

Meeting Date Cabinet 6 July 2022
Full Council 13 July 2022

Subject: Adoption of Statutory Waste Plan for North London

Cabinet Member: Cllr Nesil Caliskan

Executive Director: Sarah Cary

Key Decision: **KD 5269**

Purpose of Report

1. The seven North London Boroughs of Barnet, Camden, Enfield, Hackney, Haringey, Islington and Waltham Forest have worked together to produce the North London Waste Plan (NLWP). The NLWP:

   - ensures there is adequate provision of suitable land to accommodate waste management facilities up to 2036 to manage waste generated in North London; and

   - provides policies against which planning applications for waste development will be assessed.

2. The NLWP aims to achieve net self-sufficiency in waste and to maximise recycling to achieve the recycling targets set out in the London Plan 2021. Progressing the NLWP is necessary to protect Enfield from potentially unsuitable waste development proposals which would be difficult to resist without an adopted plan.

3. In November 2018 the Council approved to publish the draft NLWP for public consultation and submission to the Government for Examination. In 2020 the Council agreed to further modifications to the NLWP as a result of issues raised at the Examination held in November 2019.

4. The NLWP has now been independently examined by a Planning Inspector appointed by the Secretary of State and is now ready for adoption. The Inspector’s Report (Appendix A) confirms that the Plan is sound and it can now, with recommended modifications, proceed to adoption by the Council. If adopted, it will form part of the statutory Development Plan for all seven boroughs, including Enfield.

Proposals

5. Cabinet is recommended to:

- Agree the modifications put forward by the Inspector in his report (Appendix B); and
- Agree to refer the NLWP (Appendix C) to the Council meeting on 13 July 2022 for adoption to become part of the statutory Development Plan for the borough.

Reason for Proposal(s)

6. As a waste planning authority, the Council is responsible for producing waste local plans that cover the land use planning aspect of waste management for its area.

7. The purpose of the NLWP is firstly to ensure that new waste facilities are directed to the most suitable areas in North London, to protect the environment and the amenity of local residents, the borough's identified waste management needs are met, and to provide planning policies against which planning applications for waste development will be assessed, alongside other relevant planning policies/guidance.

8. At its meetings in November Cabinet and Full Council agreed that the NLWP be referred back to Cabinet and Full Council for adoption.

9. Whilst significant parts of the NLWP as submitted were considered sound the Planning Inspector identified, at examination, the need for Main Modifications to ensure soundness, clarity and effectiveness across a range of policies and supporting text.

10. The substantive modifications put forward by the Planning Inspector which are especially relevant to Enfield relate to Policies 2 and 3, which can be summarised as:

    - **Policy 2: Priority Areas for new waste management facilities:** amended to help meet the spatial principle to create a better geographical spread of waste facilities in North London, developers should first seek sites in Priority Areas outside Enfield, and must demonstrate that no sites are available or suitable before considering sites within Enfield's Priority Area; and

    - **Policy 3: Windfall sites**: amended to help redress the high proportion of North London's waste facilities already in Enfield (62%), and help deliver a better geographical spread of sites (Spatial Principle B), developers are required to demonstrate that no land is available or suitable in Priority Areas outside of Enfield before considering the Priority Area identified within the Borough. The exception to this is for Recycling and Reuse Centres (RRCs) where there is an identified need in Enfield and Barnet to improve the coverage across North London (see Policy 4). The evidence will need to demonstrate an adequate search has been undertaken which takes into account the type of waste facility proposed, the criteria set out in Table 10 and the criteria set out in policy 6.

11. Alongside the Main Modifications, the consultation (2020) also made available additional Modifications, which make minor changes to the text involving clarifications, consequential amendments associated with the MMs or where corrections of factual errors in the supporting text of the Plan need to be made. These range from the insertion or substitution of single words to the removal of paragraphs to either: contribute to consistency, clarity to correct errors and/or to ensure that the wording is consistent with the London Plan (2021) and/or to ensure that it is positively prepared and justified.

12. The overall recommended modifications to the NLWP ensures that it meets relevant legal requirements and is sound.

Background

13. In November 2018 Cabinet approved the submission version of draft North London Waste Plan ('NLWP'), it was then published and submitted to the Secretary of State for public examination. In September 2020 further modifications to the NLWP were agreed following the public hearing sessions held in November 2019.

14. On 27 October 2021, the Inspector appointed by the Secretary of State to examine the NLWP published his final report which concluded that with the recommended modifications set out in the Schedule to his report, the NLWP satisfies the requirements referred to in Section 20(5) of the Planning and Compulsory Purchase Act 2004 and is sound.

Consultation on the NLWP

15. In April-June 2013, the North London Boroughs invited representations about what the NLWP ought to contain and a series of Focus Group events were held in 2014 to further develop the draft NLWP.

16. The draft Plan was prepared and consultation took place on it over a nine-week period during July-September 2015. The draft Plan provided the first opportunity for stakeholders to make comments on the strategy for future waste management in North London, potential locations for new facilities across the area, and policies.

17. The Boroughs then consulted on the Proposed Submission version of the NLWP in March-April 2019. The Proposed Submission draft took account of comments made on the draft Plan as well as an updated Data Study and changes to national, regional and local policies.

18. Following Cabinet approval of the Proposed Submission version of the NLWP in November 2018, the NLWP was submitted to the Secretary of State for public examination by a Planning Inspector in August 2019. Public hearings took place in November 2019.

19. In response to the issues raised in the hearing sessions, the North London Boroughs prepared a Schedule of Proposed Modifications to the NLWP. The Proposed Modifications were published for consultation during October-December 2020. The Boroughs prepared responses to the representations

on Main Modifications which were given to the Inspector to consider in the final stages of the examination and to inform the recommendations in his final report.

20. The Inspector's Report was received in October 2021 (Appendix A) and it confirms that the Plan has been found sound subject to modifications set out in the schedule to his report. It can now, with recommended modifications (Appendix B), proceed to adoption by the Council.

21. Having passed examination, the NLWP is being considered by all of the seven boroughs for adoption between December 2021 and March 2022.This report therefore seeks the adoption of the NLWP (incorporating the main modifications recommended by the Inspector), as set out in Appendix B to this report, and associated changes to the Policies Map, as set out in Appendix C.

Relevance to the Council's Plan

Good homes in well-connected neighbourhoods

22. By identifying an adequate provision of land to manage waste generated in north London and designing policies which ensure that waste facilities maximise their potential benefits (e.g. quality job creation) and minimise any negative impacts (additional disposal costs, poor air quality etc), the NLWP seeks to facilitate the delivery of high quality and accessible waste facilities which will serve communities across north London.

23. The NLWP contains planning policies which aim to minimise negative impacts (poor air quality, etc.) of new facilities on local homes. This will facilitate the delivery of new homes in the vicinity of new waste management facilities.

Safe, healthy and confident communities

24. Ensuring balanced waste provision is also supporting of an effective economy and supports jobs in waste as well as related industries such as transport and construction. This will help to counteract problems of worklessness in Enfield's most deprived wards. New design and environmental policies will ensure that new waste management facilities contribute better to making local communities healthier places to live and work.

An economy that works for everyone

25. The NLWP is based on a combined strategy of net self-sufficiency and maximised recycling. New waste facilities can create new jobs, produce local energy and provide important resources for reuse in other processes – all of which can help deliver wider economic benefits.

Safeguarding Implications

26. Not applicable

Public Health Implications

27. The NLWP will secure public health benefits through supporting an agreed network of waste sites across North London to share the responsibility for the safe and effective treatment of waste and through minimising the environmental impact for the local population while ensuring the boroughs meet targets for recycling and responsible waste disposal.

Equalities Impact of the Proposal

28. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.

29. Under the Equality Act 2010 the decision takers need to have taken equalities issues into account when they make the decision.

30. An Equalities Impact Assessment (EqIA) has been carried out at each stage of the NLWP process (Appendices D and E). The most recent Addendum to the EqIA was prepared to assess the main modifications arising from the Examination and should be read in conjunction with the main EqIA report. Both documents are attached as background papers to this report.

31. The conclusions of the Addendum to the EqIA found that the NLWP to be adopted, and as modified following the examination and receipt of the Inspector's report, did not have any disproportionate or differential negative impacts on any one group with protected characteristics.

Environmental and Climate Change Considerations

32. The NLWP contributes to the sustainable management of waste to combat climate change, to improve the environment and to promote decentralised energy. Overall, the NLWP will support the Climate Action Plan through enabling implementation of waste policies for maximising waste prevention and increasing the amount of recyclable waste collected.

33. The NLWP will form part of the Development Plan and has been found to be in conformity with other development plan documents, in particular the London Plan 2021 which contains strategic waste policies and provides that responsibility for allocating sites and setting out more specific waste policies within the NLWP.

34. The NLWP includes policies which aim to minimise the environmental impact of related uses, for example by setting planning criteria in relation to the impact on the quality of underlying soils, surface or groundwater. There is also a specific policy requiring facilities generating energy and excess heat to provide a supply to networks including decentralised energy networks. It should be noted that the NLWP does not assess the potential impacts of new facilities, which is part of the planning process.

Risks that may arise if the proposed decision and related work is not taken and actions that will be taken to manage these risks

35. The Council has responsibility as a waste planning authority to deliver a waste management plan which identifies adequate land for waste use. The UK government has incorporated all EU directives/legislation at the time of leaving the EU into UK law as part of the Brexit process. Failure to adopt the NLWP as part of the Development Plan will delay the delivery of sustainable development and infrastructure while reducing the Council's power to protect and enhance the borough. The NLWP is critical to underpin and help deliver the Council's regeneration programmes and its development ambitions, and to ensure that development decisions in the borough are plan led.

36. If Enfield does not continue in its cooperation with its NLWP partners and does not adopt the Plan, it would be required to produce its own waste plan, having due regard to the duty to cooperate with neighbouring boroughs, following national policy requirements to meet apportionment targets.

37. Moreover, failure to complete the joint NLWP will put the Local Plan at risk as it will delay policies and plans and result in additional costs in their production, place uncertainty on site allocations and would be damaging to interborough relations leaving the Council exposed under the 'duty to cooperate' obligations.

38. The Plan also addresses some of the concerns Enfield officers had regarding the concentration of industrial land in the borough which without the NLWP makes them suitable for future waste management facilities. The Plan aims to redistribute future waste capacity among seven North London Boroughs in order to ensure concentration of future waste facilities in Enfield is avoided. Without an adopted NLWP the Council will have limited powers to effectively control future waste capacity in Enfield.

39. It is therefore recommended that the NLWP progresses to adoption to manage the risks identified above.

Financial Implications

40. Under the NLWP Memorandum of Understanding (MoU) the boroughs have agreed to share the costs equally. The costs to be shared include the cost of the consultants, the two members of staff employed by Camden as lead borough for the various consultations and of the examination. The cost over the estimated seven years is expected to be £235k per borough or an average of £33k per annum. To date Enfield has spent £223.8k and has made financial provision for the remaining expenditure.

41. Any decision on the NLWP must be made on its planning merits but there are potentially significant financial risks attached to not having a plan in place.

42. Without an up to date plan, the Council is increasingly vulnerable to planning applications in areas where it may wish to resist development. The cost of trying to resist developments is generally far higher than the cost of negotiating developments supported by an up to date Plan.

43. An independent waste development plan would be far costlier than a jointly prepared plan, hence the Council has not allowed for costs to produce its own waste related development plan on top of the existing expenditure.

Legal Implications

44. The legal framework for the preparation, submission, examination and adoption of the NLWP is set out in the Planning & Compulsory Purchase Act 2004 (as amended) (2004 Act). Detailed regulatory requirements are contained in the Town & Country Planning (Local Planning) (England) Regulations 2012 ("2012 Regs").

45. Following consultation carried out in accordance with the 2012 Regs and a public inquiry subsequently being held. The Planning Inspector appointed by the Secretary of State has concluded that with the addition of the main modifications detailed at Appendix B of this report, that the NLWP meets the criteria for soundness and complies with all the legal requirements set out in section 20(5) of the 2004 Act. The Inspector has also concluded that the NLWP is in general conformity with the London Plan 2021.

46. This means that the NLWP is now ready for adoption and pursuant to Section 23(5) of the 2004 Act this must be done by a resolution of Full Council. Once adopted the NLWP will form part of the Council's statutory development plan.

47. Regulation 26 of the 2012 Regs states that the Council must as soon as reasonably practicable after adoption: (i) make the plan, the adoption statement and the sustainability appraisal report available for inspection at its principal office and at such other places within the borough as considered appropriate, (ii) publish the plan on the Council's website and (iii) send a copy of the adoption statement to the Secretary of State and any person who has asked to be notified of the adoption of the plan.

Workforce Implications

48. There are no workforce implications arising from the contents of this report.

Property Implications

49. The NLWP safeguards a number of existing waste sites from inappropriate development. The adoption of the NLWP will not change those safeguards which are in place to ensure adequate supply of land is available in Enfield and in our partner North London Boroughs to manage the waste arisings.

50. The NLWP however only identifies Eley's Estate as a potential area of search for new waste management facilities in Enfield. This estate is not owned by the Council. Without an adopted Plan the rest of Enfield's Industrial land may be deemed suitable for future waste proposals which would limit the Council's ability to effectively manage its controlled land for other uses.

51. The NWLP will nevertheless impact adversely upon the quantum of development permissible on the Council's joint venture regeneration scheme

with developers, HBD, on the Montagu Industrial estate. This will reduce the financial and wider economic benefits to the Council, as landowner, which a more comprehensive form of regeneration would have delivered in the absence of the plan. It is nevertheless accepted that in the wider planning context, the NLWP is required.

Procurement Implications

52. The development of the NLWP is out of scope of the Contract Procedure Rules (CPRs) and the Public Contract Regulations.

53. Any projects that arise as a development of this plan must be procured in accordance with the CPR’s and the PCR’s.

Other Implications

54. If the NLWP is not adopted by the Council, Enfield will continue to operate without a Plan. Due to its statutory obligation to produce a waste plan, the Council would then have to proceed with evidencing, writing and adopting Enfield’s own waste related development plan. This would be a significant cost and resource burden which the Council has not budgeted or planned for. The production of a ‘sound’ development plan would in any case require neighbouring boroughs to collaborate in order to develop consistent policies and proposals in line with the legal requirement of ‘duty to cooperate’.

Options and Alternatives Considered

55. There is a legal requirement for the Council to draw up a waste management plan and the Council’s adopted Core Strategy provides that this will be prepared jointly with partners across North London. The need to plan for waste is an important statutory requirement. The EU Waste Framework Directive (now the Waste (Circular Economy) (Amendment) Regulations 2020) requires waste planning authorities to have waste management plans in place.

Conclusions

56. After a very lengthy process, the NLWP has now been independently examined by a Planning Inspector appointed by the Secretary of State and is now ready for adoption. If adopted, it will form part of the statutory Development Plan for all seven boroughs, including crucially, Enfield.

57. Cabinet is asked to 1) agree the modifications put forward by the Inspector in his report (Appendix B) and 2) refer the NLWP (Appendix C) to the Council meeting on 13 July 2022 for adoption to become part of the statutory Development Plan for the borough.

Report Author: May Hope
Plan Making Manager

020 8132 2466

Date of report: 30 May 2022

Appendices

Appendix A - Inspector’s Report on the North London Waste Plan
Appendix B – Main Modifications Appendix
Appendix C – North London Waste Plan – adoption version
Appendix D – NLWP EqIA – January 2019
Appendix E – NLWP EqIA – December 2021

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nlwp
north london waste plan

Equality Impact Assessment

January 2019

Proposed submission
North London Waste Plan

This document is part of the North London Waste Plan. If you require assistance with translation, please tick this box, add your name and address in the box at the bottom of this form and return to the address shown.

Albanian ☐ Ky dokument është pjesë e Planit të Mbeturinave të Londrës Veriore. Në qoftë se ju duhet ndihmë me përkthimin, lutemi shënoni (tick) këtë kuti, shkruani emrin dhe adresën tuaj tek kutia në fund të këtij formulari dhe dërgojeni tek adresa e dhënë.

Arabic ☐ هذه الوثيقة هي جزء من وحدة نفايات شمال لندن. إن كنت بحاجة إلى ترجمة، ضع إشارة في الإطار المربع وأضف اسمك وعنوانك في الإطار المربع في أسفل هذه الاستمارة وأرسلها على العنوان المبين.

Bengali ☐ এই দলিলটি (ডকুমেন্ট) 'নর্থ লন্ডন ওয়েস্ট প্ল্যানে'এর একটি অংশ। উক্ত দলিলটির অনুবাদের জন্য যদি আপনার কোন সহায়তার দরকার হয়, তাহলে দয়া করে এই বাক্সটিতে টিক দিন, তারপর এই ফর্মের নিচের দিকে দেওয়া বাক্সে আপনার নাম ও ঠিকানা লিখে ফর্মটি প্রদত্ত ঠিকানায় ফেরত পাঠিয়ে দিন।

Chinese ☐ 本文件是北倫敦廢物規劃的一部分。如果您需要翻譯方面的幫助，請在上面的小方格裏打鉤號，並在本表格底部的方格裏填上您的名字和地址，把表格寄到指定地址。

French ☐ Ce document fait partie du Programme de Gestion des Déchets du Nord de Londres. Si vous avez besoin d’une traduction, vous êtes prié de cocher cette case, d’inscrire votre nom et adresse dans la case au bas de ce formulaire et de nous le retourner à l’adresse indiquée.

Greek ☐ Αυτο το εγγραφο είναι μέρος, του Σχεδιου Αποβλητων του Βορειου Λονδινου στην εκθεση ζητηματων και επιλο–γων του σχεδιου. Αν χρειαζεστε βοηθεια με την μεταφραση του, παρακαλω βαλτε τικ σεαυτ ο το τετραγωνο, προσθεστε το ονομα και την διευθυνση σας στο κουτακι που βρισκεται στο κατω μερος αυτης της αιτησης και επιστρεψετε την στην διευθυνση που δινεται

Gujarati ☐ આ દસ્તાવેજ નોર્થ વેસ્ટ લંડન પ્લાનનો હિસ્સો છે. જો તમને તેના ભાષાંતરમાં સહાયતા જોઈતી હોય, તો કૃપા કરીને આ ખાનામાં ટિકની નિશાની કરો. આ ફોર્મમાં નીચે આપેલા ખાનામાં તમારું નામ અને સરનામું લખો અને તેમાં બતાવેલા સરનામે તે પાછું મોકલી આપો.

Punjabi ☐ ਇਹ ਦਸਤਾਵੇਜ਼ ਨੋਰਥ ਲੰਡਨ ਵੇਸਟ ਪਲੈਨ ਦਾ ਇਕ ਹਿੱਸਾ ਹੈ। ਜੇਕਰ ਤੁਹਾਨੂੰ ਇਸਦੇ ਅਨੁਵਾਦ ਵਾਸਤੇ ਮਦਦ ਦੀ ਲੋੜ ਹੈ ਤਾਂਕ੍ਰਿਪਾ ਕਰਕੇ ਇਸ ਖਾਨੇ ਨੂੰ ਟਿੱਕ ਕਰੋ, ਅਤੇ ਇਸ ਫ਼ਾਰਮ ਦੇ ਥੱਲੇ ਦਿੱਤੇ ਖਾਨੇ ਵਿਚ ਆਪਣਾ ਨਾਮ ਅਤੇ ਪਤਾ ਲਿਖੋ ਅਤੇ ਦਿੱਤੇ ਹੋਏ ਪਤੇ 'ਤੇ ਵਾਪਸ ਭੇਜ ਦਿਓ।

Polish ☐ Niniejszy dokument jest częścią raportu dotyczącego kwestii i możliwości Projektu Zagospodarowania Odpadów w Północnym Londynie (North London Waste Plan). Jeśli potrzebujesz pomocy w zakresie tłumaczenia, zaznacz powyższą kratkę, wpisz swoje imię, nazwisko i adres w puste pole w dolnej części formularza i odeślij pod wskazany adres.

Somali ☐ Warqaddani waxay qeyb ka tahay qorshaha qashinka ee woqooyiga London. Haddii aad u baahantahay taageero xaga tarjumaada ah, fadlan calaamadee sanduuqan, raaci magacaaga iyo cinwaankaaga sanduuqa ku yaal foomkan hoostiisa kuna soo celi cinwaanka ku qoran.

Spanish ☐ Este documento forma parte del plan de desechos del norte de Londres [*North London Waste Plan*]. En caso de requerir traducción, marque esta casilla y escriba su nombre y dirección en el recuadro que aparece en la parte inferior de este formulario y envíelo a la dirección que se indica.

Turkish ☐ Bu belge, Kuzey Londra Atık Planı'nın bir parçasıdır. Tercümeyle ilgili yardıma gereksinim duyarsanız, lütfen bu kutuyu işaretleyin ve bu formun sonundaki kutuya adınızı, soyadınızı ve adresinizi yazdıktan sonra belirtilen adrese gönderin.

یہ دستاویز نارتھ لندن ویسٹ پلان کا حصہ ہے۔ اگر آپ کو ٹرانسلیشن میں مدد کی ضرورت ہے تو مہربانی فرما کر اس خانے میں ٹک کریں، اور اس فارم کے نیچے خانے میں اپنا نام اور ایڈریس لکھیں اور دیئے گئے ایڈریس پر واپس بھیج دیں۔ ☐ **Urdu**

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Equality Impact Assessment

Pro Forma for the Initial Assessment

Name of the Document to be assessed:

North London Waste Plan (NLWP) Publication (Pre-Submission) Draft

Completed By:

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Date Completed:	27.09.18

Signed off by:

Name:	Carolyn Williams
Position:	Group Leader (Minerals and Waste)
Date signed off: (approved)	27.09.18

Date on which the document and EQIA is to be reviewed Submission (Regulation 22

1. Purpose of the EQIA

This Equalities Impact Assessment (EqIA) has been undertaken to investigate the implications of the emerging NLWP and complement the ongoing sustainability appraisal process.

The purpose of an EqIA is to ensure that policies and strategies do not discriminate against specific target groups and, where possible, contribute to improving the lives of local communities. It is a systematic process which considers the needs of each target group and is, in effect similar to undertaking a risk assessment.

It is a two stage process. The first stage is a screening stage of the assessment process. Screening identifies the positive and negative impact of the policy or strategy on the equality target groups and identifies gaps in knowledge. If any negative effects of high significance are indentified then a more detailed second stage assessment will be undertaken focusing on the significant negative impacts and identifying possible mitigation scenarios. Consultation with stakeholders and members of the equality target groups is undertaken during both phases.

Legislation

Legislation relating to equality and diversity has been in existence for many years. Recently much of the existing equality legislation was brought together and strengthened under the Equality Act 2010[1]. The Act sets out nine protected characteristics which cannot be used as a reason to treat people unfairly (these are listed in the appendix). The Act sets out the different ways in which it is unlawful to treat people such as direct and indirect discrimination, harassment and victimisation. The act prohibits unfair treatment in the workplace; when providing services; and exercising public functions. The act came into force on 1 October 2010.

The Public Sector Equality Duty commenced in April 2011, which requires public bodies to consider all individuals in shaping policy, delivering services, and in relation to their own employees. It requires public bodies to have regard to the need to eliminate discrimination, advance equality of opportunity, and foster good relations between different people

[1] Further details available at the Equality and Human Rights Commission website (https://www.equalityhumanrights.com/en/advice-and-guidance/public-sector-equality-duty)

2. Equality Target Groups

For the purpose of this assessment, the following equality areas have been considered:

Race
Disability
Gender including gender reassignment
Sexual Orientation
Religion and Belief
Age
Socio-economic
People who are pregnant or subject to maternity legislation
People with dependents and caring responsibilities

It is recognised however that many of these equality target groups may overlap and have similar needs and/or be subject to similar prejudices.

The target groups are based on those adopted in the regional guidance written by Transport for London (TfL) and the Greater London Authority (GLA) and other functional bodies. It also pays due regard to the Public Sector Equality Duty. The identified groups are also reflected in the available EqIA guidance of the London Borough's within the plan area. They are considered suitable to reflect the diverse population within the seven London Boroughs.

It is considered that the impacts and the benefits of waste management facilities are felt on a local, geographical basis. The analysis is therefore mainly a spatial one, concentrating especially on the geographical distribution of the above equality groups in North London. This analysis will help develop an understanding of whether the potential impacts of waste management facilities could be greater with regard to the equality groups.

3. The North London Waste Plan (NLWP)

The NLWP is at the Proposed Submission stage (Regulation 19). It has been prepared following consideration of responses received to the consultation on the draft NLWP (Regulation 18) which took place in 2015. Consultation on the draft NLWP provided an opportunity for stakeholders and communities to comment on the plan and proposed policies. A report on the outcomes of this consultation is available to view on the NLWP website[2].

Six two-part public consultation events were held from 2nd September to 11th September 2015 consisting of both facilitated afternoon workshops requiring registration and evening drop-in sessions. These took place in each North London Borough, with the exception of Islington which co-hosted a combined event in Camden close to the borough boundary and Enfield which held one evening drop in session due to lack of attendance at the afternoon workshop.

An additional meeting was scheduled in Hackney specifically concerning the suitability of the Theydon Road area identified in the previous consultation draft for the development of waste management facilities. The purpose of these events was to seek views from residents and interested parties on development management policies, sites and areas set out in the draft

Evidence gathering to inform the preparation of the NLWP has been underway since April 2013. The draft Plan consulted on in 2015 was accompanied by a number of evidence base documents and supporting work. In preparing the Proposed Submission Plan, updates have been undertaken to the data studies that provide the main body of evidence that has informed the approach set out in the Plan.

The Proposed Submission Plan is the version of the NLWP that the Boroughs intend to submit to the Secretary of State for examination. It is being published to allow the opportunity for stakeholders and communities to submit representations on the soundness and legal and procedural compliance of the Proposed Submission Plan.

Representations made during consultation on the Proposed Submission Plan will be considered and any proposed changes will be submitted to the Inspector for examination along with supporting documents.

[2] Further details available at the following website link http://www.nlwp.net/

Once the Plan is submitted, an independent Inspector will be appointed (on behalf of the Secretary of State) to examine whether the NLWP meets the required legal and soundness tests, including duty to co-operate and procedural requirements.

The aim of the North London Waste Plan (NLWP) is to: *"To achieve net self-sufficiency for LACW, C&I and C&D waste streams, including hazardous waste, and support a greener London by providing a planning framework that contributes to an integrated approach to management of materials further up the waste hierarchy. The NLWP will provide sufficient land for the sustainable development of waste facilities that are of the right type, in the right place and provided at the right time to enable the North London Boroughs to meet their waste management needs throughout the plan period".*

The objectives of the draft NLWP are as follows:

SO1. To support the movement of North London's waste as far up the waste hierarchy as practicable, to ensure environmental and economic benefits are maximised by utilising waste as a resource:
Met through Policies 2, 4, 6, 7 and 8

SO2. To ensure there is sufficient suitable land available to meet North London's waste management needs and reduce the movements of waste through safeguarding existing sites and identifying locations for new waste facilities:
Met through Policies 1, 2, 3, 4, 7 and 8

SO3. To plan for net self-sufficiency in LACW, C&I, C&D waste streams, including hazardous waste, by providing opportunities to manage as much as practicable of North London's waste within the Plan area taking into account the amounts of waste apportioned to the Boroughs in the London Plan, and the requirements of the North London Waste Authority:
Met through Policies 1, 2, 3, 4, and 8

SO4. To ensure that all waste developments meet high standards of design and build quality, and that the construction and operation of waste management facilities do not cause unacceptable harm to the amenity of local residents or the environment:

Met through Policy 5

SO5. To ensure the delivery of sustainable waste development within the Plan area through the integration of social, environmental and economic considerations:
Met through Policies 2, 5 and 7

SO6. To provide opportunities for North London to contribute to the development of a low carbon economy and decentralised energy:
Met through Policy 6

SO7. To support the use of sustainable forms of transport and minimise the impacts of waste movements including on climate change:
Met through Policy 5

SO8. To protect and, where possible, enhance North London's natural environment, biodiversity, cultural and historic environment:
Met through Policy 5

The NLWP sets out the planning framework for the management of North London's waste. The purpose of the plan is to ensure there will be adequate provision of waste management facilities of the right type, in the right place and at the right time up to 2035 to manage this waste.

Who defined the terms/scope of the document? (e.g. central or regional government/ Stakeholders/Consultation)

The broad scope for the NLWP is determined by Government Guidance in the National Planning Policy for Waste (NPPW), The National Planning Policy Framework, the Waste Management Plan for England and National Policy Statements for Waste Water and Hazardous Waste, and any successor documents. The scope is also defined by the Mayor's London Plan as Local Plan documents are required to be in general conformity with this.

The duty to co-operate was introduced by the Localism Act 2011. Local planning authorities are now required to formally co-operate with other local planning authorities and bodies prescribed in the Town and Country Planning (Local Planning) (England) Regulations 2012 on strategic matters. These are defined as matters relating to the sustainable development or use of land that would have a significant impact on at least two local planning authorities or on a planning matter that falls within the remit of a county council, for example waste and minerals planning. The duty requires local planning authorities and other public bodies to engage constructively, actively and on an ongoing basis to develop strategic policies. Meeting the requirements of the duty to co-operate is a key part of the plan making process for the NLWP and the North London Boroughs are working closely with other waste planning authorities that are critical for the delivery of an effective waste strategy for North London.

In addition, the North London Boroughs are working closely with the London Legacy Development Corporation (LLDC) to plan for waste within the areas of Hackney and Waltham Forest which fall under the jurisdiction of the LLDC. An agreement for the working relationship between the North London Boroughs and the LLDC has been drawn up. This agreement, or Memorandum of Understanding, identifies the Sites and Areas suitable for waste within the Hackney and Waltham Forest parts of the LLDC area.

Engagement and consultation does not end with the duty to co-operate. The North London Boroughs are also seeking views from other bodies, organisations and residents throughout the plan-making process and the framework for this is set out in the NLWP Consultation Protocol. Other consultees include the Waste Disposal Authority (North London Waste Authority or NLWA). The NLWA is responsible for managing the waste collected by the north London boroughs, in particular household waste. The NLWP is required to ensure there is adequate provision for the disposal and recovery of this waste.

The policies within the NLWP have been developed in partnership with a number of consultees and stakeholders through consultation exercises and continued community involvement. Full details on the consultation process are available through the Consultation Report that accompanies the Proposed Submission Plan.

Is the document directed or influenced by another policy controlled by the Councils?

The North London Waste Plan (NLWP) will sit within the suite of local planning policy documents of each of the seven North London Boroughs and will also facilitate the delivery of the Joint Municipal Waste Management Strategy

(JMWMS) prepared by the North London Waste Authority (NLWA). Each of the seven Boroughs has an adopted Core Strategy or Local Plan in place containing an overarching policy on sustainable waste management. Each of these policies provides the local strategic policy for the development of the NLWP. The NLWP will provide the planning framework alongside detailed guidance for waste development across the seven Boroughs.

Are there any other Council services or external agencies who share responsibility for the document?
Who implements the policy and who is responsible for it?
(i) the responsibilities which the Councils holds and
(ii) the responsibilities held by other bodies (public, private or 'other')

Local Planning Authorities are responsible for monitoring the Plan and ensuring decisions on planning applications are made in line with the Waste Plan, their individual Local Plan and other Development Plan or Supplementary Planning Documents. Once adopted, the NLWP will form part of the Local Plan for each Borough.

Landowners have a role in putting forward suitable suites for waste management proposals.

The Waste industry has the role of initiating, constructing and operating sites for waste management in accordance with the NLWP.

The Environment Agency has role in regulating the operation of waste management developments in terms of regulating groundwater quality through abstraction and discharge permits, permitting waste sites and monitoring waste permits. They are also responsible for managing information on waste entering and leaving permitted sites.

The North London Waste Authority are responsible for managing the disposal of Local Authority Collected Waste (LACW) in North London.

4. Overview of the NLWP Area

Population

The area covered by the NLWP encompasses seven London Boroughs - Barnet, Camden, Enfield, Hackney, Haringey, Islington and Waltham Forest. The North London area is one of the most densely populated areas in the UK. Recent statistics[3] show that the population has risen from 1.64 million in 2002 to an estimated 2.03 million in 2017 and that the population continues to grow at a rate above the national average.

All of the Boroughs saw an increase in population between 2002 and 2017. Population increases have varied from around 18.5% growth in Enfield to just over 30% in Hackney and Islington over the 25 year time period. The highest density is in the inner London boroughs of Islington, Hackney and Camden, closely followed by Haringey. Waltham Forest, Barnet and Enfield are the least densely populated of the North London Boroughs, however these Boroughs are substantially more densely populated than the rest of the country. Barnet and Enfield have a population density that is less than the average of London.

Hackney, Islington, Haringey, and Waltham Forest are ranked within the 30 most deprived areas in the country[4]. The indices of deprivation are based on income; employment; health and disability; education, skills and training; barriers to housing and services; living environment; and crime.

Ethnic Diversity

The latest survey data (2017) shows that the majority of people in the seven North London Boroughs gave their ethnic origin as White (Table 1). Five of the Boroughs had Asian populations above 10% with Barnet and Waltham Forest having the greatest percentage share. In terms of people identifying themselves as Black, five of the Boroughs had populations above 10% with Hackney and Waltham Forest featuring the greatest proportions[5].

[3] Office for National Statistics – Mid Year Population Estimates (2017)
[4] MHCLG Indices of Deprivation (2015) https://data.london.gov.uk/dataset/indices-of-deprivation-2015
[5] Data from Office for National Statistics Annual Population Survey (https://data.london.gov.uk/dataset/ethnic-groups-borough)

Table 1 – Ethnicity

Borough	White	Asian	Black	Mixed/ Other	Total
Barnet	68.7%	14.9%	3.6%	12.8%	100%
Camden	62.4%	12.8%	8.8%	16.0%	100%
Enfield	64.6%	12.2%	14.0%	9.2%	100%
Hackney	54.5%	10.5%	17.3%	17.7%	100%
Haringey	66.9%	6.8%	14.4%	11.9%	100%
Islington	64.5%	7.7%	11.1%	16.7%	100%
Waltham Forest	56.0%	14.8%	16.2%	13.4%	100%

Source: Office for National Statistics Annual Population Survey

Religion

The Christian faith is the highest represented faith in all of the seven North London Boroughs. In Barnet, the second most popular faith is Jewish but in all the other boroughs, the Muslim faith represents the second highest faith group[6] .

Health

Life expectancy for females across the seven North London Boroughs is higher than the average for England based on statistics for a rolling average over the period 2012-2014[7]. For males living in Barnet, Enfield, Camden and Haringey, life expectancy is higher than the average for England.

Disability

In the UK it is thought that approximately 15% of the population could be defined as Disabled under the Disability Discrimination Act. A limiting long term illness incorporates health problems and disabilities which limit daily activities. Table 2 below shows the number of people with Long-Term Health problems or Disability nationally, within London and within the seven North London Boroughs.

[6] Data from Census (2011) https://data.london.gov.uk/dataset/percentage-population-religion-borough
[7] Office for National Statistics https://data.london.gov.uk/dataset/life-expectancy-birth-and-age-65-borough

Table 2: People with a Long-Term Health Problem or Disability [8]

	Day-to-day activities limited a lot	Day-to-day activities limited a little	Day-to-day activities not limited
	Persons	Persons	Persons
	Percentage	Percentage	Percentage
Camden	7.0	7.4	85.6
Hackney	7.3	7.2	85.5
Haringey	6.8	7.2	86.0
Islington	8.0	7.6	84.3
Barnet	6.6	7.4	86.0
Enfield	7.3	8.1	84.6
Waltham Forest	6.9	7.6	85.4
London	**6.7**	**6.9**	**86.4**

Source: Census (2011)

Age

London has lower proportions of older age groups than average across the UK, a trend that has continued since 2001.This is because the people who have moved into London over the last few decades have tended to be young people, whilst those that have moved out have tended to be people reaching retirement. Although the number of persons aged 65 and over in London increased slightly from 892,000 in 2001 to 905,000 in 2011, the proportion of persons aged 65 and over made up only 11.1 per cent of London's population in 2011 (down from 12.4 per cent in 2001). So, although the older population is growing, it is growing at a slower rate to the other age groups and in relative terms makes up a smaller proportion of the total.

Table 3 below shows the average median age for the seven North London Borough's over the time period mid-2001 to mid-2017[9]. The table demonstrates that all of the seven North London Boroughs have younger age profile compared to England; and with the exception of Barnet and Hackney, exhibit a median age lower than the average for London as a whole.

[8] Data from Census (2011) https://data.london.gov.uk/dataset/2011-census-health-care
[9] Office for National Statistics – Mid Year Population Estimates (2017)

Table 3: Average Median Age (mid 2001 – mid 2017)

Borough	Average Median Age (years)	
	Mid 2017	**Mid 2001**
Barnet	36.8	35.4
Camden	34.0	32.4
Hackney	35.8	35.6
Haringey	32.7	31.6
Islington	35.0	32.4
Enfield	32.1	32.7
Waltham Forest	34.5	33.2
London	35.1	34.0
England	39.8	37.8

Source: ONS Mid-Year Estimates (2017)

Table 4 sets out the resident population of the north London Boroughs by broad age band in % along with the national and regional averages[10].

Table 4: resident population by broad age band in %

	0-15 years	16-24 years	25-49 years	50-64 years	65+ years
Camden	17.5%	12.9%	43.6%	14.2%	11.9%
Hackney	20.8%	9.8%	49.3%	12.7%	7.4%
Haringey	20.1%	10.5%	44.2%	15.4%	9.8%
Islington	16.0%	14.7%	47.2%	13.3%	8.8%
Barnet	21.4%	9.8%	38.3%	16.3%	14.2%
Enfield	22.8%	10.5%	36.7%	17.0%	13.0%
Waltham Forest	22.1%	10.0%	42.3%	15.2%	10.5%
London	**20.5%**	**10.5%**	**41.5%**	**15.7%**	**11.8%**

Source: ONS Mid-Year Estimates (2017)

Employment

Waltham Forest and Islington have the highest levels in terms of employment rate amongst those persons aged 16 to 64 (Table 5). Both are higher than the rate for England and London as a whole. Conversely, Hackney, Haringey, Enfield and Camden have lower employment rates for the16-64 year olds compared to the average for London.

[10] Office for National Statistics – Mid Year Population Estimates (2017)

Table 5: Employment Rate (16-64 year olds) 2004 - 2017

	2004	2017
Barnet	70.5	74.9
Camden	67.8	66.4
Enfield	69.4	68.7
Hackney	56.1	73.1
Haringey	57.6	68.0
Islington	62.7	77.0
Waltham Forest	62.1	78.1
London	68.1	74.0
England	72.8	75.1

Source: ONS, Annual Population Survey

5. Who is Likely to be affected by the NLWP

Waste affects most people's lives in some way. Waste is produced by residents, communities and businesses and the NLWP intends to plan for dealing with this waste. The NLWP is a strategic level document that is concerned with strategic waste planning policies and the identification of sites based on planning merit. It is primarily concerned with the type and quantum of waste generated in the plan area and the land and facilities to manage it.

Existing waste management sites form an important part of the strategic waste plan for north London and are safeguarded for waste use through NLWP Policy 1. These sites have developed over decades outside of a strategic plan for waste, and in locations which may have been suitable for waste uses but which did not create an even geographical spread across North London. Most of the existing sites are to the east of the area in the Lee Valley corridor.

The NLWP is underpinned by an aim to achieve net self-sufficiency for LACW, C&I, C&D waste streams, including hazardous waste. This will be achieved by identifying enough land in North London suitable for the development of waste management facilities to manage the equivalent of 100% of this waste arising in North London. The objective is to reduce movements of waste, including waste exports, and increase the amount of waste managed in proximity to its source.

As well as the existing waste sites, the NLWP identifies a number of areas to meet future waste needs throughout the Plan period to 2035 and these have equal status in the delivery of the NLWP. The areas identified can comprise a number of individual plots of land, for example, an industrial estate or employment area that are in principle suitable for waste use but where land is not safeguarded for waste. There are three specific reasons for following this approach. The (NPPW) and draft London Plan endorse the identification of “sites and/or areas” in Local Plans. The National Planning Practice Guidance (NPPG) adds that waste planning authorities in London will need to “plan for the delivery of sites and areas suitable for waste management”.

In preparing the Proposed Submission version of the NLWP, and deciding which sites and areas to take forward, the North London Boroughs took into account a number of factors including national and regional policy, the aims of the NLWP and consultation responses on the Draft Plan, including issues raised around deliverability and other constraints. Further work was undertaken to gather and assess any additional information on the proposed sites and areas received during the consultation or as a result of new data being published.

The North London Boroughs developed a range of reasonable options for managing North London’s waste leading to the selection of the preferred strategy. The scenarios considered looked at a range of options for recycling from maintaining the status quo to seeking to maximise opportunities for recycling in line with the targets set out in the Proposed Submission version of the Plan, the latter option being the most popular option and taken forward. An Options Appraisal Report (2018) has been prepared which provides more detail on each of the options considered and provides information on the different scenarios including how much waste would be generated over the plan period (incorporating economic and population growth assumptions), how much waste could be managed within North London (capacity strategy), and how this waste should be managed (management strategy) for each of the options considered.

Any potential use listed within the NLWP as potentially suitable within the areas has been subject to consideration against the full suite of relevant planning policies/guidance as outlined in the NLWP and will be assessed with regards to local circumstances as part of the planning application process.

The area selection process also took into account the proximity of sensitive receptors (such as schools and hospitals), thereby helping to minimise the impact on vulnerable sections of the community. Implementation of the policies and proposals should not lead to unacceptable adverse effects on different communities.

The majority of the areas are located to the east of the area in the Lee Valley corridor. This reflects the nature of boroughs which vary throughout North London with some boroughs better equipped to deliver suitable waste sites/areas than others. The geography of North London clearly influences the spread of waste sites. For example, some areas such as the green belt in the north are unsuitable for built waste facilities, while larger and co-located facilities are likely located at sites away from urban centres and sensitive receptors.

The areas being put forward are therefore considered to be in the most suitable, sustainable and deliverable locations in North London for new waste management facilities when assessed against the environmental, economic and social factors and the spatial strategy.

Policies are also proposed in the Plan. All planning applications for waste uses will be assessed against the NLWP policies and other relevant policies in the development plan and any associated Supplementary Documents (SPDs)/guidance. Any proposals for waste development will be expected to take account of the full suite of relevant policies and guidance. The policies have been developed with reference to regional and local policies as well as national policy and guidance, in particular the National Planning Policy Framework (NPPF), National Planning Policy for Waste (NPPW) and National Planning Practice Guidance (NPPG).

The policies will help deliver the NLWP's aim and objectives, spatial strategy and the Provision for North London's Waste to 2035. The policies are:

- Policy 1: Existing waste management sites
- Policy 2: Locations for new waste management facilities
- Policy 3: Windfall Sites
- Policy 4: Re-use & Recycling Centres
- Policy 5: Assessment Criteria for waste management facilities and related development
- Policy 6: Energy Recovery and Decentralised Energy
- Policy 7: Waste Water Treatment Works and Sewage Plant
- Policy 8: Control of Inert Waste

Consideration has also been given to the environmental, economic and social objectives of the Plan through the Sustainability Appraisal process. This has ensured that that there is no preference to, or neglect of, any specific groups as part of the Plan process.

It is considered that the following groups/individuals will benefit from the NLWP:

- Local communities living within the seven North London Boroughs as producers of waste;
- Local communities living outside of the seven North London Boroughs through protection of amenity, protection of the existing environment and through improvements to the environment and through greater provision leading to net self sufficiency;
- The Waste Industry through better information as to which proposals would be approved, as the Plan is intended to guide development; and
- Businesses and job seekers at both construction and end user stages of waste development.

What factors could contribute / detract from the outcomes?

The main factor is a potential lack of implementation of the approach set out in the Plan. Progress of the NLWP will be monitored annually. This will highlight the performance of all policies and allocations and include recommended actions where targets are not met.

6. Initial Screening Form (ISF)

Equality Strand	Differential Impact - Please justify and explain your answer 'YES' or 'NO' Please state any National/Local evidence including any previous or new consultation undertaken to support and justify your claims around differential impacts. If there is limited evidence we **strongly recommend** undertaking consultation Please note – if you identify a differential impact it may be advantageous to discuss whether this impact is also negative and record your findings in the next box If no differential impact is identified there will be NO negative impact	Negative Impact - Please justify and explain your answer 'YES' or 'NO' This can include research, evidence, and, or consultation undertaken when identifying differential impacts.	Can the negative impact be reduced on the grounds of promoting equality of opportunity for another group or for any other reason? When the answer is 'YES', there is a negative impact against one of the equality strands, please explain whether this negative impact can be reduced on the grounds of promoting equality of opportunity for another group or for any other reason?
Race	**No** A wide selection of community groups live within the urban areas, therefore the allocation of waste management sites in the proposed locations does not discriminate against any particular section of the community. The selection of proposed areas for potential waste facilities has taken into account the proximity of sensitive receptors (such as schools and hospitals), thereby helping to minimise the impact on vulnerable sections of the community. Therefore implementation of the policies and proposals should not lead to unacceptable adverse effects on different communities. Waste facilities can also provide employment opportunities both during construction and operation phase, which may be beneficial to all target groups in all Boroughs. The consultations throughout the development of the NLWP have gathered the views of the local community and other relevant stakeholders. Documents have been made as widely available as possible to enable all sectors of the community to comment. Comments were received about the draft Plan (Regulation 18 Stage) that noted the proximity of certain proposed sites and areas to residential areas. These focussed on the general aspect of concerns about waste management facilities and their perceived impact on residential areas and did not highlight any specific equality issues.	**No**	**N/A**

Disability	**No** A wide selection of community groups live within the urban areas, therefore the allocation of waste management sites in the proposed locations does not discriminate against any particular section of the community. The selection of proposed areas for potential waste facilities has taken into account the proximity of sensitive receptors (such as schools and hospitals), thereby helping to minimise the impact on vulnerable sections of the community. Therefore implementation of the policies and proposals should not lead to unacceptable adverse effects on different communities. Waste facilities can also provide employment opportunities both during construction and operation phase, which may be beneficial to all target groups in all Boroughs. The consultations throughout the development of the NLWP have gathered the views of the local community and other relevant stakeholders. Documents have been made as widely available as possible to enable all sectors of the community to comment. Comments were received about the draft Plan (Regulation 18 Stage) that noted the proximity of certain proposed sites and areas to residential areas. These focussed on the general aspect of concerns about waste management facilities and their perceived impact on residential areas and did not highlight any specific equality issues.	**No**	**N/A**
Gender (including gender reassignment)	**No** A wide selection of community groups live within the urban areas, therefore the allocation of waste management sites in the proposed locations does not discriminate against any particular section of the community. The selection of proposed areas for potential waste facilities has taken into account the proximity of sensitive receptors (such as schools and hospitals), thereby helping to minimise the impact on vulnerable sections of the community. Therefore implementation of the policies and proposals should not lead to unacceptable adverse effects on different communities. Waste facilities can also provide employment opportunities both during construction and operation phase, which may be beneficial to all target groups in all Boroughs. The consultations throughout the development of the NLWP have gathered the views of the local community and other relevant stakeholders. Documents have been made as widely available as possible to enable all sectors of the community to comment. Comments were received about the draft Plan (Regulation 18 Stage) that noted the proximity of certain proposed sites and areas to residential areas. These focussed on the general aspect of concerns about waste management facilities and their perceived impact on residential areas and did not highlight any specific equality issues.	**No**	**N/A**

Sexual Orientation	**No** A wide selection of community groups live within the urban areas, therefore the allocation of waste management sites in the proposed locations does not discriminate against any particular section of the community. The selection of proposed areas for potential waste facilities has taken into account the proximity of sensitive receptors (such as schools and hospitals), thereby helping to minimise the impact on vulnerable sections of the community. Therefore implementation of the policies and proposals should not lead to unacceptable adverse effects on different communities. Waste facilities can also provide employment opportunities both during construction and operation phase, which may be beneficial to all target groups in all Boroughs. The consultations throughout the development of the NLWP have gathered the views of the local community and other relevant stakeholders. Documents have been made as widely available as possible to enable all sectors of the community to comment. Comments were received about the draft Plan (Regulation 18 Stage) that noted the proximity of certain proposed sites and areas to residential areas. These focussed on the general aspect of concerns about waste management facilities and their perceived impact on residential areas and did not highlight any specific equality issues.	**No**	**N/A**
Religion and Belief	**No** A wide selection of community groups live within the urban areas, therefore the allocation of waste management sites in the proposed locations does not discriminate against any particular section of the community. The selection of proposed areas for potential waste facilities has taken into account the proximity of sensitive receptors (such as schools and hospitals), thereby helping to minimise the impact on vulnerable sections of the community. Therefore implementation of the policies and proposals should not lead to unacceptable adverse effects on different communities. Waste facilities can also provide employment opportunities both during construction and operation phase, which may be beneficial to all target groups in all Boroughs. The consultations throughout the development of the NLWP have gathered the views of the local community and other relevant stakeholders. Documents have been made as widely available as possible to enable all sectors of the community to comment. Comments were received about the draft Plan (Regulation 18 Stage) that noted the proximity of certain proposed sites and areas to residential areas. These focussed on the general aspect of concerns about waste management facilities and their perceived impact on residential areas and did not highlight any specific equality issues.	**No**	**N/A**

Age	**No** A wide selection of community groups live within the urban areas, therefore the allocation of waste management sites in the proposed locations does not discriminate against any particular age groups. The selection of proposed areas for potential waste facilities has taken into account the proximity of sensitive receptors (such as schools and hospitals), thereby helping to minimise the impact on vulnerable sections of the community. Therefore implementation of the policies and proposals should not lead to unacceptable adverse effects on different communities. Waste facilities can also provide employment opportunities both during construction and operation phase, which may be beneficial to all target groups in all Boroughs. The consultations throughout the development of the NLWP have gathered the views of the local community and other relevant stakeholders. Documents have been made as widely available as possible to enable all sectors of the community to comment. Comments were received about the draft Plan (Regulation 18 Stage) that noted the proximity of certain proposed sites and areas to residential areas. These focussed on the general aspect of concerns about waste management facilities and their perceived impact on residential areas and did not highlight any specific equality issues.	**No**	**N/A**

Socio-economic	**No** A wide selection of community groups live within the urban areas, therefore the allocation of waste management sites in the proposed locations does not discriminate against any particular socio-economic groups. The selection of proposed areas for potential waste facilities has taken into account the proximity of sensitive receptors (such as schools and hospitals), thereby helping to minimise the impact on vulnerable sections of the community. Therefore implementation of the policies and proposals should not lead to unacceptable adverse effects on different communities. Waste facilities can also provide employment opportunities both during construction and operation phase, which may be beneficial to all target groups in all Boroughs. The main opportunity of a new waste management facility is to contribute to the urban regeneration of an area. In particular, facilities can stimulate the local economy by creating markets and providing heat from the waste to the local community and local businesses. Sustainability Objective 1 seeks to protect people health, communities and local environmental quality from the adverse effects of waste management facilities which may help improve health inequalities and multiple deprivation. The consultations throughout the development of the NLWP have gathered the views of the local community and other relevant stakeholders. Documents have been made as widely available as possible to enable all sectors of the community to comment. Comments were received about the draft Plan (Regulation 18 Stage) that noted the proximity of certain proposed sites and areas to residential areas. These focussed on the general aspect of concerns about waste management facilities and their perceived impact on residential areas and did not highlight any specific equality issues.	**No**	**N/A**

People who are pregnant or subject to maternity legislation	**No** A wide selection of community groups live within the urban areas, therefore the allocation of waste management sites in the proposed locations does not discriminate against any particular socio-economic groups. The selection of proposed areas for potential waste facilities has taken into account the proximity of sensitive receptors (such as schools and hospitals), thereby helping to minimise the impact on vulnerable sections of the community. Therefore implementation of the policies and proposals should not lead to unacceptable adverse effects on different communities. Waste facilities can also provide employment opportunities both during construction and operation phase, which may be beneficial to all target groups in all Boroughs Sustainability Objective 10 relates to protecting improving air, water and soil quality which may have particular benefits for pregnant members of the community. The consultations throughout the development of the NLWP have gathered the views of the local community and other relevant stakeholders. Documents have been made as widely available as possible to enable all sectors of the community to comment. Comments were received about the draft Plan (Regulation 18 Stage) that noted the proximity of certain proposed sites and areas to residential areas. These focussed on the general aspect of concerns about waste management facilities and their perceived impact on residential areas and did not highlight any specific equality issues.	**No**	**N/A**

People with dependents and caring responsibilities	**No** A wide selection of community groups live within the urban areas, therefore the allocation of waste management sites in the proposed locations does not discriminate against any particular groups. The selection of proposed areas for potential waste facilities has taken into account the proximity of sensitive receptors (such as schools and hospitals), thereby helping to minimise the impact on vulnerable sections of the community. Therefore implementation of the policies and proposals should not lead to unacceptable adverse effects on different communities. Waste facilities can also provide employment opportunities both during construction and operation phase, which may be beneficial to all target groups in all Boroughs. The consultations throughout the development of the NLWP are designed to gather the views of the local community and other relevant stakeholders. The contribution of different groups will be monitored through consultation responses. Documents are being made as widely available as possible. Comments were received about the draft Plan (Regulation 18 Stage) that noted the proximity of certain proposed sites and areas to residential areas. These focussed on the general aspect of concerns about waste management facilities and their perceived impact on residential areas and did not highlight any specific equality issues.	**No**	**N/A**

Taking into account the views of the groups/experts, and the available evidence or any consultation undertaken - Please clearly evidence how the EIA has influenced any changes to the document.

N/A as no differential/ negative impacts were identified

As a result of these conclusions what actions (if any) will be included in your business planning and wider review processes?

N/A as no differential/ negative impacts were identified

7. Equality Monitoring

Legal duties require the Councils to monitor its policies for any adverse impacts on promoting race, gender and disability equality and to **publish the results of this monitoring**. In anticipation of emerging legal duties the Councils are extending this monitoring requirement in order to examine differential impacts in the areas of: age, sexual orientation, religion and belief and carers.

What performance indicators (if any) will be used to monitor the impact of the document on relevant groups?

The NLWP will be monitored during implementation. Monitoring is crucial to the successful delivery of the spatial vision and objectives of the Plan and will be undertaken on a continuous basis. The proposed monitoring indicators reflect the statutory and non-statutory performance targets including those set by the EU, the Waste Policy for England and the London Plan. The list of indicators is not intended to be exhaustive and is intentionally focused on parameters where it is possible to evaluate the effect of the NLWP in isolation. Proposed monitoring indicators are included in the NLWP. Monitoring data will be collected annually.

It is also proposed that the Waste Data Study (the comparison of available capacity with current and future waste management needs) that informs the NLWP should be updated every two years as a further systematic check on progress.

Please state clearly what monitoring systems have been used to date and/or will be used to measure the impact of the document on relevant groups.

The NLWP contains an implementation and monitoring section which sets indicators and targets to monitor the effectiveness of the policies. Responsibility for monitoring lies with the individual Boroughs. The finalised monitoring arrangements will be designed to provide information that can be used to highlight specific performance issues and significant effects. Monitoring will lead to more informed decision-making and provide a useful source of baseline information for future Local Plan Documents.

Please clearly state how often and where you will publish the results of monitoring.

The outcomes of monitoring will be set out within the individual Borough's Annual Monitoring Report which are published and placed on the individual Council's website.

Do the conclusions and evidence in the initial EIA suggest a more detailed, i.e. Full EIA is required?

Yes ☐ No ☑ √

Please explain:

No differential/negative impacts have been identified and therefore a full EIA is not required.

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North London Waste Plan

Adoption Stage

Equality Impact Assessment

Addendum Report

December 2021

Equality Impact Assessment

Name of Document to be Assessed:

The North London Waste Plan (NLWP)

Completed by:

Name:	Ken Bean
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Table of Contents

Introduction

1.1 This addendum report should be read in conjunction with the main Equality Impact Assessment report produced in January 2019 in support of the joint North London Waste Plan (NLWP) that was submitted for independent examination[1]. This addendum report also assesses the Main Modifications to the NLWP that have been required to ensure legal compliance and soundness of the Plan.

1.2 The EqIA produced in support of the submitted NLWP together with this EqIA addendum have been produced by consultants who have had no direct involvement in preparation or drafting of the NLWP document itself.

1.3 The purpose of the Equality Impact Assessment (EqIA) is to find out whether the implementation of the NLWP will affect different groups of people in different ways, and how this has been taken into account during the development of the document and its policies. In the context of the NLWP Local Plan Document this covers consideration of the plan's policies and proposals. The assessment has been prepared in accordance with the Equality Analysis process followed at previous stages of the waste plan's production.

1.4 The Equality Act 2010 defines the Public Sector Equality Duty and requires public bodies to be pro-active in achieving positive equality towards groups which may have been ignored in the past. The need to undertake an EqIA stems from the general duty placed on local authorities to eliminate unfair discrimination, advance equality of opportunity and foster good relations between people.

Purpose

1.5 An EqIA is an evidence-based approach to policy development intended to ensure that policies, practices and decision-making processes are fair and do not present barriers to participation or disadvantage for protected groups. It provides a way to systematically anticipate and assess the consequences on different groups of people making sure that:

- unlawful discrimination is eliminated;
- opportunities for advancing equal opportunities are maximised; and
- opportunities for fostering good relations are maximised.

1.6 The assessment helps to focus on the impact on people who share one of the nine protected characteristics as defined by the Equality Act 2010, as well as on people who are disadvantaged due to socio-economic factors. The Public Sector Equality Duty which commenced in April 2011, requires public bodies to consider all individuals in shaping policy, delivering services, and in relation to their own employees. It requires public bodies to have regard to the need to eliminate discrimination, advance equality of opportunity, and foster good relations between different people.

[1] https://www.nlwp.net/download/equality-impact-assessment-january-2019/?wpdmdl=1279&refresh=61b0768175ff51638954625

1.7 The EqIA considers impacts on groups of people rather than on individuals and as such aims to assess the impact of the NLWP on the following:

- Race - this includes ethnic or national origins, colour and nationality;
- Disability;
- Gender - including gender reassignment;
- Sexual Orientation;
- Religion and Belief – this includes lack of belief;
- Age;
- Marriage and civil partnership;
- People who are pregnant or subject to maternity legislation; and
- People with dependents and caring responsibilities.

Although not a distinct group, the following is also considered:

- Socio-economic factors – this includes income level, educational attainment etc.

1.8 The assessment considers both (positive and negative) disproportionate and differential impacts. In some cases, protected characteristic groups could be subject to both disproportionate and differential equality effects.

1.9 A disproportionate effect arises when an impact has a proportionately greater effect on protected characteristic groups than on other members of the general population at a particular location. Therefore, disproportionality could arise from either:

- An impact predicted for the area where protected characteristic groups are known to make up a greater proportion of the affected resident population than their overall representation in the Borough/ NLWP area / Greater London or national level; or

- Where an impact is predicted in an area predominantly or heavily used by protected characteristic groups (e.g. primary schools attended by children, care homes catering for very elderly people).

1.10 A differential equality effect is one which affects members of a protected characteristic group differently from the rest of the general population due to a specific need, or a recognized sensitivity or vulnerability associated with their protected characteristic, regardless of the number of people affected.

1.11 As explained in the main EqIA[2] [Section 2 refers], it is recognised that many of the equality target groups listed above may overlap and have similar needs and/or be subject to similar prejudices. The analysis undertaken is mainly a spatial one, given that the impacts and the benefits of waste management facilities are felt on a local, geographical basis. Focussing on the above equality groups the analysis

[2] https://www.nlwp.net/download/equality-impact-assessment-january-2019/?wpdmdl=1279&refresh=61b0768175ff51638954625

sought to inform whether the potential impacts of waste management facilities could be greater with regard to the equality groups.

1.12 As appropriate and relevant at each stage of producing the NLWP the Councils have needed to be mindful of the following questions:

- What is the NLWP trying to achieve?
- Who will benefit and whether the policy approach is likely to exclude a specific equality group or community?
- Will the NLWP affect some equality groups or communities differently and can this be justified?
- Does the NLWP have the potential to cause any adverse impact or discriminate against different groups in the community?
- Is the proposal or service to be delivered by the policy likely to be equally accessed by all equality groups and communities? If not, can this be justified?
- Are there any barriers that might make access difficult or stop different groups or communities accessing the proposal or service to be delivered by the policy?
- Could the policy promote equality and good relations between different groups?
- Does the activity make a positive contribution to equalities?

What is the North London Waste Plan?

2.1. The North London Waste Plan (NLWP) provides the policy framework for decisions by the following seven North London Boroughs - Barnet, Camden, Enfield, Hackney, Haringey, Islington and Waltham Forest (the Borough Councils) - on waste matters over the period up until 2036. Covering the principal waste streams comprising Local Authority Collected Waste (LACW), Commercial and Industrial (C&I), Construction, Demolition and Excavation (CD&E), Hazardous, Agricultural, Wastewater / Sewage Sludge and Low-level radioactive waste (LLW), it seeks the retention and provision of a network of waste management facilities to enable the sustainable management of waste to achieve net waste self-sufficiency.

2.2 The jointly produced NLWP is a pivotal waste planning policy document forming part of the Local Plan for each of the seven Borough Councils. The Plan must be in general conformity with the Spatial Development Strategy i.e., the London Plan, under the terms of S24 of the Planning & Compulsory Purchase Act 2004 (as amended) (2004 Act). The extant version of the London Plan was published in March 2021.

2.3 Whilst each of the seven Borough Councils have strategic waste policies contained within their respective adopted local plans, the strategic waste policies defer to the NLWP to provide a more detailed planning framework for waste development. It sets out the over-arching planning strategy to which other planning documents produced by the Borough Councils and Neighbourhood Plans should be consistent. The adopted plan also facilitates delivery of the Joint Municipal Waste Management Strategy (JMWMS) prepared by the North London Waste Authority (NLWA).

2.4 The NLWP has two main purposes:

- to ensure there will be adequate provision of suitable land to accommodate waste management facilities of the right type, in the right place and at the right time up to 2036, to accommodate the amount of waste required to be managed in North London; and
- to provide policies against which planning applications for waste development will be assessed.

2.5 Changes to the planning system since 2010, including the introduction of the Localism Act 2011 and the National Planning Policy Framework (NPPF), have seen a move away from the principle of producing a portfolio of planning policy documents in the form of a Local Development Framework (LDF). Instead, the Government refers to Local Planning Authorities producing a ‘Local Plan’, which, where possible, consists of a single plan for the area. However, the Borough Councils have considered it appropriate to proceed with the jointly produced NLWP as a strategic level waste plan for covering the whole of their areas.

2.6 The Plan area also includes part of the London Legacy Development Corporation (LLDC), a Mayoral Development Corporation, which is the planning authority for a small part of Hackney and Waltham Forest and other Boroughs that are not part of the NLWP constituent Borough Councils. However, the Plan cannot directly allocate sites/areas within the LLDC area as this is the responsibility of LLDC as the local planning authority. Although the LLDC is not allocated a share of the waste apportionment, the Plan is required to provide the planning policy framework for waste generated across the whole of the seven Boroughs, including the parts of Hackney and Waltham Forest that lie within the LLDC Area. A Memorandum of Understanding is in place that enables sites/areas identified as being suitable for waste management uses in the Plan in those parts of Hackney and Waltham Forest in the LLDC area to be allocated in the LLDC Local Plan.

Production of the North London Waste Plan

3.1. Ongoing engagements with the public and key organisations have been undertaken throughout the production of the NLWP as part of the specific process followed in terms of the preparation of the Plan through to its adoption. Details of the various stages up until submission for examination are identified in section 3 of the main EqIA document[3] produced in January 2019.

3.2 As a result of the consultations undertaken at the regulation[4] 18 and 19 stages the NLWP Councils had a duty to consider representations and comments received, and then to make any necessary changes to policies in order to ensure that the version of the Plan submitted to the Secretary of State for consideration at examination by the appointed Inspector (regulation 22) was sound. Having considered these representations, the Borough Councils submitted the NLWP for examination on 8th August 2019 and hearing sessions were then subsequently held on 20 and 21 November 2019.

3.3 The ongoing review process continued as the Plan further evolved through the examination stage up until the final stage of adoption. In accordance with section 20(7C) of the Planning & Compulsory Purchase Act 2004, the Borough Councils requested that that the Inspector recommend any main modifications [MMs] necessary to rectify matters that make the Plan unsound and thus incapable of being adopted. Therefore, following the hearing sessions, the Borough Councils prepared a schedule of the proposed modifications and, where necessary, carried out Sustainability Appraisal (SA) and Habitats Regulations Assessment (HRA) of the changes. The MM schedule was then subject to public consultation for six weeks in October to December 2020.

3.4 The examination Inspector has taken account of the MM consultation responses in coming to the conclusions detailed in his report published on 27 October 2021. In paragraph 206 of his report the Inspector concludes, "the Duty to Cooperate has been met and that, with the recommended Main Modifications set out in the Schedule of Main Modifications, the North London Waste Plan satisfies the requirements referred to in Section 20(5)(a) of the 2004 Act and is sound." The Inspector is therefore satisfied that the North London Waste Plan as modified provides an appropriate basis for waste planning within the seven north London Borough Councils.

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[3] https://www.nlwp.net/download/equality-impact-assessment-january-2019/?wpdmdl=1279&refresh=61a883e9960181638433769

[4] The Town and Country Planning (Local Planning) (England) Regulations 2012 (legislation.gov.uk)

Approach to the Equality Impact Assessment

4.1 The NLWP sets out the overall vision and strategy for handling of waste and siting of waste facilities across the area of north London covered by the seven Borough Councils. On adoption, in respect of waste matters it will become the overarching basis of any other local development plan documents and their policies. Given the area covered by and scope of the NLWP, there may be potential for it to cause adverse impact or discriminate against different groups in the community. Carrying out an EqIA was therefore relevant.

4.2 The jointly prepared NLWP has been informed by a number of different elements for which the following list provides an overview.

- National influences - e.g. National Planning Policy Framework (NPPF), National Planning Policy for Waste (NPPW) and National Planning Practice Guidance (NPPG).
- Regional influences - e.g. Spatial Development Strategy for Greater London – The London Plan (2021).
- Other statutory documents produced by the Borough Councils.
- Evidence base studies.
- Sustainability Appraisal (SA) /Strategic Environmental Assessment (SEA).
- Habitats Regulations Assessment.
- Public and stakeholder consultation - (considered in section 5 of this addendum report).

National Planning Policy Framework (NPPF)

4.3 Replacing a multitude of Planning Policy Statements and Guidance notes, the NPPF was originally published in March 2012. The NPPF is a concise document that has subsequently been amended[5] several times and which must be taken into account when preparing Local Plans. The framework sets out sustainable development principles for wide-ranging policies and makes clear (para 4) that it should be read in conjunction with the Government's planning policy for waste[6]. Also, that when preparing waste plans where relevant regard should be had to policies in the NPPF. The latest National Planning Practice Guidance (NPPG)[7] also provides guidance on the implementation of waste planning policy.

The London Plan

4.4 Local waste plans such as the NLWP need to be in general conformity with the current London Plan adopted in March 2021. The London Plan sets out apportionments of waste to London boroughs who are then expected to allocate sufficient sites, identify suitable areas, and identify waste management facilities to provide capacity to manage the apportioned tonnages of waste. As noted by the Inspector in his report[8], the Mayor has confirmed that subject to the necessary Main

[5] current version published in July 2021
[6] National planning policy for waste - GOV.UK (www.gov.uk)
[7] Waste - GOV.UK (www.gov.uk)
[8] Paragraph 15 of Inspector's report refers

Modifications being made, the NLWP is in general conformity with the London Plan 2021.

Evidence base studies

4.5 In developing planning policies it is essential that they are underpinned by robust evidence. Evidence gathering is a key element in the policy making process, it helps to identify the key issues and challenges faced by an area. Therefore, over the course of preparation of the NLWP a number of background technical studies have been produced and together informed the development of the Plan.

4.6 The NLWP is accompanied by a range of evidence base documents including a Data Study, Options Appraisal, Sites and Areas report and Duty to Co-operate report. There are also reports on the outcomes of all consultations on the NLWP. The evidence from these studies and reports, together with the representations received to the various consultations undertaken, has contributed to informing drafting of the objectives and policies detailed within the NLWP. All of these supporting documents can be viewed on the NLWP document centre website[9].

4.7 Section 4 of the main EqIA report provides an overview of the NLWP area whilst section 5 explains how waste affects most people's lives in some way and considers who is most likely to be affected by the NLWP, including those groups and individuals considered most likely to benefit from the Plan's policies and proposals.

Sustainability Appraisal

4.8 Consideration has also been given to the environmental, economic and social objectives of the Plan through the Sustainability Appraisal process. This has helped to ensure that the social, environmental and economic impacts of the policies developed in the Plan are assessed and taken into account in the decision-making process. Also, that that there is no preference to, or neglect of, any specific groups as part of the Plan process.

Habitats Regulations Assessment

4.9 The NLWP was also subject to a Habitats Regulations Assessment (HRA) during its preparation. This assessment[10] considered the effect of the implementation of the Plan on European protected sites within 10km of the Plan area. It concluded that the NLWP will not result in likely significant effects on any of the Natura 2000 Sites, either alone or in combination with other plans and projects in the Plan area.

4.10 An addendum to the HRA[11] assessed the subsequent Main Modifications and found that they do not have any implications for the HRA. As noted by the Inspector in his report[12], "both assessments conclude that any potential harmful impacts on the nature conservation value of European sites that could arise from the implementation of the Plan can be avoided or mitigated and identifies that Policy 5 of the Plan

[9] Document Centre | North London Waste Plan (nlwp.net)
[10] As required by the Conservation of Habitats and Species Regulations 2017 (as amended).
[11] Produced in September 2020 (NLWP EiP document number CD1/14/Add)
[12] See paragraph 36 of the NLWP Inspector's report

provides an important safeguard for European sites in this regard." Noting that no statutory consultees or other relevant organisations dispute the findings of the HRA and the addendum produced, the Inspector stated that he is satisfied that the relevant legal requirements relating to Habitats Regulations Assessment have been met.

Consultation and Engagement

5.1. Throughout the preparation and production stages of the NLWP the views and opinions expressed by those individuals and organisations that have an interest in the area have been fundamental to the plan's content. The consultations undertaken at different stages of the draft NLWP have provided an opportunity for stakeholders and communities to comment on and influence the content of the emerging plan and proposed policies.

5.2 The outcomes of these consultations undertaken at these earlier stages are summarised in section 3 of the main EqIA with full details provided in background documents produced. These documents, including the January 2019 report on consultation,[13] and the subsequent consultation report on the modifications. These reports detail the consultation process that was carried out and the responses received to earlier drafts of the NLWP and can be viewed on the NLWP website.[14]

5.3 Representations made during consultation on the Regulation 19 version of the NLWP were submitted to the independent PINS Inspector for examination, along with the draft NLWP and supporting documents. These were then considered by the Inspector as part of the examination process, together with any subsequent proposed changes arising from the representations made at Regulation 19 stage.

5.4 Following examination hearing sessions held in November 2019, a schedule of proposed Main Modifications (MMs) was published and formally consulted on for a six-week period. In finalising his report issued in October 2021 and arriving at his recommendation that the accompanying schedule of MMs be included in the NLWP, the Inspector took account of the responses received to the MMs. The conclusions reached by the Inspector on these matters are covered in below in the following sections of this EqIA addendum report.

Duty to Cooperate

5.5 The duty to co-operate introduced by the Localism Act 2011 requires local planning authorities to formally co-operate with other local planning authorities and bodies prescribed in the Town and Country Planning (Local Planning) (England) Regulations 2012 on strategic matters. The ability to demonstrate that the requirements of the duty to co-operate has been met in terms of engaging constructively, actively and on an ongoing basis in developing strategic policies, has been an essential part of the plan making process for the NLWP. Under the duty the Borough Councils have worked closely with other waste planning authorities that are critical for the delivery of an effective waste strategy for North London.

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[13] https://www.nlwp.net/download/report-on-draft-plan-consultation-january-2019/?wpdmdl=1287&refresh=61b1c5817e49a1639040385

[14] Document Centre | North London Waste Plan (nlwp.net)

Availability of the Documentation

5.6 Each consultation version of the NLWP was published on the NLWP website. As well as making the document available electronically hard copies of the NLWP documents were placed in each of the Council's main offices and libraries and made available for viewing. During the period that Covid restrictions affected the ability of consultees to access to documents in main council offices and libraries, hard copies were made available on request. The Plan document was also available on request in a number of different formats, including large print, brail, audiotape, disk or in another language.

Assessment of the Main Modifications and Monitoring of the North London Waste Plan

Consideration of the Main Modifications

6.1 With regard to the EqIA and the protected characteristics outlined in the Equality Act 2010 an assessment is needed and judgement made as to how, if at all, the NLWP policies and proposals would impact on the identified equality groups. The assessment would only identify a positive or negative impact where:

- The impact is expected to be greater for the assessed group than for the population as a whole; or
- Where it affects an equality group differently from the rest of the Boroughs' population because of specific needs or a recognised vulnerability.

6.2 In his report (see pages 4 and 5) the Inspector provides a summary of the modifications which includes:

- Ensuring that the selection process to identify areas to manage the identified waste needs over the Plan period is consistent with the spatial principles of the Plan and is fully justified and explained.
- Ensuring that the methodology and justification for the identification of Preferred Areas for the management of North London's waste over the Plan period are justified and explained.
- Ensuring that the Plan's policies ensure that waste management development proposals provide an adequate balanced approach to protect people and the environment whilst delivering the aims, strategic objectives and spatial principles of the Plan.
- Revising the monitoring and implementation framework to provide a more robust mechanism to assess the delivery of the Plan against its aims, strategic objectives and spatial principles.

6.3 Specifically in respect of consideration of the Main Modifications (MMs) made to the NLWP no negative impacts have been identified. Accordingly, with the exception of the potentially positive differential effects, a few examples of which are explained below, there is little additional to that which is already stated in main EqIA report.[15] (See section 5, in respect of each of the groups most likely to be affected by the NLWP, and 6 with regards to the screening and the equality strands listed there).

6.4 The location of existing waste management sites fails to create an even geographical spread across the seven constituent Borough Councils. Most of the sites being located to the east of the area in the Lee Valley corridor with a particular concentration within the London Borough of Enfield[16]. The MMs considered by the Inspector in his report[17] under "Issue 2 – Whether the Spatial Framework for waste

[15] https://www.nlwp.net/download/equality-impact-assessment-january-2019/?wpdmdl=1279&refresh=61b1e4c7a69c91639048391

[16] Majn Modification 7 explains that Enfield contributes 62% of land currently in waste use in North London, compared to 18% in Barnet, 12% in Haringey and 5% or less in the remaining constituent Boroughs.

[17] Paragraphs 55 to 69 of the Inspector's Report refer.

management is appropriate, is fully justified by the evidence and is soundly based" – will, taken together have a positive impact in terms of assisting to create a more sustainable pattern of waste development across North London.

6.5 Policy 2 (Priority Areas for new waste management facilities) in the NLWP seeks to extend the existing spread of locations for waste facilities by identifying locations that are suitable for waste management use. The MMs serve to better explain how these 'Priority Areas' for new waste facilities have been identified as well as how it is intended that a better geographical spread of waste facilities will be achieved. This will be through limiting the number of Priority Areas in Enfield and the introduction of an area-based approach that identifies certain industrial and employment areas as being the most suitable for waste management uses. It is further explained in the MMs that Policy 2 promotes an 'outside of Enfield first' approach in considering new proposals for waste management and identifies that the combination of existing waste sites and Priority Areas will provide a more sustainable and appropriately located network of waste facilities in the Plan area.

6.6 As the anticipated population of the respective Borough Councils continues to increase so it is likely will the demand for housing, employment and infrastructure facilities and, associated with this growth, the amounts of waste likely to be generated. Focusing waste facilities in a more even geographical spread and at accessible locations closer to facilities and services should reduce the need to transport waste and thereby be more sustainable and minimise impacts. MM11 for example assists in this respect by providing additional text to paragraph 4.26 of the Plan to explain that NLWP Policy 5 requires the consideration of sustainable transport modes in waste development proposals. It also explains that traffic movements can have an impact on amenity along the routes used and that Policy 5 also seeks to minimise such impacts where possible, with reference to the use of low emission vehicles.

6.7 Other MMs largely refer to matters of re-drafting to provide clarification, additional detail and / or the updating of information and are not considered to directly give rise to EqIA considerations in terms of having differential impact on the various equality groups. Overall, therefore, the Equality Impact Assessment of the MMs to the NLWP policies are considered to have either no differential or a positive impact on the recognised equality groups, and no negative impacts on any of the protected characteristic groups.

Inspector's Conclusions

6.8 With regard to the ***Public Sector Equality Duty**,* the Inspector commented in paragraphs 21 and 22 of his report as follows:

> "Throughout the examination, I have had due regard to the equality impacts of the Plan in accordance with the Public Sector Equality Duty, contained in Section 149 of the Equality Act 2010. The Equality Impact Assessment (January 2019) (EqIA) (CD1/17) identifies that the Plan does not lead to any adverse impacts or cause discrimination to any particular groups within the Plan area.

I have detected no issue that would be likely to impinge upon the three aims of the Act to eliminate discrimination, advance equality of opportunity and foster good relations or affect persons of relevant protected characteristics of age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; and sexual orientation. Overall, I have no reason to question the conclusions of the submitted EqIA that the Plan is not expected to discriminate against any sections of the community."

6.9 Additionally, in relation to meeting the ***Duty to Cooperate*** the Inspector states[18] that:

"Overall, I am satisfied that, where necessary, the Borough Councils have engaged constructively, actively and on an on-going basis in the preparation of the Plan and that the DtC has therefore been met."

6.10 With regards ***public consultation and engagement*** the Inspector[19] in his report concludes:

"During various stages of Plan preparation, consultation on the Plan and the MMs was carried out in compliance with the adopted Statements of Community Involvement (SCIs) for each of the Borough Councils. The requirements of these SCIs were reflected in the Plan Consultation Protocol (CD1/18). The Consultation Statement – August 2019 (CD1/3) and the Consultation Report – Main Modifications Consultation – March 2021 (CD1/3/MM) provide evidence of how community involvement has been achieved."

6.11 In respect of ***Sustainability Appraisal*** the Inspector[20] records that:

"The Plan was subject to Sustainability Appraisal (SA) during its preparation (CD1/2). Addendums to the SA were also produced to inform the proposed main modifications (CD1/2/Add and CD1/2/Add-MM). No statutory consultees have raised any significant concerns about the sustainability appraisal process."

He then continues concluding that:

"Overall, I am satisfied that the sustainability appraisal was proportionate, objective, underpinned by relevant and up to date evidence, and compliant with legal requirements and national guidance."

6.12 Finally, the Inspector[21] states that:

"The Plan complies with all other relevant legal requirements, including the 2004 Act (as amended) and the 2012 Regulations." He therefore goes onto

[18] See paragraph 28 of the Inspector's report
[19] See paragraph 30
[20] Paragraphs 30 - 31 of the Inspector's report refer
[21] See paragraph 41 of the Inspector's report

conclude (para 42) “that all relevant legal requirements have been complied with during the preparation of the Plan.

Monitoring

6.13 Following the Plan’s adoption, in order to ensure implementation of the approach set out in the NLWP, progress made is to be monitored annually. Since the NLWP has been jointly produced, joint monitoring in conjunction with relevant stakeholders, is considered to be the best approach. Therefore, as stated in the Plan, the Borough Councils will publish a joint Annual Monitoring Report (AMR) on an annual basis as some key waste data used for monitoring is released annually.

6.14 The Borough Councils will undertake a comprehensive analysis that will highlight the performance of all policies and allocations and through the annual monitoring reporting will include recommended actions where targets are not met. This annual monitoring will also afford the opportunity to regularly review the NLWP policies, which will include assessment of the impact on people and groups listed in paragraph 1.7 above, including those who share one of the nine protected characteristics as defined by the Equality Act 2010. Further details on monitoring are set out in section seven of the main EqIA report.

6.15 The Inspector considers monitoring under Issue 7 of his report – namely whether the monitoring and implementation framework of the Plan will be effective. He concludes (para 195) that “subject to the recommended MMs, the monitoring and implementation framework is effective and provides a robust framework for monitoring the delivery of the Plan and is sound.”

Conclusion

7.1 This EqIA addendum report, read in conjunction with the main EqIA report, outlines the approach, evidence and findings of the EqIA for the NLWP. Focussing on the impact of the Main Modifications (MMs) made to the Plan through the independent examination process, the assessment has considered equality legislation and the duty of the Borough Councils under the Equality Act 2010. The MMs will, taken together, help to secure a better geographical spread of waste management sites across the North London Borough Council area and also assist in the Councils' aim to achieve net self-sufficiency for the various waste streams.

7.2 The EqIA assessment has found that the NLWP to be adopted, as modified following the examination and receipt of the Inspector's report, does not have any disproportionate or differential negative impacts on any one group with protected characteristics.

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London Borough of Enfield

Cabinet Report

Meeting Date 6 July 2022

Subject:	**Enfield Carbon Offsetting Scheme**
Cabinet Member:	**Cllr Tim Leaver – Cabinet Member for Finance & Procurement**
Executive Director:	**Sarah Cary- Executive Director Place**
Key Decision:	**KD 5457**

Purpose of Report

1. In March 2022, an initial options assessment to create a carbon offset platform was undertaken. The option assessment concluded that there is potential to create a locally based offsetting platform for both residents and businesses. The platform would deliver an accessible carbon offsetting option, which would support residents and businesses move towards carbon neutrality, whilst delivering environmental benefits locally.

2. Enfield's Climate Action Plan 2020 (CAP) includes a longer-term vision statement about 'a robust council-led borough-wide carbon offsetting programme for local businesses". This report proposes to extend the programme to include local residents.

3. This report sets out potential options available to the Council and the next steps required to develop a full business case and seeks endorsement of the concept, approach and identified next steps.

Proposal(s)

4. To note and endorse this report, including a budget of up to £100k, to enable the engagement of specialists in this field to undertake a feasibility study and due diligence, focused on carbon offsetting within the borough, the formal (verified) and informal (unverified) carbon offset market and local customer demand, ahead of the development of a full business case.

5. As detailed in paragraph 33, a provisional timeline assumes a feasibility study will be concluded in October 2022, and subject to the outcome of that study a full business case will be developed and approved by January 2023.

Reason for Proposal(s)

6. A carbon offset is a reduction or removal of emissions of carbon dioxide or other greenhouse gases made in order to compensate for emissions made elsewhere. Offsets are measured in tonnes of carbon dioxide-equivalent.

7. Many corporations are seeking to reduce their carbon footprints through energy efficiency and other measures, with at least one-fifth of the world's largest 2,000 public companies having committed to meeting carbon net-zero targets by mid-century or sooner. Carbon reduction efforts are not exclusive to larger corporations. Individuals and local businesses are becoming more aware of the environmental impact of their behaviours which they are seeking to mitigate more accurately.

8. It is often not possible for carbon footprints to be entirely eliminated with internal reductions and behavioural changes alone. A flexible mechanism will be required to achieve these aspirational goals, which could be achieved by carbon offsetting. Carbon offsetting can be formal offsetting, which requires projects to undertake a verification process or informal offsetting, which is similar to supporting charitable funding for environmental improvements.

9. Awareness of carbon offsetting for individuals is increasing, as it is becoming more commonly offered to offset specific behaviours, e.g. offsetting the impact of air travel during the travel booking process. However, it is currently far less accessible for an individual to audit and offset their total carbon impact.

10. Carbon offsetting involves paying someone, somewhere else, to save emissions equivalent to those an individual or company have produced. Emissions savings can come from a variety of projects, in a number of different countries, with the majority currently based in developing countries. However, there are some traded carbon offsetting projects based more locally. Offsetting projects will either be carbon reducing or carbon removal, with future focus expected to be given to removal. Examples of offsetting projects include:

    Removal
    - Tree planting
    - Creation of organic community gardens
    - Direct air capture & storage

    Reduction
    - Installation of domestic insulation
    - Installation of solar PV for communities, local schools, or collectives
    - Creation of a community ‘Library of Things’.

11. According to a report published by Ecosystem Marketplace, a leading global source of information on environmental finance, markets, and payments for ecosystem services, the global voluntary carbon market (VCM) reached a new market value record of over one billion US Dollars for the first time in

2021, with a projection to reach 50 billion US Dollars in 2030. However, the market remains fragmented and opaque, which affects confidence and as a result has limited the level of participation. There is growing support and expectancy for formal industry standards and transparency.

12. The Council would therefore like to fully understand the potential of a locally based carbon offset platform. As part of this, it is critical that all avenues of potential investment are identified, including individuals, businesses, and organisations from outside of the borough.

13. The concept has three core areas that would be key to delivery:

- Develop infrastructure systems for residents, organisations or local companies to calculate their CO2 emissions created by such activities as car journeys, holiday flights etc.
- Identify projects with corresponding carbon reduction opportunities within Enfield, and provide a means for them to access offsetting (potentially including verification)
- Establish a means for payment and administration of the credit received from the individual, organisation or company.

14. The revenue collected from residents, organisations or businesses will be used to invest in climate action and sustainability schemes, as described in paragraph 10, such as an installation programme of domestic insulation in social housing.

Relevance to the Council Plan

15. By creating a platform for residents and local businesses to invest in local carbon projects, it will provide a positive opportunity to address the challenges of climate change and support the Council's target of carbon neutrality by 2040.

16. Successful local carbon projects could improve homes and communities in a number of ways including:

- Provide renewable energy sources for residents, school's or community buildings
- Support the removal of atmospheric carbon dioxide through rewilding
- Provide a community hub by creating community gardens, which could connect communities, provide local food sources and educational opportunities, in addition to the expected carbon reduction benefits.

17. Operating the service will provide employment within the Borough with opportunities for staff development and self-improvement through the Councils training programmes

18. The project therefore directly contributes to all three of the Council objectives:

- Good homes in well-connected neighbourhoods
- Build our Economy to create a thriving place
- Sustain Strong and healthy Communities

Background

19. Following the 2019 Climate Emergency declaration, the Council, in 2020, published its Climate Action Plan, setting out the commitment for the council to becoming carbon neutral by 2030 and for the whole borough to achieve carbon neutrality by 2040. Reducing emissions through direct action will be the main approach to becoming a carbon neutral organisation.

20. However, there will be a certain level of emissions which are currently not practically or financially possible to reduce. This will leave a gap between the emissions produced and the target of zero emissions. Carbon offsetting is one of the methods likely to be used, with the CAP referencing the need to offset between 125,000 – 200,000 tCO_2e on a borough wide basis

Main Considerations for the Council

21. There are a wide variety of carbon offset providers within the market. Many providers have the appearance of a not-for-profit organisation but are owned by larger corporations as commercial ventures. Due to the majority of offset projects based overseas, the environmental benefits are rarely realised locally. There is an opportunity for the Council to provide a platform which will allow investment into locally based projects, which deliver its benefits for the local community.

22. Many carbon offsetting providers offer verified carbon saving schemes, which guarantee carbon savings are real, permanent, additional, and not vulnerable to leakage. They do this through a process of validation and verification. Verified projects must follow a rigorous assessment process for certification. Emission reductions certified by the program are eligible to be issued as Verified Carbon Units (VCU), with one VCU representing one metric tonne of Carbon or GHG reduced or removed from the atmosphere.

23. There is no legal obligation to verify any carbon savings. Verification can be a lengthy governance process, typically including desk and field audits by qualified independent third parties. Verification will increase project costs and could delay project commencement, as verification is required before starting.

24. Enfield’s CAP includes a longer-term vision statement about “a robust council-led borough-wide offsetting programme for local businesses”. The proposal in this report would expand that to include individuals.

25. This proposal seeks to develop a Council managed platform that would calculate and offset carbon emission via locally delivered carbon reduction projects. This report outlines key requirements of the proposal, to be developed in a future detailed business case, including:

- A function for individuals/business to calculate their annual carbon output.
- A detailed choice of carbon offsetting projects planned in borough, including the expected carbon reduction.
- A platform to facilitate donations for voluntary, unverified carbon offsetting

Develop programme infrastructure

26. The programme would need to be manged via a web-based platform, providing the entire customer journey including:

    - Introduction of the concept.
    - Calculating individual carbon outputs.
    - Detailing identified projects.
    - Facility to purchase or donate.

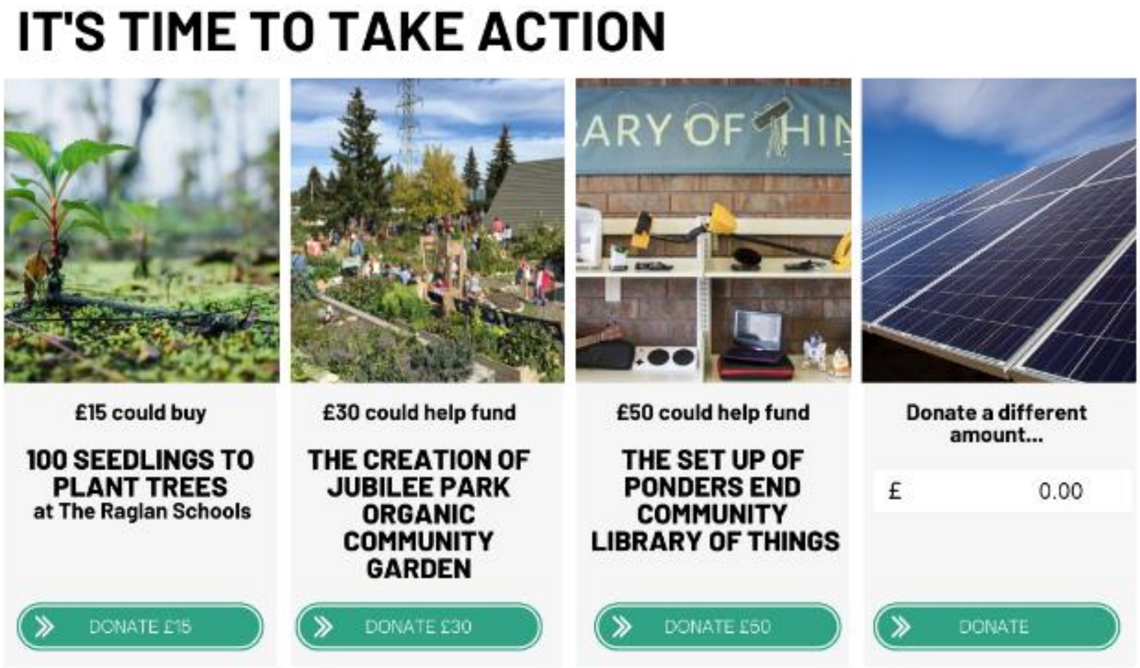
27. Carbon offsetting is still a very new concept to many, and so it is important that the platform clearly sets out:

    - What is carbon offsetting.
    - What the Council are doing by creating the platform.
    - Why the platform been created.
    - How donations will be used.
    - Appeal to individuals, businesses, and organisations to be involved.
    - What are the expected achievements – including any identified additional benefits such as fuel poverty support.

28. The first step on an individual or businesses journey to becoming carbon neutral, is to baseline their current carbon output. Whilst carbon calculators are readily available online to do this, it would create a clunky customer journey, were they diverted to another website. Additionally, if reliant on other organisations resources, we would be unable to verify the accuracy of these calculators.

29. Therefore, it is essential for the platform to have an inbuilt carbon calculator function within any system we develop. Integrating a calculator would provide sufficient control for the Authority to ensure the accuracy of calculations, whilst also supporting a seamless customer journey by directing users to supporting offsetting projects after they have calculated their carbon footprint.

30. The following below shows an example of how the platform could work. The example shows the ability to donate different amounts to a choice of different projects, or to enable the user to donate an amount of their choice. Within the Enfield context, users could potentially be given options such as funding trees for a local school, the creation of an organic community garden, or developing a community focused library of things.



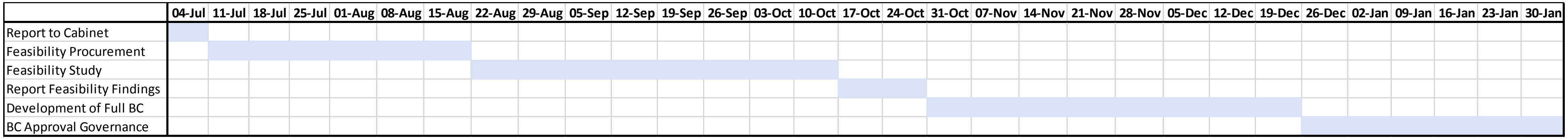
Next Steps

31. The next steps will be undertaking a full due diligence process, ahead of the development of a full business case, which will confirm the preferred business model for the platform.

32. It is critical that a full due diligence process is completed, to ascertain the credibility and feasibility of such a venture. Market research and technical market analysis will be included in this piece, which will seek to understand and provide:

- The target markets current understanding of the Climate Emergency and measures they can take to reduce their carbon footprint, including offsetting.
- The demand of all target markets for both verified and unverified carbon offsetting.
- Which types of offsetting projects would be most likely to be supported by target markets?
- Would users be most likely to voluntarily donate to a project or calculate their carbon footprint and formally offset?
- Analysis and an up-to-date assessment of successes and failures within the offset market
- Implications of future market development – e.g. introduction of market governance and formal standards
- A guide of which model and projects are most locally deliverable
- The appetite of other local organisation and authorities towards partnership or use of the platform

33. It is anticipated that the feasibility study will be concluded in October 2022, allowing for the full business case to be developed and approved by January 2023, as per the following timeline:



Safeguarding Implications

34. No safeguarding implications identified.

Public Health Implications

35. Climate change is a major threat to the health and wellbeing of our residents. Mitigation and adaptation projects in response can be expected to have co-benefits for public health, such as reduced air pollution, increased physical exercise and increased energy security.

Equalities Impact of the Proposal

36. An Equalities Impact Assessment (EqIA) is not required at this stage. However, an EqIA should be undertaken once the carbon offsetting projects have been chosen, to evaluate whether they will impact residents.

Environmental and Climate Change Considerations

37. Some Environmental and Climate Change considerations are included within the body of this report, which suggest that there could be benefits in terms of both reducing carbon emissions and offsetting residual emissions. However, any approach or platform will need to address key challenges:

    - Any carbon offsets which are traded must be removed from corporate and borough level carbon accounting (they cannot be double counted). This means that, if there are insufficient reductions in carbon emissions, to cover the shortfall there could be a need to buy offsets from other sources at some point in the future.
    - Traded carbon offsets must offer additionality, which means that the projects cannot be things that are happening anyway.

Risks that may arise if the proposed decision and related work is not taken

38. Residents and businesses are becoming more aware of what actions they can take to reduce their impact on climate change. It is likely that both Enfield residents and businesses, as part of their actions will look to offset part of their carbon footprint and so if this platform is not provided, it is more likely that the invested project will be out of this borough.

39. This platform not only supports carbon offsetting, but through voluntary donations could also help communities facing fuel poverty, by way of support through insulation and renewable energy. This opportunity could be missed if further work to develop this platform is not undertaken.

40. Without a visible, local carbon offset option, the Council will need to capture the imagination of residents and businesses to mitigate their carbon impact, or risk the borough wide 2040 net zero target being missed.

Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

41. The most significant risk of the proposal is that it will undermine work to reduce carbon emissions by making it easier to offset them as compared to taking action to minimise them. The obvious way to address this is for the Council to continue prioritising and delivering a range of actions and projects which provide mitigations and resilience.

42. Unverified schemes could leave the Council open to challenge about the money donated and its carbon reduction impact.

43. Selling carbon offsets now could lead to a requirement to buy them in the future. The mitigation for this is to only sell credits in projects which can clearly demonstrate that they offer additionality.

44. The ability to verify projects could be restricted by the capacity of the verification market. This could delay implementation and marketing of projects until verification has been completed.

45. The verification of the projects could take many months to complete. Verification process should commence when projects are selected for the programme.

46. At present, it is unclear how successful the platform would be, and low usage could be a reputational risk. A full market research exercise is required to enable a full business case to be developed. One mitigation could be developing a platform or organisation which could work at a larger scale, say London-wide.

47. Some projects may never reach the funding total required, leading to challenge from those that have donated. A comprehensive Governance framework and appropriate donation terms and conditions would be required and accounts will need to be audited.

48. Under performance of projects, where expected carbon reductions are not delivered. Each project will require close performance management.

Financial Implications

49. Enfield’s CAP 2020 sets the vision for “a robust council-led borough-wide offsetting programme for local businesses” and identifies the need to ‘create clear funding streams for climate resilience solutions for residents and businesses across the borough’.

50. By creating a carbon support platform for residents and businesses, the achieved income will ensure the delivery of additional in borough carbon offsetting/reduction projects, strengthening the efforts to meet carbon neutrality targets.

51. The cost of sufficient due diligence, by way of market research and technical support is estimated at up to £100k. This investment will support the development of a full business case which will determine viability and a preferred business model, based on demand and potential success. The investment will be equally split across two phases, with internal review mechanism to review investment ahead of the second phase. Funding will come from reserve, where there is insufficient baseline budget to fund this scheme in-year.

52. The due diligence will include an assessment of the financial viability of the proposal, which will be considered as part of the eventual decision on whether to proceed further. Given the Council's notable financial challenges looking forward, the aim is for this project to become self-financing as soon as is practicable, and this will need to be balanced against potential non-financial benefits. The options outlined in paragraphs 63-67 of this report indicate what can be explored through the feasibility study as means of delivering this scheme in the most efficient and effective way.

Legal Implications

53. The Climate Change Act 2008 provides the main legal framework in the UK for both mitigating and adapting to climate change. In brief, it requires that:

- Specified greenhouse gas emissions (including carbon dioxide) are reduced by a certain amount every five years (known as carbon budgets).
- An overall target of net zero emissions is reached by 2050.
- The Government assesses and prepares for climate change risks and opportunities (such as flooding and impacts on ecosystems and agriculture).

54. The Act also established the Committee on Climate Change as the independent body to provide evidence-based advice to the UK and devolved governments.

55. The Climate Change Act 2008 (2050 Target Amendment) Order 2019 imposes a duty on the Secretary of State as to the level of the "net UK carbon account" (the amount of net UK emissions of targeted greenhouse gases for a period adjusted by the amount of carbon units credited or debited to the account) for the year 2050. The duty is to ensure that the net UK carbon account is lower than the "1990 baseline" (the baseline of net UK emissions of targeted greenhouse gases against which the percentage amount by a minimum percentage amount). This was amended in 2019 so that the target increased from 80% to 100% - net zero.

56. Since passing this legislation, the Government has announced a HM Treasury Net Zero Review. This included a priority to ensure a fair balance of contributions from all those who will benefit, including considering how to reduce costs for low-income households.

57. This report and recommendations support the council's CAP.

Workforce Implications

58. No direct workforce implications have been identified by this report.

59. If a requirement for additional resource is identified to support this project a separate proposal and supporting report will need to be prepared. This will outline the resource required and the reporting structure.

60. HR advice should be sought in relation to the above point if required.

Property Implications

61. There are various proposals in this report that could have property implications, such as the change of land use, regaining control of LBE land that is currently leased, acquiring land, or changing/enhancing the building fabric and mechanical and electrical system on LBE buildings.

62. As any property-related projects come forward, the implications of these will be addressed at that time in accordance with relevant governance.

Options Considered

63. The Council may not offer a carbon offsetting platform. This would not have an immediate impact but could leave an offsetting gap in respect of the 2040 carbon neutrality target.

64. The Council may offer the platform to just business or residents. This could be a reputational risk if a supporter were ruled out of contributing. By restricting those who can use the platform, the Council would not be supporting all that are seeking to reduce their carbon impact. There would also be additional risk of insufficient contributions to support multiple projects

65. The Council may extend the platform to deliver offsetting projects out of borough. However, the positive impacts of those projects would not be felt within borough, could lead to not all benefits identified in a business case being delivered (support residents facing fuel poverty) and could be less appealing to the target market.

66. The platform could be delivered exclusively by the Council, as a joint venture with partners or it could be contracted to a third party. The Council will consider the preferred operating model for the platform as part of a full business case.

67. The Council may issue green bonds. Green bonds work just like any other corporate or government bond. Borrowers issue these securities in order to secure financing for projects that will have a positive environmental impact, such as reforestation. Investors who purchase these bonds can expect to

make a profit as the bond matures and so the Council would need to guarantee repayment of the bond over a certain period of time, along with a fixed or variable rate of return. The governance of bonds is also onerous with the solutions unlikely to achieve an improved impact on carbon reductions.

Conclusions

68. Following the long-term vision statement made in Enfield's CAP, to develop a robust council-led borough-wide offsetting programme for local businesses, an initial options assessment has been undertaken, as set out within this report. The proposed platform would target carbon reductions and carbon removal within the borough, in additions to other benefits, such as tackling fuel poverty.

69. In order to develop a full detailed business case, further due diligence is required by way of market research and technical expert analysis. This will provide a full appraisal of the market, local consumer demand. The analysis should also support the preferred platform model, whilst also setting out the scale of the opportunity, platforms requirements, resource requirements and projected operational costs and potential income.

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Date of report 31 May 2022

London Borough of Enfield
[Cabinet]

Meeting Date: 06/07/2022

Subject: **Adult Social Care Finance & Charging Reform**
Cabinet Member: **Councillor Alev Cazimoglu**
Executive Director: **Tony Theodoulou**

Key Decision: **5448**

Purpose of Report

1. The purpose of this report is to provide an update to Cabinet on the Health and Social Care reform requirements of the government's Health and Care Act 2022. Government funding (with specific settlements for Local Authority areas yet to be determined) over the next three years (from 2022/23 to 2024/25 totals £5.4 billion nationally.

2. The introduction of new legislation to address the lifetime costs of care for vulnerable residents aged 18 and over and the sustainability of funding for Adult Social Care and care providers is welcomed. However, given the delay in getting the legislation through parliament, a significant amount of work remains to be done in a relatively short space of time.

3 The areas of focus within this report are the Care Cap and Fair Cost of Care. The report seeks delegated authority from Cabinet to the Cabinet member for Health and Adult Social Care in consultation with the statutory Director of Health & Adult Social Care to develop and implement appropriate fully costed plans in order to deliver these reforms. These costed plans, for the purposes of this report, are necessarily limited to work and resources needed for additional staff and IT systems development needed in order to be ready for the 1st April 2023.

4 The specific areas of work contained within the action plan include:

   a) A needs analysis to determine what additional demand (people accessing services) is likely to be generated by these reforms.

   b) Establishing fair cost of care tools (this is being done nationally) to determine whether placement and care package costs are sustainable for our providers.

   c) Workforce planning and training to establish what additional staff/kind of staff roles will be required to meet this additional demand.

   d) A financial impact analysis to cost out what this additional demand and fair cost of care work is likely to cost and whether these costs can be met from government funding made available in financial years 2022/23 and 2023/24.

e) A communications and engagement plan to ensure that all stakeholders are appropriately consulted on the proposed changes and appropriate channels of communication established (including a possible duty to consult on any changes required or where there is Council discretion).

f) IT systems and process development to enable all new and existing and new people accessing Care Act eligible and chargeable services have a Care Account in place by October 2023 with staff appropriately trained and supported.

5 Specific areas where delegated authority is sought include:

a) the deployment of grant funding received from government in 2022/23 and 2023/24 and use of Adult Social Care reserves to fund additional staff posts and IT systems development needed to meet the requirements of the reforms.

6 And to note:

b) The requirement to complete a Fair Cost of Care exercise to be submitted to the Department for Health and Social Care by no later than the 14th October 2022.

c) The revised Care Act 2014 charging regulations which require the Council to introduce new charging thresholds and the Care Cap.

d) The potential risk of increased costs (uplifts) of care to providers consistent with ‘Fair cost of Care assessment

e) The potential impact on Adult Social Care finances and income of the Care Cap which sees the introduction of new charging thresholds and the lifetime limit on the amount a person has to contribute towards the costs of their care.

f) The need to undertake engagement and consultation activities as required by the reforms with all relevant stakeholders, including the wider public.

7 Given that the final financial allocations related to the fair cost of care (for services) and the introduction of the Care Cap have not yet been agreed, it remains to be seen whether the financial settlement will be sufficient to meet the increase in demand and cost that will result from these reforms. This may be an area of financial risk for the Council. IT/systems also represent a risk given the need to develop new systems and processes relatively quickly. Equally, workforce planning and recruitment for the additional staff needed to meet the increased demand for all associated statutory Care Act related work will represent a significant risk. This at a time where recruitment and retention

of skilled and appropriately trained staff is already proving to be a challenge for Councils.

8 The statutory Director of Health and Adult Social Care as the programme lead, has taken direct responsibility for the delivery of this significant programme of work.

9 Where financial settlements relevant to these reforms are still not known and the incurring of financial liabilities is required to meet necessary actions, funding may be drawn down from the Health and Adult Social Care reserve.

10 A further update to Cabinet is proposed for January/February 2023 to advise on progress made with the Council's action plan and whether anticipated costs are met within government allocations.

11 Appendix A to this paper outlines the estimated funding required to meet the costs of additional staff and IT systems developments in order to be ready for 1st April 2023 and to meet the requirements of the new legislation.

Proposal(s)

Cabinet is asked to:

12 Note the legislative requirements of government on the Local Authority and associated financial risk as a consequence of the Health and Social Care reforms outlined in this report and summarised in section 6 b) to f).

13 Delegate authority to the Cabinet member for Health and Adult Social Care in consultation with the statutory Director for Health and Adult Social Care as set out at section 5 a) to deploy government funding for these purposes with any such funds required for drawdown before receipt of government grant or any shortfall in funding from government grant to be met from Health & Adult Social Care reserves already in place.

14 To note that the meeting of any such requirements with regards to the Fair Cost of Care exercise and the introduction of the Care Cap in financial year 2023/24 which exceeds the government allocation of funding (as yet unknown) will be declared as part of the Council's annual Medium Term Financial Planning process.

15 Receive a further update report on progress made on implementing the reforms and the financial impact on the Council in early 2023.

Reason for Proposal(s)

16 These reforms are predated by work done by Sir Andrew Dilnot in 2011 in which it was concluded that the adult social care system was not fit for purpose and required more funding – both from individuals and the state – for it to be sustainable. The report further found that the system was confusing, unfair and unsustainable. The principles of the Dilnot report have been

brought forward into legislation by the government within the Health and Care Act 2022. Changes to the Care Act 2014 will also be required as a result of this legislation.

17 These reforms will have a significant impact on Local Authorities and on the vulnerable people with whom they work. The statutory Director of Health and Adult Social Care currently chairs the Adult Social Care Reform programme board which oversees the delivery of projects needed to meet the requirements of this reform.

18 Given that work is currently progressing and not all of the financial detail is known/confirmed, a further update to Cabinet on the Council's state of readiness to implement the reforms in October 2023 is advised.

Relevance to the Council Plan

Good homes in well-connected neighbourhood

19 Supporting people to live independent lives in good quality homes in their community remains a cornerstone of the Council's strategy and the reforms once introduced, will enable the Council to support more people in this way.

Sustain strong and healthy communities

20 Social care reform places a cap on personal care costs that people will need to meet in order to meet their eligible care and support needs. It also enables more people to ask for help from the Council to assess these needs, with a focus on supporting more people with the burden of care costs and early intervention to prevent the deterioration of health resulting in care needs.

Build our local economy to create a thriving place

21 Local People have appropriate access to local health and social care services in their community which promote inclusion and continued development of employment opportunities for local people working in health and care services.

Background

22 In September 2021, the Government set out plans to reform Adult Social Care in England. The reforms are to be to be funded through a new tax, the Health and Social Care Levy. £5.4 billion of revenue from the levy will spent on adult social care over the next three years (2022 to 2025). £3.6 billion will be used to reform how people pay for chargeable Adult Social Care services with the balance used to help local authorities fund a "fair cost of care" and wider system reforms.

23 Cap on care costs - From October 2023, the Government plans to introduce a new £86,000 cap on the amount anyone in England will have to spend on their personal care over their lifetime. The cap will apply irrespective of a

person’s age or income. The legislative framework for a cap is already provided by the Care Act 2014.

24 Only money spent on meeting a person’s personal care needs will count towards the cap. Spending on daily living costs (commonly referred to as “hotel costs” in a care home) is not included. The Government has said daily living costs will be set at £200 per week.

25 Funding provided by the Local Authority towards a person’s care costs will not count towards the Care Cap.

26 The cap will not apply retrospectively (ie costs accrued before October 2023 will not count towards the cap).and Local Authority contributions will not count towards the cap.

27 Changes to the social care means test - from October 2023, the Government proposes to make changes to the means test for accessing local authority funding support. The upper capital limit (the threshold above which somebody is not eligible for local authority support) will increase from £23,250 to £100,000. The lower capital limit (the threshold below which somebody does not have to contribute towards their care costs from their capital) will increase from £14,250 to £20,000.

28 Fair cost of care reforms - Local Authorities can use their position as a large purchaser of social care to obtain lower fee rates. Providers often charge people who fund the whole of their own care costs more for the same service. In order to tackle this disparity, provisions in the Care Act 2014 will be brought into force enabling self-funders to ask their local authority to arrange their care for them so that they can benefit from lower rates.

29 £1.4 billion will be provided to local authorities over the next three years to support them to increase the rates they pay to providers where necessary (move towards a “fair cost of care”).

30 The Health and Social Care Levy has been introduced to fund these changes. The levy will be introduced in two stages.

31 In 2022/23: the rate of primary Class 1 National Insurance contributions (NICs) for employees charged on their earnings, the rate of secondary Class 1 NICs for employers charged on their employees’ earnings, and the rate of Class 4 NICs for the self-employed charged on their trading profits, will be increased by 1.25 percentage points.

32 In 2023/24: a separate levy set at 1.25% will be introduced, replacing the temporary increase in NICs rates. People in employment who are over State Pension age will also have to pay the levy. Currently, pensioners are not liable to pay NICs on any earnings they receive from employment. The Government also plans to increase the rates of income tax that apply to income from dividends.

33 The Office for Budget Responsibility forecasts the levy will raise approximately £12.5 billion per year in net additional government spending

capability. The dividend tax is forecast to raise £900 million per year by 2026/27.

34 The Health and Social Care Levy Act 2022, which provides for the temporary increase in NICs rates for 2022/23 and the introduction of the new levy from 2023/24, received Royal Assent on 20 October 2021.

35 Although total funding amounts have been identified, no confirmation has been received as yet as to what individual Councils will receive in order to fund these changes.

36 The impact of these changes in Enfield will be reflected in the following ways:

37 Increased assessments, reviews, and care management responsibilities.

38 The increase in both the lower and higher thresholds which affect when the Council starts to pay for care and how much it contributes.

39 The introduction of the cap which limits the amount that individuals might contribute towards their cap.

40 The implementation of Section 18 (3) of the Care Act for those in care homes. This means that self-funders can ask the local authority to commission care at local authority fee levels.

41 Increased annual price and pay inflation above previous budget planning assumptions in line with a local authority's overall increased expenditure on adult social care services.

42 Increased resources required to manage contacts / enquiries from residents and provide information, advice and advocacy. This is likely to include both increased internal resources and potentially increases to the scale of contracts with external organisations for these services (typically provided by the voluntary sector).

43 The need to implement and maintain new systems or adaptations to existing systems to enable Care Accounts to be set up and people's metering towards the cap to be tracked. These systems will then need to be integrated with the main adult social care system to enable a smooth transition when people reach their cap.

44 Potential increases to adult social care debt, as people may be less willing to pay charges before they reach their cap and subject to policy decisions the total amount local authorities bill may increase (dependent in part on whether local authorities can pay people direct payments net of assessed charges).

45 Increased resources required in other parts of the Council, for instance finance, HR, procurement, legal services.

46 The introduction of the Care Cap is likely, according to government analysis, to result in 80% of people who are currently privately self-funding their care, approaching the Council for support. There will also be a proportion (more

difficult to estimate) of families supporting loved ones themselves without Council help. This is where the increased volumes of people requesting Care Act assessments will come from. Work is being done to finalise the estimates of what this will mean for Enfield, but early indications estimate that up to an additional 1,250 people will initially come forward as a result of these reforms.

47 The Fair Cost of Care element of these reforms will require each Local Authority to provide transparent information in the public domain as to how its cost fees are calculated. This will apply to care home fees and domiciliary care services provided in the community. National tools are currently under development in order to provide some consistency in the approach to doing this. The financial impact of this remains uncertain at this stage in the programme. Once the tools are finalised, however, the process for assessing the financial impact will effectively be the difference between what the fair cost of care tools estimate and what the Local Authority currently pays.

48 Although the detail of what government allocations to each Local Authority will be is not yet known, Enfield has used current funding allocations formulae to estimate that the Council will receive approximately £7.58m in 2023/24 to fund care cap and fair cost of care requirements and £10.83m in 2024/25.

Main Considerations for the Council

49 The requirements of the Health and Care Act 2022 will result in a significant increase in demand for Adult Social Care support from the Council.

50 The introduction of Care Accounts will require the development of IT systems and processes to manage these.

51 Establishing a transparent process for determining a fair price for care is likely to present a significant financial pressure to the Council.

52 Financial allocations which support the delivery of these requirements are currently estimates so still not known.

53 Workforce development plans will focus on the additional recruitment and skills needed to meet the increase in demand for support. Where there are currently issues in recruitment and retention in both qualified and unqualified (practitioner) roles, this is likely to place increased pressure on Local Authorities competing for additional and appropriately skilled and knowledgeable staff.

Safeguarding Implications

54 Good safeguarding practice acknowledges the complexity of people’s lives, the many enablers and barriers they may face to keeping them safe and well and most importantly, what they want to do about it. It can be a challenge for practitioners to balance a person’s priorities and aspirations for safety and wellbeing with their professional judgement of risks and the evidence they are

presented with. Person-centred and strengths-based practice approaches are key to finding this balance.

55 The Health and Care Act 2022, with regard to the finance and charging reforms, whilst generating additional demand, will also encourage more people, either currently privately funding or managing within their own resources, to seek support from the Council. This is to be welcomed and provides additional assurance that where support is provided in whatever form, appropriate measures are in place and monitored in order to ensure that we continue to help keep our most vulnerable residents safe.

56 With regards to the recruitment of additional staff to do Care Act assessments and reviews, consideration will need to be given to the type and level of staff to be recruited. This will also be driven by the introduction of other legislation (The Mental Capacity (Amendment) Act 2019. The Liberty Protection Safeguards (LPS) will provide protection for people aged 16 and above who are or who need to be deprived of their liberty, in order to enable their care or treatment and lack the mental capacity to consent to their arrangements. People who might have a Liberty Protection Safeguards authorisation include those with dementia, autism and learning disabilities who lack the relevant capacity. Work to understand the skills mix required and additional resource required as a result of these two significant legislative changes will be led by the Principal Social Worker and the Principal Occupational Therapist.

Public Health Implications

57 As stated previously the intention of these changes is to make the provision of social care more equitable and coherent. However, there appears to be at the very least a significant risk of short-term turbulence in the assessment of care needs and the provision of social care within the borough. This would obviously be despite the best endeavours of the Council, and we take note also of the comments above regarding the potential training and recruitment requirements implied by these measures. If successful, these changes have the potential to assist in reducing health inequalities within the borough. Given the complexity and challenges involved we applaud and support the proposal to provide a further report to Cabinet in October 2023. As any adverse consequences would tend to fall upon those already sustaining the worst physical and mental health inequalities an incremental monitoring approach would be welcome.

Implications provided by Mark Tickner 04/05/2022

Equalities Impact of the Proposal

58 A full Equalities Impact Assessment has been completed and is attached to this report as Appendix B.

59 Adult Social Care is currently and will continue to be subject to eligibility rules that discriminate positively for people with illness, disability and care needs as well as people caring for them.

60 The government has introduced new legislation, which includes within it the aim to deliver Adult Social Care Charging Reforms (The Health & Care Act 2022).

61 As a direct result of this new legislation by October 2023 there will be more generous means testing regulations in place, which includes the introduction of a Care Cap – people who pay a contribution towards the costs of their care will not pay more than £86,000 within their lifetime. People who have sufficient financial resources under the current charging regulations to fund the costs of their own care can ask the Local Authority for a Care Act Assessment. There will be a new duty for local authorities to assure themselves of the sustainability of their care markets (Fair Price for Care).

62 There are currently around 6,500 people aged 18 and over receiving chargeable services from Adult Social Care and an estimated number of people in excess of 1,200 self-funding their own care arrangements in the borough (not known to the Local Authority). The number of care providers (delivering care and support) across the Enfield markets is in excess of 300.

63 The direct beneficiaries of the (amended) policy will be those who require formal support for their care needs. The policy will help these individuals plan for and manage the costs of their care, and will offer increased protection for people's income, assets and wealth. It will also provide greater peace of mind in relation to people's future ability to access care and would mean that individuals are more able to access care that is appropriate for their eligible needs. These benefits will apply to both those who currently have care needs, and those who may require care in the future. While the policy provides specific protection for people with a range of care needs and income, assets and wealth, it is expected that the policy will have particular benefits for:

- those with more intense or longer lasting care needs
- those who are less able to plan for the future because their care needs are complex or unpredictable
- those whose income, assets and wealth mean that they have more uncertainty over how they will meet the cost of care for these needs in the future

64 It is also expected that this policy will benefit unpaid carers by offering them greater peace of mind about the potential future care and care costs of the person for whom they are caring.

65 This policy will have benefits for the general population in that it will provide peace of mind and increased certainty over future ability to meet the costs of care from all those who could potentially have care needs in the future, regardless of whether they actually go on to develop these needs.

66 Monitoring information, where proportionate and appropriate, will be collected and analysed in order to establish on an ongoing basis, any positive or negative impacts on people eligible for Care Act 2014 support.

Environmental and Climate Change Considerations

Not applicable

Risks that may arise if the proposed decision and related work is not taken

67 If not agreed, The Council will not be able to deliver projects which support the changes needed to deliver against the new legislative requirements of the Health and Care Act 2022. This poses a significant reputational risk to the Council should the Local Authority not be able to respond to the requirements of these legislative changes and resultant demands on Health and Adult Social Care service.

68 Estimates that Councils will see demand for services increase by up to 25% with up to 1,250 additional people approaching the Council for support. Failure to plan for the capacity and resources required to meet this need poses a significant risk, not only with regards to the welfare of people in need of care and support, but also to staff working in front line services and to the Council's partnerships across statutory and non-statutory services. Services would very quickly become overwhelmed because of the increase in demand if not planned for and funded appropriately.

69 All people who will be in receipt of chargeable Adult Social Care Services will be eligible to receive a care account from the 1st October 2023. Failure to fund and provide for an IT solution which meets this need will open the Council up to legal challenge.

Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

70 It is possible that the increased demand for support and services and costs attached to that support will exceed the funding (yet to be finally determined) allocated to the Council by government. Work is underway to address the needs analysis required to support this. A financial reserve has been made which is ringfenced to Adult Social Care to fund any short-term shortfall in funding. Any longer-term shortfalls will be identified and planned for as part of the Council's Medium Term Financial Planning process.

71 In addition, the IT system requirements needed to support the introduction of Care Accounts may be delayed. Contingency arrangements for this are being considered as part of the planning process. These contingency arrangements will include the use of another system and development of a local system to meet the care account requirements.

72 There is a risk that additional front-line staff required to meet the increased demand will remain extremely hard to recruit, given current difficulties in this market (for qualified staff). Planning is underway to understand the scope and breadth of roles required and proactive recruitment campaigns will be in place. This will include the development of more unqualified roles. This work

is being led by the department's Principal Occupational Therapist and Principal Social Worker.

73 A risk register is in place to monitor the management and mitigation of these risks. This will be subject to regular review at the Social Care Reform Programme Board chaired by the Director of Health and Adult Social Care. It will also be shared with and reviewed scrutiny panels, the Council's Digital Board (for IT project)

Financial Implications

Provided by Mark Astbury 04/05/2022

74 As part of the changes introduced through the Health and Social Care Act 2022 the Government has announced plans to substantially increase funding for health and social care over the next three years (2022- 2025), to be funded by a new tax, the Health and Social Care Levy.

75 The funds from the Health and Social Care Levy will be ringfenced for investment in health and social care. The levy will be based on National Insurance contributions (NICs). From 2023, the levy will also apply to individuals working above State Pension age, who are currently liable to pay NICs on their earnings. The government also plans to increase the rates of income tax that apply to income from dividends.

76 £5.4 billion of revenue from the levy will be used to support adult social care in England over the next three years (2022-2025) as follows:

i. £3.7 will be used to introduce a cap on care costs and reform the social care means test. The funding will also be used to help local authorities better sustain their local care markets by moving towards a fairer cost of care, and

ii. £1.7 billion will be used to support wider system reforms

iii. Much of the detail has still to be worked through to fully understand the financial implications, although the major financial implications to local authorities will be around the introduction of the Fair Cost of Care and Charging Reform.

<u>Fair Cost of Care (Returns due 14th October 2022)</u>

77 Local authorities are required to carry out an exercise to survey a range of providers (representative of the local market) as part of the cost of care exercise, to improve their understanding of the actual costs of delivering care in their area. Local authorities are required to use the exercise to determine and report the median actual operating costs for 65+ Nursing and Residential Care and 18+ Home Care, plus evidence and values for return on capital and return on operations. Together these make up the fair cost of care.

78 A provisional market sustainability plan is required to be submitted to DHSC by 14 October 2022, outlining the Council's assessment of the sustainability of the local care market in relation to 65+ care home services and for 18+ domiciliary care services, which:

i. takes into account the results from the cost of care exercises

ii. considers the impact of future market changes over the next three years, particularly in the context of adult social care reform, and

iii. sets out an outline action plan for addressing the issues identified and the priorities for market sustainability investment

79 The Government have provided funding through the "Market Sustainability and Fair Cost of Care Fund". For 2022/23 the LBE allocation is £877,000. Up to 25% of this funding in 2022/23 may be spent on implementation activities associated with preparing markets for reform. The remaining seventy-five per cent of the funding, or if the Council incurs implementation costs amounting to less than twenty-five per cent of the allocation, must be used to increase rates if current rates are below the fair cost of care (in respect of residential and nursing care for those aged 65 and over, and domiciliary care for those aged 18 and over, including those who operate in extra care settings).

80 Charging Reform (from October 2023)

81 There are four separate elements in respect of charging reform which will have a financial impact on local authorities:

i. An increase in the number of assessments, reviews, and care management responsibilities to include eligible self-funders,
ii. The increase in both the lower and higher financial assessment thresholds which affect when the public sector starts to pay for care and how much it contributes,
iii. The introduction of the care cap which limits the amount that individuals might contribute towards their cap.
iv. The implementation of Section 18 (3) of the Care Act for those in care homes. This means that self-funders can ask the local authority to commission care at local authority fee levels.

82 Financial models are currently being developed locally and nationally to assess the impact on individual authorities and support national lobbying in advance of the 2023/24 Local Government Finance Settlement.

83 No individual local authority funding allocations have yet been made in respect of Charging Reform and, at this stage, it is not clear whether the £3.7bn funding available will be enough to cover the costs of these changes.

Legal Implications

Provided by I. Deuchars on 28/04/22 on report received on 22/04/22

84 Local authorities have legal responsibilities under the Care Act 2014 to assess and help vulnerable people with their social care needs. The local authority has a duty to meet an adult's eligible needs and a power to charge them for services provided.

85 The proposal set out in the Health and Care Act 2022, will, once in force, bring in significant changes in relation to how local authorities will be able to charge for social care. The reforms are summarised in the paragraphs above. The Act has recently been agreed by both Houses of Parliament and has received Royal Assent.

86 The new law is expected to come into force in October 2023. Prior to this, the local authority may need to carry out a public consultation and publish a new social care charging policy. Any such consultation will need to be fair, transparent and allow stakeholders a reasonable opportunity to respond. The consultation and charging policy will also need to comply with the requirements of the Equality Act 2010.

Workforce Implications

87 Workforce planning and training will be required to establish what additional staff and types of staff roles will be required to meet this additional demand. Workforce development plans will focus on the additional recruitment and skills needed to meet the increase in demand for support. Issues in recruitment and retention in both qualified and unqualified (practitioner) roles will need to be considered and an action plan put in place to address this.

Provided by Jane Parsley 03/05/2022

Property Implications

88 The proposals in this report identify the likelihood of an increase in workforce. When the details of the potential changes to the workforce have been determined, the accommodation implications will need to be understood through detailed interaction with relevant teams, being Operational Estate Management, Facilities Management, and Build the Change. Should new accommodation requirements be required, these will need to be presented to the Accommodation Board, as well as any other relevant Board, such as a Build the Change board or the Property Board. Any new accommodation requirement is likely to have their own financial implications which will need to be taken into account in the holistic appreciation of financial implications to this report.

Provided by A Smallwood 27/04/2022

Other Implications

89 At this stage, it is considered there are not any substantial implications for procurement. However, the service area will continue to engage with Procurement Services as appropriate moving forward.

Procurement implications provided by Mathew Jones, Category Manager 26/04/2022

90 Digital implications – From October 2023 all recipients of chargeable Adult Social Care services will be required to have a Care Account which will monitor their progression (through payment of assessed fees and charges) towards the Care Cap. OLM is the system provider for Health & Adult Social Care. This project has been approved at the People IT Board (19th April 2022) and by the Council's Digital Board. National specifications for the Care Account module have been produced and shared with IT providers. It is intended that a functioning test system be available by no later than April 2023 in order to allow sufficient time for testing preparation to take place for the roll out in October 2023.

91 Experience of adding new modules to existing products (such as Revenues and Benefits) to introduce new statutory changes is as follows:

- Of key implications, such as Security, Infrastructure, Rollout of the applications, etc and longer-term procurement and discovery, these can be generally light touch or discounted.

- That means the costs tend to be as a proportion of the existing system costs (currently around £250k pa). And a one-off implementation cost from the supplier, plus some internal DS costs to manage that implementation.

- Therefore, it may be a reasonable assessment that a new module may add between £50 to £100k p.a. for the existing system and a similar cost for one off implementation.

- Existing DS resources may need to support implementation and they may need to be backfilled. A reasonable assumption would be the equivalent of MM1 post for the period of implementation.

23/06/2022 - Martin Sanders – Head of Digital Services.

Options Considered

92 Implementing changes required by legislation introduced by government will require as a legal duty the Council to introduce systems, processes and plans largely prescribed within the legislation and policy.

Conclusions

93 The introduction of new legislation to address the lifetime costs of care for vulnerable residents aged 18 and over and the sustainability of funding for Adult Social Care and care providers is welcomed. However, given the delay

in getting the legislation through parliament, a significant amount of work remains to be done in a relatively short space of time.

94 The financial impact and government settlement for Councils is yet to be finalised/determined. It does, therefore, remain to be seen whether the financial settlement will be sufficient to meet the increase in demand that will result from these reforms. This remains an area of risk to the Council. IT/systems and workforce planning are also areas of risk. Failure to plan for and mitigate these risks poses a significant financial and reputational risk to the Council.

95 The statutory Director of Health and Adult Social Care as the programme lead, has taken direct responsibility for the operational delivery of actions required to deliver this significant programme of work. Regular updates, oversight and governance arrangements will be in place in order that members and Senior Officers across the Council are kept up to date with progress/implementation plans. This will include further updates to Cabinet before the end of this financial year (2022/23).

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Date of report: 25/06/2022

Appendices

Appendix A – Potential financial impact of Social Care finance reforms
Appendix B – Equalities Impact Assessment

Background Papers
none

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Potential Financial Impact of Social Care Finance Reforms

1. This summary outlines the key changes that will come as a result of the reforms and the estimated financial and resource impact on Health & Adult Social Care in Enfield to implement these reforms.

Key Changes:

2. **Fair cost of care exercise** – a market testing exercise must be completed with domiciliary care providers and care homes for older people and a report submitted to the Department of Health and Social Care by October 2022.

3. **Care Cap and Care Accounts** – a person with assessed eligible needs will be entitled to a Care Account from October 2023 which will monitor the contributions they pay every week (if any). No one will pay more than £86,000 towards the costs of their care in their lifetime. Once people hit the cap the local authority will become responsible for funding reasonable costs (as determined by the fair cost of care exercise). For people living in care homes £200 per week is excluded (accommodation costs).

Financial Implications

4. The Fair Cost of Care Exercise is expected to increase both residential/nursing and home care rates to reflect the current differential in rates paid by local authorities and self-funders and the financial impact will be identified through the market testing. Additional government support to fund FCC is £162m in 2022/23 rising to £600m from 2023/24. The allocation to LBE for 2022/23 is £0.877m and the grant conditions require that this is used to support the implementation and the move towards FCC in 2022/23.

5. There are four separate elements in respect of charging reform which will have a financial impact on local authorities:
    - An increase in the number of assessments, reviews, financial assessments and care management responsibilities to include eligible self-funders,
    - An increase in both the lower and higher financial assessment thresholds which affect when the public sector starts to pay for care and how much it contributes,
    - The introduction of the care cap which limits the amount that individuals might contribute towards their cap.
    - The implementation of Section 18 (3) of the Care Act for those in care homes. This means that self-funders can ask the local authority to commission care at local authority fee levels.

6. National Government funding to support Funding Reforms from October 2023 is £800m in 2023/24 rising to £1,400m in 2024/25. At this stage it is not clear how this total is made up in terms of the different aspects identified in paragraph 5 and no specific funding allocations have been made to individual authorities.

7. At this stage it is assumed that the cost of the Fair Cost of Care, Care Cap, Care Accounts and financial assessment thresholds, will be met through additional funding. There is a significant risk that this may not be the case, however, the actual net cost of the reform will depend on a number of factors which cannot be quantified at this stage:
   - the outcome of the FCC Exercise in 2022,
   - further modelling of the impact of 2023/24 reforms for which additional data is required, and
   - the breakdown of national funding in terms of what this covers and indicative allocations to individual authorities.

Implementation Costs

8. The delivery of the changes from 2023/24 will require initial investment in both staffing and IT Systems. The cost and funding available to implement Care Cap and Care Accounts from October 2023 are currently estimated to be:

	Note	2022/23	2023/24	2024/25
		£m	£m	£m
Staffing	1	0.150	0.460	0.340
IT Systems	2	0.045	0.085	60
Estimated Cost		**0.195**	**0.545**	**0.400**
Implementation Funding – 22.23	3	0.104	-	-
Implementation Funding - 23.24	4	-	0.520	0.400
Net Cost	**5**	**0.091***	***0.025**	**-**

***Any costs not met by government funding will be funded from Adult Social Care reserves.**

Notes to Table:

1. **Staffing** - With more people coming forward for their care accounts, Care Act assessments will need to be completed in advance of October 2023. This will for the most part, be people who are currently funding the costs of their own care themselves (self-funders). We have identified 720 current people receiving care in the community and in care homes but estimate this number could be as high as 1,250. This will require more staff to complete assessments, support plans and reviews as well as ongoing case management and financial assessments. We estimate that in order to meet this increase in numbers a further 6 qualified staff will be needed from April 2023 with a further 4 staff required the following year in 2024/25. From April 2023 we estimate a further 5 financial assessment staff will be required reducing to 3 the following year. The estimated cost of these staff (full year effect) will be £0.460m in 2023/24 reducing to £0.340m in 2024/25. There will be a smaller cost in 2022/23 as staff will need to be recruited ready for April 2023. This is likely to be a part year effect of 3 months between January 2023 and March 2023 so around £0.150m.

The impact on staffing will depend on the volume and timing of the demand for assessments but at this stage these represent the best estimates of cost. ADASS have shared a number of initial modelling assumptions based on estimated self-funder numbers, the number of assessments and reviews required and the estimated cost of a Social Worker per day. Based on 1,250 self-funders this modelling has indicated staff costs of £0.768m in 2023/24, reducing to £0.646m in 2024/25.

2. **IT system development –** a new add-on will be needed to provide individuals with their care accounts. Work with the current provider, OLM, is underway. It is estimated that recurrent costs for this add-on will be around £60k per year with payments beginning in 2023/24. A contingency plan is also in place with an alternative provider. The cost for this option in 2022/23 is £45k with lower recurrent costs ongoing. With the contingency arrangement there will be additional costs to link this to the OLM system. Costs for this system integration are currently unknown.

3. **2022.23 Funding** - This initial tranche of implementation support funding is intended to support local authorities to begin planning and preparations for charging reform. This is primarily to support local authorities to undertake recruitment activities for assessment staff and ensure that they have dedicated internal resource to prepare to upgrade local IT systems to include care account functionality. The grant design offers flexibility to local authorities to use the funding as is best suited to their local planning.

4. **2023.24 Funding** - The 2022/23 implementation grant determination confirms that further implementation funding will be made available in 2023/24 and the government intends to consult on a proposed approach to distribution for this funding later this year. At this stage it is assumed that this will be sufficient to cover staff and IT cost identified.

5. **Net cost –** it is currently unclear whether there will be further implementation funding made available in 2022/23. However, it is essential to assure that the necessary staff and systems are in place and ready to implement the changes required from April 2023. The estimated net cost of implementation of £0.046m (£0.091m if alternative IT Systems are required) will be met through Adult Social Care Budget Reserves.

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Enfield Equality Impact Assessment (EqIA)

Introduction

The purpose of an Equality Impact Assessment (EqIA) is to help Enfield Council make sure it does not discriminate against service users, residents and staff, and that we promote equality where possible. Completing the assessment is a way to make sure everyone involved in a decision or activity thinks carefully about the likely impact of their work and that we take appropriate action in response to this analysis.

The EqIA provides a way to systematically assess and record the likely equality impact of an activity, policy, strategy, budget change or any other decision.

The assessment helps us to focus on the impact on people who share one of the different nine protected characteristics as defined by the Equality Act 2010 as well as on people who are disadvantaged due to socio-economic factors. The assessment involves anticipating the consequences of the activity or decision on different groups of people and making sure that:

- unlawful discrimination is eliminated
- opportunities for advancing equal opportunities are maximised
- opportunities for fostering good relations are maximised.

The EqIA is carried out by completing this form. To complete it you will need to:

- use local or national research which relates to how the activity/ policy/ strategy/ budget change or decision being made may impact on different people in different ways based on their protected characteristic or socio-economic status;
- where possible, analyse any equality data we have on the people in Enfield who will be affected eg equality data on service users and/or equality data on the Enfield population;
- refer to the engagement and/ or consultation you have carried out with stakeholders, including the community and/or voluntary and community sector groups and consider what this engagement showed us about the likely impact of the activity/ policy/ strategy/ budget change or decision on different groups.

The results of the EqIA should be used to inform the proposal/ recommended decision and changes should be made to the proposal/ recommended decision as a result of the assessment where required. Any ongoing/ future mitigating actions required should be set out in the action plan at the end of the assessment.

The completed EqIA should be included as an appendix to relevant EMT/ Delegated Authority/ Cabinet/ Council reports regarding the service activity/ policy/ strategy/ budget change/ decision. Decision-makers should be confident that a robust EqIA has taken place, that any necessary mitigating action has been taken and that there are robust arrangements in place to ensure any necessary ongoing actions are delivered.

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SECTION 1 – Equality Analysis Details

Title of service activity / policy/ strategy/ budget change/ decision that you are assessing	**Health & Adult Social Care**
Lead officer(s) name(s) and contact details	**Doug Wilson, doug.wilson@enfield.gov.uk,**
Team/ Department	**Health and Adult Social Care**
Executive Director	**Tony Theodoulou**
Cabinet Member	**Alev Cazimoglu**
Date of EqIA completion	**16/05/2022**

SECTION 2 – Summary of Proposal

Please give a brief summary of the proposed service change / policy/ strategy/ budget change/project plan/ key decision **Please summarise briefly:** What is the proposed decision or change? What are the reasons for the decision or change? What outcomes are you hoping to achieve from this change? Who will be impacted by the project or change - staff, service users, or the wider community?
Adult Social Care is currently and will continue to be subject to eligibility rules that discriminate positively for people with illness, disability and care needs as well as people caring for them. The government has introduced new legislation, which includes within it the aim to deliver Adult Social Care Charging Reforms (The Health & Care Act 2022). As a direct result of this new legislation by October 2023 there will be more generous means testing regulations in place, which includes the introduction of a Care Cap – people who pay a contribution towards the costs of their care will not pay more than £86,000 within their lifetime. People who have sufficient financial resources under the current charging regulations to fund the costs of their own care can ask the Local Authority for a Care Act Assessment. There will be a new

duty for local authorities to assure themselves of the sustainability of their care markets (Fair Price for Care).
There are currently around 6,500 people aged 18 and over receiving chargeable services from Adult Social Care and an estimated number of people in excess of 1,200 self-funding their own care arrangements in the borough (not known to the Local Authority). The number of care providers (delivering care and support) across the Enfield markets is in excess of 300.

The direct beneficiaries of the (amended) policy will be those who require formal support for their care needs. The policy will help these individuals plan for and manage the costs of their care, and will offer increased protection for people's income, assets and wealth. It will also provide greater peace of mind in relation to people's future ability to access care and would mean that individuals are more able to access care that is appropriate for their eligible needs. These benefits will apply to both those who currently have care needs, and those who may require care in the future. While the policy provides specific protection for people with a range of care needs and income, assets and wealth, it is expected that the policy will have particular benefits for:

- those with more intense or longer lasting care needs
- those who are less able to plan for the future because their care needs are complex or unpredictable
- those whose income, assets and wealth mean that they have more uncertainty over how they will meet the cost of care for these needs in the future

It is also expected that this policy will benefit unpaid carers by offering them greater peace of mind about the potential future care and care costs of the person for whom they are caring.

This policy will have benefits for the general population in that it will provide peace of mind and increased certainty over future ability to meet the costs of care from all those who could potentially have care needs in the future, regardless of whether they actually go on to develop these needs.

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SECTION 3 – Equality Analysis

This section asks you to consider the potential differential impact of the proposed decision or change on different protected characteristics, and what mitigating actions should be taken to avoid or counteract any negative impact.

According to the Equality Act 2010, protected characteristics are aspects of a person's identity that make them who they are. The law defines 9 protected characteristics:

1. Age
2. Disability
3. Gender reassignment.
4. Marriage and civil partnership.
5. Pregnancy and maternity.
6. Race
7. Religion or belief.
8. Sex
9. Sexual orientation.

At Enfield Council, we also consider socio-economic status as an additional characteristic.

"Differential impact" means that people of a particular protected characteristic (eg people of a particular age, people with a disability, people of a particular gender, or people from a particular race and religion) will be significantly more affected by the change than other groups. Please consider both potential positive and negative impacts, and, where possible, provide evidence to explain why this group might be particularly affected. If there is no differential impact for that group, briefly explain why this is not applicable.

Please consider how the proposed change will affect staff, service users or members of the wider community who share one of the following protected characteristics.

Age This can refer to people of a specific age e.g. 18-year olds, or age range e.g. 0-18 year olds.
Will the proposed change to service/policy/budget have a **differential impact [positive or negative]** on people of a specific age or age group (e.g. older or younger people)? Please provide evidence to explain why this group may be particularly affected.
This legislation will positively impact on people who are eligible for care and support aged 18 and over. There are currently in excess of 6,500 people within this cohort currently receiving chargeable services as well as a further 7,500 unpaid carers (family members for the most part) directly and positively impacted by these changes. The direct beneficiaries of the (amended) policy will be those who require formal support for their care needs. The policy will help these individuals plan for and manage the costs of their care, and will offer increased protection for people's income, assets and wealth. It will also provide greater peace of mind in relation to people's future ability to access care and would mean that individuals are more able to access care that is appropriate for their eligible needs. These benefits will apply to both those who currently have care needs, and those who may require care in the future. While the policy provides specific protection for people with a range of care needs and income, assets and wealth, it is expected that the policy will have particular benefits for: • those with more intense or longer lasting care needs • those who are less able to plan for the future because their care needs are complex or unpredictable • those whose income, assets and wealth mean that they have more uncertainty over how they will meet the cost of care for these needs in the future • unpaid carers by offering them greater peace of mind about the potential future care and care costs of the person for whom they are caring. • the general population in that it will provide peace of mind and increased certainty over future ability to meet the costs of care from all those who could potentially have care needs in the future, regardless of whether they actually go on to develop these needs.
Mitigating actions to be taken
Action plan in place to address the requirements of implementation include: • IT work programme for introduction of new Care Accounts (Care Cap) • Workforce development plan for recruitment of additional staff required to meet the increase in demand for assessments, support plans, reviews and financial assessments • Market development plan to support the implementation of Fair Price for Care work

Disability A person has a disability if they have a physical or mental impairment which has a substantial and long-term adverse effect on the person's ability to carry out normal day-day activities. This could include: Physical impairment, hearing impairment, visual impairment, learning difficulties, long-standing illness or health condition, mental illness, substance abuse or other impairments.
Will the proposed change to service/policy/budget have a **differential impact [positive or negative]** on people with disabilities? Please provide evidence to explain why this group may be particularly affected.
This legislation will positively impact on people with illness/disabilities who are eligible for care and support aged 18 and over. The following factors will affect if and how individuals benefit from the proposed reforms. • **Uptake of formal care -** Groups who are more likely to access formal care are more likely to benefit from this policy. • **Likelihood of developing care needs -** Groups who are more likely to develop care needs will be more likely to benefit from this policy. • **Average intensity of care needs (and therefore cost of care) -** Groups with more intensive care needs and higher lifetime care costs are more likely to benefit from this policy.
Mitigating actions to be taken
Action plan in place to address the requirements of implementation include: • IT work programme for introduction of new Care Accounts (Care Cap) • Workforce development plan for recruitment of additional staff required to meet the increase in demand for assessments, support plans, reviews and financial assessments • Market development plan to support the implementation of Fair Price for Care work

Gender Reassignment This refers to people who are proposing to undergo, are undergoing, or have undergone a process (or part of a process) to reassign their sex by changing physiological or other attributes of sex.

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Will this change to service/policy/budget have a **differential impact [positive or negative]** on transgender people? Please provide evidence to explain why this group may be particularly affected.
The existing and revised policy does not treat people differently on the basis of gender reassignment and we foresee no impact on this protected characteristic with regards to the uptake of care. Research done by the Department for Health and Social Care indicates a wider lack of more granular data with regards to this group and signals continued support for further research to be done and that any emerging evidence will be considered by future policy development in order to understand whether there are or will be any unintended consequences as a result of this legislation.
Mitigating actions to be taken
In addition to the more general actions needed to implement these reforms further work will be done to collect data, where appropriate and proportional, to understand more about the demand for Adult Social Care support from this particular group.

Marriage and Civil Partnership Marriage and civil partnerships are different ways of legally recognising relationships. The formation of a civil partnership must remain secular, where-as a marriage can be conducted through either religious or civil ceremonies. In the U.K both marriages and civil partnerships can be same sex or mixed sex. Civil partners must be treated the same as married couples on a wide range of legal matters.
Will this change to service/policy/budget have a **differential impact [positive or negative]** on people in a marriage or civil partnership? Please provide evidence to explain why this group may be particularly affected
Current social care charging policy treats married people and single people differently in order to promote equality between these groups and ensure that those who are married are not at greater risk of having to sell their home than single people because of their married status. There are also some situations in which those who are married or in a civil partnership might be more likely to benefit from social care charging rules which mean that their home isn't taken into account in the means test. This applies when the care user's home is still occupied by: • a partner or former partner, unless they are estranged • an estranged or divorced partner IF they are also a lone parent • a relative who is aged 60 or over • a relative who is disabled

- the individual's child who is aged 18 or under

The proposed reform policy will maintain this protection: neither married people nor single people will stand to benefit or be disadvantaged compared to each other relative to the current policy. The policy does not differentiate between people who are married and people who are in a civil partnership.

Single people are more likely than married people to access formal care. In the 2011 census 85% of the aged 65+ population receiving residential care were non-married: this group includes those who have never been married as well as those who are divorced, separated or widowed. Single people may therefore receive particular benefits from this policy.

However, there are a range of benefits to this policy which may impact on different groups in different ways. For example, individuals who live with a partner or who have children are more likely to receive informal care in their older age. This group may be more likely to receive the benefits of this policy to informal carers, including greater peace of mind over the care recipient's future support. However, single people may face greater uncertainty over their future care due to reduced access to informal care: in this context, the policy will have particular benefits for these individuals by giving them greater peace of mind over how they will meet their future care needs.

In providing benefits in line with the specific needs of individuals in different groups, this policy will advance equality of opportunity between those who share a protected characteristic and those who do not.

Mitigating actions to be taken

In addition to the more general actions needed to implement these reforms further work will be done to collect data, where appropriate and proportional, to understand more about the demand for Adult Social Care support and the impact of charges on this particular group.

Pregnancy and maternity

Pregnancy refers to the condition of being pregnant or expecting a baby. Maternity refers to the period after the birth and is linked to maternity leave in the employment context. In the non-work context, protection against maternity discrimination is for 26 weeks after giving birth, and this includes treating a woman unfavourably because she is breastfeeding.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on pregnancy and maternity?

Please provide evidence to explain why this group may be particularly affected

This protected characteristic refers to individuals who are pregnant, breastfeeding

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or have recently given birth..

Where individuals do share a protected characteristic related to pregnancy or maternity, they will benefit in the same ways as other care users who do not share the protected characteristic.

Those who share this protected characteristic may be more likely than the general population to face uncertainty over their future income or ability to meet the cost of care if their working arrangements are affected by pregnancy or infant caring responsibilities. If this is the case, this group may receive additional benefits from the increased peace of mind offered by this policy.

We expect the combination of a cap on lifetime care costs, the implementation of s18(3) and local authorities paying a fair and sustainable rate for care to have benefits for the wider social care market, including encouraging investment and innovation. While we do not currently have evidence of specific care requirements related to pregnancy or maternity, it may be that individuals sharing this protected characteristic could benefit from a more innovative care market with a greater range of services offering increased flexibility and / or care packages specifically targeting their needs.

Mitigating actions to be taken

In addition to the more general actions needed to implement these reforms further work will be done to collect data, where appropriate and proportional, to understand more about the demand for Adult Social Care support and the impact of charges on this particular group.

Race

This refers to a group of people defined by their race, colour, and nationality (including citizenship), ethnic or national origins.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people of a certain race?

Please provide evidence to explain why this group may be particularly affected

This policy does not treat people differently based on their race. However, some groups may receive particular benefit from the reforms if they are more likely than others to have care needs or to access formal care.

Enfield is a very diverse borough in terms of the ethnicity of its residents. The Adult Social Care Survey and ONS population estimates indicate that there are only minor differences between the care user population and the general population in terms of ethnicity. On this basis, we would not expect any ethnic group to be more likely to directly benefit from this policy. However, further evidence would be

required to monitor the uptake of services across the various groups to ensure that access by various groups is reflective of what we know about the various ethnic groups within our community. It would be good practice to include a quality assurance feedback process into Adult Social Care practices in order to understand the uptake of services by people living within the community.
Mitigating actions to be taken
In addition to the more general actions needed to implement these reforms further work will be done to collect data, where appropriate and proportional, to understand more about the demand for Adult Social Care support and the impact of charges on the different ethnic groups living within the borough.

Religion and belief Religion refers to a person's faith (e.g. Buddhism, Islam, Christianity, Judaism, Sikhism, Hinduism). Belief includes religious and philosophical beliefs including lack of belief (e.g. Atheism). Generally, a belief should affect your life choices or the way you live.
Will this change to service/policy/budget have a **differential impact [positive or negative]** on people who follow a religion or belief, including lack of belief? Please provide evidence to explain why this group may be particularly affected.
This policy does not treat people differently based on religion or belief. However, other factors may influence how the policy could impact people of a specific religion or belief.
Mitigating actions to be taken
In addition to the more general actions needed to implement these reforms further work will be done to collect data, where appropriate and proportional, to understand more about the demand for Adult Social Care support and the impact of charges on the different religious groups living within the borough.

Sex

Sex refers to whether you are a man or woman.
Will this change to service/policy/budget have a **differential impact [positive or negative]** on men or women? Please provide evidence to explain why this group may be particularly affected.
This policy does not treat people differently based on their sex or gender. However, there are various factors which may mean that women are more likely to benefit from the support this policy offers and that this policy will thereby promote equality of opportunity between these 2 groups. Women in England are more likely than men to receive formal care: over half (58%) of the publicly funded or managed care population in England is female. Women are therefore likely to receive particular benefits from this policy. In addition, women are more likely than men to be disabled. In the 2019 to 2020 Family Resources Survey, 24% of females reported having a disability compared to 19% of males. Across all age groups except those below aged 15, a higher proportion of females than males reported that they were disabled. Please see above for an assessment of how this policy will benefit disabled people compared to those without disabilities. These differences are similar in Enfield. There are also differences in income, wealth and assets between men and women which could affect how they benefit from this policy. Estimates from the Office for National Statistics (ONS) indicate that women's lifetime earnings are substantially lower than men's: in 2018 women received, on average, equal to 59% of men's lifetime earnings. This means that they are likely to have less certainty over how they will meet the costs of their future care needs and will be particularly likely to benefit from this policy. Further details of how this policy will interact with individual levels of income, assets and wealth will be available in the social care funding reform impact assessment. Women may also be more likely to receive the benefits of this policy because they are more likely to provide informal care than men. In 2019 to 2020, 2.7 million women provide informal care versus 1.8 million males, according to data from the Family Resources Survey. The benefits of the reforms for unpaid carers, which include greater peace of mind over the care recipient's future support, will therefore be likely to have a disproportionately positive impact on women. Again, the picture in Enfield is very similar.
Mitigating actions to be taken

No mitigating actions required other than the more general actions needed to implement these reforms.

Sexual Orientation This refers to whether a person is sexually attracted to people of the same sex or a different sex to themselves. Please consider the impact on people who identify as heterosexual, bisexual, gay, lesbian, non-binary or asexual.
Will this change to service/policy/budget have a **differential impact [positive or negative]** on people with a particular sexual orientation? Please provide evidence to explain why this group may be particularly affected.
This policy does not treat people differently based on their sexual orientation, and we have no reason to believe that people of any one sexual orientation are more likely to receive direct benefits from it than any other. Data from the 2019 to 2020 Adult Social Care Survey indicates that care users are less likely than the general population (take from ONS experimental statistics on sexual orientation in the UK in 2018) to specifically identify as heterosexual / straight. However, a higher proportion of respondents to this survey answered 'don't know' or refused this question than in the general population estimates. The amount of people specifically identifying as bisexual was lower in the Adult Social Care Survey than in the ONS estimates for the general population.
Mitigating actions to be taken
In addition to the more general actions needed to implement these reforms further work will be done to analyse the data, where appropriate and proportional (to a person's assessment), to understand more about the impact of the policy with regards to sexual orientation.

Socio-economic deprivation This refers to people who are disadvantaged due to socio-economic factors e.g. unemployment, low income, low academic qualifications or living in a deprived area, social housing or unstable housing.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people who are socio-economically disadvantaged? Please provide evidence to explain why this group may be particularly affected.
The regulations relevant to how people are financially assessed and (potentially) charged for the care and support services they receive will specifically change with regards to the threshold amounts applied as part of the financial assessment process and the introduction of the Care Cap placing a lifetime limit on the amount of money a person has to pay towards their care and support costs. When it comes to the outcome of financial assessments the Adult Social Care population can be split into three different groups. Those who pay the full cost of their service, those who pay an assessed contribution (not full cost) towards their service and those who are assessed to pay a nil contribution towards their care costs. For those who either pay a contribution or the full cost of their care services the charging thresholds are more generous, and the care cap means that they will not pay more than £86,000 towards care costs which the Council considers to be reasonable in their lifetime. This policy will, therefore, positively benefit those people. For people who are assessed to pay a nil contribution towards their care costs this policy will prove to have a neutral impact so will neither positively or negatively impact on them. Once the new regulations are implemented, the Council will continue to monitor the impact of these on all groups involved to assess whether there are any beneficial or detrimental impact not originally foreseen.
Mitigating actions to be taken.
In addition to the more general actions needed to implement these reforms, further work will be done to analyse the data in order to understand more about the impact of the policy with regards to all income groups, including those on low incomes.

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SECTION 4 – Monitoring and Review

How do you intend to monitor and review the effects of this proposal? Who will be responsible for assessing the effects of this proposal?
The Council will seek to launch a formal consultation on plans to introduce the new Adult Social Care charging reforms in Enfield. Through the knowledge and insights hub the divisional management team of Health & Adult Social Care will be responsible for monitoring and assessing the impact of these amended charging regulations on the Adult Social Care population subject to the financial assessment process for chargeable care and support services. This monitoring and oversight will cover the impact on all people within the protected characteristics referenced within this equality impact assessment. This will include: • the proportion of people accessing services who continue to be nil charge • the proportion of people paying an assessed contribution towards their care costs and progression towards the care cap • the proportion of people reaching the care cap where the Council will assume full funding responsibility for care and support costs • analysis of those cases where any person is judged to be financially worse off as a direct or indirect result of the new charging regulations It is the intention of Health and Adult Social Care to return to Cabinet before the introduction the new regulations to provide an update on the department's state of readiness and on the results of any consultation process undertaken. It is also intended that within two years of the new regulations being introduced Cabinet will receive a further update on implementation and review with regards to the impact of the new regulations and any positive or negative impact on people accessing services and their carers.

SECTION 5 – Action Plan for Mitigating Actions.

Identified Issue	Action Required	Lead officer	Timescale/By When	Costs	Review Date/Comments
Identification of impact either positive or negative on each protected characteristic area	Analysis work to be done as part of action planning	Doug Wilson	December 2022 and ongoing	Within existing budgets	**Monthly as part of the working group and programme board**
People are informed and able to voice their views with regards to the new regulations	Public consultation prior to implementation of new charging reforms	Matt Casey	April 2023	Within existing budgets	**Process concluded and findings shared by April 23**
More generous charging thresholds and care cap applied	Monitor of impact of new thresholds and cap on Council income	Adam Webb	Ongoing from October 2023	TBA – gov funding settlement known Dec 22/Jan 23	**Ongoing monthly as part of financial monitor**
Action plan items are all actioned in good time to prepare for implementation of reforms	IT plan Financial impact Analysis of current impact Comms/Engagement plan Recruitment of additional resources	Doug Wilson	April 22 – October 23	Subject to analysis and gov funding allocation	**Monthly as part of project and programme board monitoring**

London Borough of Enfield

Cabinet
Meeting Date: 6 July 2022

Subject: **Quarter 4 Performance Report**
Cabinet Member: **Cllr Ergin Erbil, Deputy Leader**
Executive Director: **Fay Hammond, Executive Director Resources**

Key Decision: **Non-Key**

Purpose of Report

1. This is the quarterly report on the Corporate Performance Scorecard that reflects the Council priorities as outlined in the new Council Business Plan. The report attached at Appendix 1 shows the Quarter 4 performance for 2021/22 (January 2022 – March 2022) and compares it to the Council's performance across the previous four quarters for a series of Key Performance Indicators (KPIs).

2. Appendix 2 focuses on a selection of priority measures where performance is currently off target and/or direction of travel is negative. For each measure an Action Plan has been provided to demonstrate what is being done in each service area to address underperformance.

Proposal(s)

3. Cabinet is asked to note, for information only, the progress being made towards delivering the key priority indicators for Enfield.

Reason for Proposal(s)

4. The report is part of the Quarterly timetable for Cabinet to review performance.

Relevance to the Council Plan

5. The performance measures are grouped under the Council's Corporate Plan themes and our guiding principles.

Background

6. Information is provided in line with the new Corporate Plan and priorities

7. In the continuing challenging local government financial environment, it is important that the Council continues to monitor its performance to ensure that the level and quality of service and value for money is maintained and where possible improved. It is also essential to understand and 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

8. The purpose of the Corporate Performance Scorecard is that it has been developed to demonstrate progress towards achieving the Council's aims and key priorities as set out in the Council Business Plan. The report is a management tool that supports Council directorates and the Executive Management Team (EMT) in scrutinising, challenging and monitoring progress towards achieving the Council's aims.

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

10. The Corporate Scorecard is reviewed annually with departments and EMT to consider the KPIs that should feature in the scorecard for the coming year. Targets are set based on considering the previous 3 years performance, direction of travel, local demand and by considering available resources to deliver services.

11. Targets allow us to monitor performance. We apply a standard methodology which the vast majority of KPIs are then rated against. KPIs are rated at quarterly intervals as Red, Amber or Green (RAG). We have included a key on the Scorecard to explain these definitions, these are as follows:

    a. Red: The KPI is behind/below target and is varying by over 10% from its target.
    b. Amber: The KPI is narrowly missing target and/or there is information that performance will be on track in future quarters;
    c. Green: The KPI is meeting/exceeding its target.

12. Under Performing KPI Action Plans: Appendix 2 focuses on a selection of priority KPIs that are underperforming. These priority KPIs are selected following discussion at EMT where KPIs that have been behind target for a sustained period are selected. This selection is then discussed and reviewed with the Deputy Leader of the Council. Individual meetings are then held with the owners of these KPIs and the owners are asked to draw up action plans to provide context and detail how performance will be improved. Areas will continue to be subject to these Action Plans until an upturn in performance is realised and that they have been rated Green for 2 quarters**.**

13. The KPIS subject to additional challenge where an Action Plan has been developed are as follows

- Waste and Recycling
- Temporary Accommodation
- Telephony and Customer Services
- Sickness Absence
- Complaints, Freedom of Information Requests and Members Enquiries

Main Considerations for the Council

14. There are several key trends to note within the outputs and comments within the Quarterly performance report but it should be noted that the Covid 19 pandemic has impacted on a number of the measures.

Safeguarding Implications

15. A safeguarding section relating to the Councils progress towards achieving its key performance indicators is set out in this report

Public Health Implications

16. The scorecard includes several health and wellbeing KPIs that aim to address the key health inequalities in Enfield.

Equalities Impact of the Proposal

17. Local authorities have a responsibility to meet the Public-Sector Duty of the Equality Act 2010. The Act gives people the right not to be treated less favourably because of any of the protected characteristics. We need to consider the needs of these diverse groups when designing and changing services or budgets so that our decisions do not unduly or disproportionately affect access by some groups more than others.

18. Corporate advice has been sought regarding equalities and an agreement has been reached that an equalities impact assessment/analysis is not relevant or proportionate for the corporate performance report.

Environmental and Climate Change Considerations

19. An Environmental and Climate Change Section relating to the Councils progress towards achieving its key performance indicators is set out in this report. The Climate Change indictors are being developed and initial KPIS can be found in this report

Risks that may arise if the proposed decision and related work is not taken

20. This is for Cabinet to review progress in terms of Enfield achieving its corporate performance indicators

Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

21. This is for Cabinet to review progress in terms of Enfield achieving its corporate performance indicators

Financial Implications

22. The cost of producing the quarterly reports will be met from existing resources.

23. A series of financial measures that have been reported at Cabinet are included in this report.

Legal Implications

24. There is no statutory duty to report regularly to Cabinet on the Council's performance, however under the Local Government Act 1999 a best value authority has a statutory duty to secure continuous improvement in the way in which its functions are exercised having regard to a combination of economy, efficiency and effectiveness. Regular reports on the Council's performance assist in demonstrating best value.

Workforce Implications

25. The scorecard includes several KPIs that report on staff sickness within Enfield

Property Implications

26. None

Other Implications

27. None

Options Considered

28. Not to report regularly on the Council's performance in a public report. This would make it difficult to assess progress made on achieving the Council's main priorities and to demonstrate the value for money being provided by council services.

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Date of report: 13th June 2022

Appendices
Appendix 1: Q4 Performance Scorecard
Appendix 1: Q4 Action Plans

Background Papers
None

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Cabinet Report: Q4 2021-22 (January 2022 – March 2022)

Report Author: Sam Buckley
Generated on: 8th June 2022

ENFIELD Council

Borough Context

Code	Indicator	Current Data	Up or Down on Last Period	Last Update
POP 001	Population of All Enfield	333,587	↑	2021/22
PAF-AO/C73(B)	Enfield Population 18-64	204,364	↑	2022/23
PAF-AO/C72(B)	Enfield Population 65+	44,837	↑	2022/23
NOMIS 01	Employment rate in Enfield - working age Population	70.1%	↓	Q3 2021/22
NOMIS 02	Number of adult population Qualified to at least NVQ Level 3 or higher	131,800	↑	2020/21
NOMIS 03	Number of adult population Qualified to at least NVQ Level 4 or higher	101,300	↑	2020/21
NOMIS 04	Workless Households - rounded to nearest 100 (h/h with at least 1 person aged 16 to 64) (ONS annual pop survey)	19,300	↑	2020/21
NOMIS 04a	Workless Households - % of all Households in Enfield	18.8%	↑	2020/21
NOMIS 05	Gross Weekly Pay - Median earnings for employees living in Enfield (ONS annual survey of hours and earnings - resident analysis)	£670.40	↑	2020/21
NOMIS 06	Total Claimant Count for Enfield (receiving Job Seekers Allowance/Universal Credit because of unemployment)	13,995	↓	March 2022
NOMIS 06a	Claimant Count as % of Working Age Population (Enfield)	6.6%	↓	March 2022
ENV 211a	Enfield Deprivation Ranking (In List of 317 Local Authorities in England)	74	↓	2019/20
ENV 211b	Number of Enfield's Neighbourhoods in the top 10% of the most Deprived in England (of 32,844 small Neighbourhood Areas in England in 2015)	10	↑	2019/20
FCRCP33b	LBE Administered Benefits: Combined Benefits Caseload (Housing Benefit (HB) and Council Tax Support (CTS)	39,145	↓	March 2022
FCRCP33c	Council Tax Support Caseload (All CTS whether HB or not)	35,968	↓	March 2022
FCRCP33d	Housing Benefits (HB) Caseload (whether receiving CTS or not)	20,859	↓	March 2022
PH003v	NHS Indicator - A&E Attendance: % where less than 4 hours from arrival to admission, transfer or discharge	67.8%	↓	Q3 2021/22

Code	Indicator	Current Data	Up or Down on Last Period	Last Update
UC 011	Universal Credit - Claimants in Receipt of Council Tax Support	14,673		March 2022

Key: For the purpose of this report, Key Performance Indicators (KPIS) will be RAG (Red, Amber, Green) rated as per the following methodology
Where the KPI is meeting/exceeding its target, it will be marked as GREEN
Where the KPI is narrowly missing target and/or there is information that performance will be on track in future quarters it will be marked as AMBER
Where KPIs are behind/below target and is varying by over 10% from its target it will be marked as RED

Priority 1: Good Homes in Well Connected Neighbourhoods

Build more and better homes for residents

Indicator	Q4 2020/21	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22		Annual Target 2021/22	Notes
	Value	Value	Value	Value	Value	Target		
Number of households living in temporary accommodation	3455	3282	3212	3236	3163	2691	2691	There is continuing pressure on the service with homelessness approaches being roughly double when compared against the same period last year. There is also a London wide shortage of both privately rented and temporary accommodation adding to these pressures. TA numbers have dropped to 3108 as at 10/05/22. The service achieved an 8.5% reduction in TA in 2021/22. This compares against a 1.2% increase in TA nationally in the first three quarters of the year.
Number of new dwellings started on Council Led Schemes	0	300	88	0	580	Data only KPI		Q4 – New Avenue, U&R, Exeter Road, Reardon Alma Estate 303 homes granted planning for Phase 2 and 4 (uplift from consented 2016 scheme: 215) 88 starts as part of Phase 2a
Number of new dwellings completed on council led schemes (net additional)	47	0	0	0	97	Data only KPI		75 Electric Quarter, Newstead and Maldon 22

Invest in and improve our council homes

Indicator	Q4 2020/21	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22		Annual Target 2021/22	Notes
	Value	Value	Value	Value	Value	Target		
The percentage of council owned homes	97.8%	99%	99%	98.5%	98.9%	100%	100%	Figure shows the combined compliance of Gas Safety Checks on both Council

Indicator	Q4 2020/21 Value	Q1 2021/22 Value	Q2 2021/22 Value	Q3 2021/22 Value	Q4 2021/22 Value	Q4 2021/22 Target	Annual Target 2021/22	Notes
which have a current gas safety certificate								Stock and Gateway Properties. Total Council Stock = 8,526 (properties) with 116 non- compliances (98.6%). This includes Gateway Properties = 298 (properties) with 4 non- compliances (98.7%). RAG rating has been amended so that anything below 100% will show as "red".

Deliver housebuilding and regeneration programmes with our residents

Indicator	Q4 2020/21 Value	Q1 2021/22 Value	Q2 2021/22 Value	Q3 2021/22 Value	Q4 2021/22 Value	Q4 2021/22 Target	Annual Target 2021/22	Notes
Percentage of Pre-application advice given within 30 working days of registration of a valid enquiry	57.1%	68%	76.9%	70%	57.1%	90%	90%	**January**: 6/13; **February**: 6/12; **March:** 12/17; Q4: 24/42 (57.1%). Performance as at Q4 2020/21: 57.1%. **2021/22:** 99/148 (66.9%). Performance dropped in Q4 to same percentage as Q4 in the previous year (20/21). Reflects increased numbers of planning applications for determination in Q4 and resultant prioritisation of determination of applications over pre-application workload. Work underway to recruit to vacant posts and build service capacity to enable more focus on pre-applications
Percentage of MAJOR applications determined within target	84.6%	100%	100%	100%	90.9%	90%	90%	**January:** 1/1; **February:** 2/2; **March:** 7/8: **Q4:** 10/11 (90.9%). **2021/22 total:** 35/36 (97.2%). Dip in Q4 performance albeit still exceeding target. Reflects peak in workload in Q4 with a larger number of cases being determined. Work underway to recruit to vacant posts to ensure capacity in place to maintain performance
Percentage of MINOR applications determined within target	84.4%	90.6%	96.2%	87.3%	88.1%	86%	86%	**January:** 52/62; **February:** 43/46; **March:** 31/35: **Q4:** 126/143 (88.1%). **2021/22 Total:** 558/616 (90.6%). Work underway to recruit to vacant posts to ensure capacity in place to maintain performance
Percentage of OTHER applications determined within target	96.9%	93.4%	96.7%	92.5%	85.1%	88%	88%	**January:** 99/112; **February:** 70/87; **March:** 99/116: **Q4:** 268/315 (85.1%); **Q4 2020/21:** 96.9%. **2021/22 Total:** 1,131/1,231 (91.9%). Dip in Q4 performance to just under target. Reflects peak in workload in Q4 with a larger number of cases being determined. Work underway to recruit to vacant posts to ensure capacity in place to maintain performance
Percentage of 2 year rolling MAJOR applications determined within target	89.6%	92.2%	95.5%	95.6%	94.5%	86%	86%	**Q4: 69 of the 73** major planning applications determined within the last 24 months were processed within 13 weeks.
Percentage of 2 year rolling MINOR applications determined within target	86%	89.7%	91.8%	91.2%	91.3%	85%	85%	**Q4: 1,116 of the 1,223 (91.3%)** minor applications determined within the last 24 months were processed within 8 weeks.
Percentage of 2 year rolling MINOR & OTHER applications determined within target	89.3%	93%	94.1%	94.2%	94.3%	85%	85%	**Q4: 2,273 of the 2,411 (94.3%)** minor and other applications determined within the last 24 months were processed within 8 weeks.
Undetermined applications validated over 6 months ago	362	381	406	468	462	Data Only KPI		Value reflects the position on the last day of the quarter. Includes all applications validated on or after 01/04/2015 to date where no decision is recorded. Planning improvement plan and caseload review being undertaken to address increase

Priority 2: Safe, Healthy and Confident Communities

Keep Communities Free from Crime

Indicator	Q4 2020/21		Q1 2021/22		Q2 2021/22		Q3 2021/22		Q4 2021/22		Notes
	Value		Value		Value		Value		Value		
Number of knife possession offences Year to date	25	↓	34	↑	20	↓	27	↑	8	↓	Enfield's Knife Crime Possession offences decreased with a 23.8% decline, compared to the previous year. There had been 164 offences in 2020/21 falling to 125 in 2021/22. London experienced a lower reduction of 10.2% in the same period. There was an average of 133 offences per borough in 2021/22.
Burglary - Residential Offences	419	↓	330	↓	392	↑	503	↑	409	↓	There were 1,647 Residential Burglaries in Enfield in the year ending April 2022, compared with 1,684 the previous year, a decrease of 2.2%. In London, there was also a higher reduction of 7.5% in the same period, from 43,489 in 2020/21 to 40,231 in 2021/22.
Domestic Abuse Incidents	1,469	↓	1,613	↑	1,644	↑	1,665	↑	1,548	↓	In the year ending April 2022 there were 6,293 Domestic Abuse Incidents in Enfield, compared to 6,505 the previous year, a decrease of 3.3% (n=-212). London experienced increase of 0.3% over the same period. In the capital, there were 155,474 incidents recorded in year ending April 2022, compared to 155,074 in the previous year or a difference of 400 offences.
Domestic Abuse Violence with Injury Offences	202	↓	214	↑	216	↑	217	↑	221	↑	In Enfield by end of April 2022, there was a 11.7% decrease in this offence type. The numbers of Domestic Abuse Violence with Injury offences were 871 by the year ending April 2022 while there were 986 in previous 12 months, a difference of 115 less offences. In London there was an increase of 0.2% (n=-38) in the same period, increasing from 23,104 offences in 2020/21 to 23,142 in 2021/22 - a borough annual average of 723 offences.
Serious Youth Violence	34	↓	106	↑	73	↓	61	↓	74	↑	The number of Serious Youth Violence victims in Enfield increased by 16.2% in the year to April 2022. 345 victims were recorded in the borough compared with 297 victims in the year to April 2021, an increase of 48 more victims. The average increase across London in the same period was 7.7%. There was capital average of 16 victims per borough per month over the last year.
Anti-Social Behaviour Calls	3,666	↓	3,131	↓	2,797	↓	2,328	↓	2,376	↑	There has now been a 41% decrease in the number of Anti-Social Behaviour calls recorded in the borough in the year to April 2022 when compared to last year with 6,739 less calls. London's call levels also continue their return to normal with an overall decrease of 44.7% in the last year.
Hate Crime Overall Total	167	↓	208	↑	201	↓	181	↓	195	↑	Hate Crime decreased by 2.6% in the year ending April 2022 recording 772 offences, compared with 793 the previous year i.e. 21 less offences were recorded in Enfield. Racist and religious hate crime formed most of such crime reported in the borough, followed by homophobic crime. Although much lower numbers homophobic crime increased by 5.6% in the borough, also rising in London by 27.8%.

Indicator	Q4 2020/21 Value		Q1 2021/22 Value		Q2 2021/22 Value		Q3 2021/22 Value		Q4 2021/22 Value		Notes
Non- Domestic Abuse Violence with Injury Offences	299	↓	504	↑	465	↓	494	↑	457	↓	In the year ending April 2022 there were 1,954 offences, compared with 1,630 the previous year, equating to a 19.9% rise or 324 more offences in Enfield. Non-Domestic Violence with Injury offences followed the same trend as Violence Against the Person offences in the borough with a peak to their highest levels in the last 2 years also recorded in June 2021 (n=179). In London, there was a similar increase of 22.2% rising from 43,849 to 53,552 by April 2022 – equating to an average of 139 monthly offences per borough, compared to 163 average monthly offences in Enfield.
Violence against the Person Offences	1,913	↓	2,414	↑	2,330	↓	2,406	↑	2,273	↓	In the year ending April 2022 there were a total of 9,440 Violence Against the Person offences (VAP) recorded in Enfield, compared with 8,719 offences the previous year. This equates to an increase of 8.3% or a difference of 721 more offences. In London, there was a similar increase of 9.7% in the same period, rising from 221,443 offences in the year to April 2021 to 243,008 by April 2022, equating to an average of 633 monthly offences per borough, compared to 787 monthly offences on average in Enfield.
Number of knife crime offences	87	↓	153	↑	126	↓	105	↓	104	↓	In the year ending April 2022, Knife Crime in Enfield had increased by 12.4%, compared with the previous year. Numbers rose by 64 from 518 to 582 offences by the end of April 2022.London experienced a lower 4.7% increase in the same period, with an average of 29 recorded monthly offences per borough, compared to 49 offences on average per months in Enfield.

Inspire and Empower Young Enfield to reach their Full Potential

Education

Indicator	Q4 2020/21 Value	Q1 2021/22 Value	Q2 2021/22 Value	Q3 2021/22 Value	Q4 2021/22 Value	Q4 2021/22 Target	Annual Target 2021/22	Notes
Young offenders' engagement in suitable education, training and employment (Post Court) (At the end of the Order)	59.1%	82.4%	75%	88%	75%	85%	85%	3 out of 12 children were NEET at the end of their orders 1 child was due to start a music course the week after completing their order. 1 child refused to engage with any offer of ETE. They had an NEET plan and he had tried two different opportunities including a construction course. 1 child was being provided with 1-2-1 tuition provided through the YIOM programme but was technically NEET at the end of their order.
Percentage of Secondary Schools judged as good or outstanding by Ofsted (as at 31 August)	91.0%	Ofsted have not been undertaking inspections during the pandemic.			90.0%	95.0%	95.0%	As at 31 December 2021, 90% of Enfield State funded Secondary Schools - including Academies judged as Outstanding (25%) and Good (65%); Above London average of 89% and England 78% Data sourced from Ofsted
Percentage of All Primary Schools judged as good or outstanding by Ofsted (as at 31August)	84.0%	Ofsted have not been undertaking inspections during the pandemic.			88.0%	90.0%	90.0%	As at 31 December 2021, 88% Enfield State funded Primary Schools - including Academies judged as Outstanding (15%) and Good (73%); Below London average of 94%. England is also 88% Data sourced from Ofsted
Percentage of 16-17-year olds not in education, employment or training	2.7%	2.8%	4.2%	7.3%	4%	5%	5%	March 2022: 3.9% Represents the total 1% NEET (87) and 3% not known (269), out of the 8,885 16-17-year-old cohort. NEET - Female, 33 Male 54

Indicator	Q4 2020/21	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22		Annual Target 2021/22	Notes
	Value	Value	Value	Value	Value	Target		
(NEET) and Not Known (NK)								NEET: England average = 2.7%, London = 1.5%, SN = 1.9% NK: England average = 1.8%, London = 1.4%, SN =1.7%
Number of Education Health Care Plans (EHCP's) completed within 20 Weeks (Excluding exceptions)	73.2%	78.4%	83.8%	65.2%	75.0%	70.0%	70.0%	Q4 2021/22: 126 Issued within 20 weeks out of 168 Total EHCP's issued in the quarter.

Deliver essential services to protect and support vulnerable residents

Adults

Indicator	Q4 2020/21	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22		Annual Target 2021/22	Notes
	Value	Value	Value	Value	Value	Target		
Number of clients reviewed in the year (of clients receiving any long-term service)	56.1%	16.3%	28.1%	38.8%	52.7%	65.0%	65.0%	52.7% represents 2,506 of 4,758 clients receiving long term support having a review within the last year. It should be noted that this measure counts the number of clients reviewed in the year, not the actual number of reviews. The overall number of reviews undertaken increased in the last 12 months.
Percentage of Current Social Care Clients accessing Long Term Support (LTS) who receive Self Directed Support	100%	100%	100%	100%	100%	100%	100%	
Percentage of current clients with Long Term Support (LTS) receiving a Direct Payment	54.5%	55.2%	55.2%	54.8%	55.3%	58.0%	58.0%	In 2020/21, we were the top performing Local Authority nationally for this measure
Percentage of Carers receiving needs assessment or review and a specific carer's service, or advice and information (Including Carers Centre)	52.7%	17.3%	32.3%	50.8%	56.6%	53.0%	53.0%	56.6% represents our highest ever performance for this measure
Percentage of Adults with learning disabilities in settled accommodation	84.6%	86.8%	86.6%	86.6%	86.5%	83.0%	83.0%	In 2020/21, we were the 3rd best performing Local Authority in London for this measure
New Admissions to supported permanent Residential and Nursing Care (65+) per 100,000 population over 65	186.2	149.4	256.5	343.5	412.6	516.0	516.0	This represents 185 admissions in 2021/22. In 2020/21, we were the 11th best performing Local Authority nationally for this measure
New Admissions to Residential and Nursing Care 18-64 (per 100,000 population)	4.88	1.47	3.91	4.40	5.38	5.87	5.87	This represents 11 admissions this year. In 2020/21, we were the 6th best performing Local Authority nationally for this measure

Children's Safeguarding

Indicator	Q4 2020/21	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22		Annual Target 2021/22	Notes
	Value	Value	Value	Value	Value	Target		
Children looked after (CLA) per 10000 population (84,386) age under 18	46.4	46.6	48.3	47.3	46.9	Data only KPI		46.9 Looked After Children per 10,000 84,386 population 396 LAC as at the end of March. 53 cases with a disability (13.4%) 12-month average figure of LAC is 397/month; 382 for same period in 2021
Percentage of Children & Family Assessments for children's social care that were authorised within 45 working	90.1%	89.3%	87.2%	78.2%	71.9%	90%	90%	Continues to be a demand on the service with currently around twice as many referrals in Q4 progressing to C&F Assessment than they did in Q3. The service is successfully recruiting permanent staff that will be in post in the next

Indicator	Q4 2020/21	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22		Annual Target 2021/22	Notes
	Value	Value	Value	Value	Value	Target		
days of their commencement								2 months, and the trajectory of performance is expected to improve in Q2.
Number of Children on a Child Protection Plan per 10,000 Children	30.5	32.8	37.7	42.2	39.5	Data only KPI		Rate of children per 10,000 of 84,386 population, with a Child Protection Plan: 39.5 - 333 total children on a CP Plan. 38 New plans and 51 cessations in March. 25 (7.5%) young people with a disability.
Percentage of Children Subject to a CPP for a second or subsequent time (within past 2 years)	7.8%	5.3%	4.9%	5.5%	5.9%	Data only KPI		This measures children who have had a previous Child Protection Plan in the past two years. Of the 405 children who became subject to a CPP during the past 12 months, 24 had previously been on a CP Plan in the past two years (5.9%). 62 Children (15.3%) have had a previous CPP at some point in the past.
Total number of Young People sentenced at Court that are given a Custodial sentence in the period	8	1	1	2	1	Data only KPI		

Create healthy streets, parks and community spaces

Environment

Indicator	Q4 2020/21	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22		Annual Target 2021/22	Notes
	Value	Value	Value	Value	Value	Target		
Percentage of inspected land that has an unacceptable level of litter	2.0%	Data not collected		3.0%	5.3%	3%	3%	N195 inspections have been moved to a different supplier – Keep Britain Tidy – in March 22. This is the first set of results and based on the following wards: Palmers Green, Southgate Green, Town, Turkey Street and Enfield Lock. Keep Britain Tidy have suggested a revised target of 6.22% based on the Greater London average of 7.1%; to be reviewed before Q1 report.

Public Health

Indicator	Q4 2020/21	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22		Annual Target 2021/22	Notes
	Value	Value	Value	Value	Value	Target		
Partnership Successful Completion Rate (%) for all Drug users in treatment (aged 18+), excluding alcohol-only users:	23.90%	22.40%	23.90%	Q2 most up to date data	Q2 most up to date data	20.00%	20.00%	
New Baby Reviews completed (10-14 days after birth)	98%	99%	98%	Q2 most up to date data	Q2 most up to date data	95%	95%	All new birth visits are delivered face to face.
Substance Misuse: Proportion of Young People exiting treatment in a planned way of all treatment exits (EMT)	89%	84%	85%	Q2 most up to date data	Q2 most up to date data	77%	77%	From April until the end of September 2021, 85% of all young people exiting treatment did so in a planned way which is equivalent to 66 young people and is above the National Average.
Percentage of completed treatment within a month of diagnosis at Enfield Sexual Health Clinics	98%	92%	92.7%	Q2 most up to date data Q2 most up to date data	Q2 most up to date data	90%	90%	The Service Health Service is meeting its target for this indicator despite the impact of the pandemic on service delivery. The Service is ensuring that as a priority, residents diagnosed with an STI have access to treatment options across clinic sites within Enfield.

Priority 3: An Economy that Works for Everyone

Create more high-quality employment

Indicator	Q4 2020/21 Value	Q1 2021/22 Value	Q2 2021/22 Value	Q3 2021/22 Value	Q4 2021/22 Value	Q4 2021/22 Target	Annual Target 2021/22	Notes
Business Start-Ups in Enfield	1,048	795	700	739	704	Data only KPI		2,938 Business Start Ups in the period from April 2021 to March 2022 Q1 - 795; Q2 - 700; Q3 - 739; Q4 - 704
Percentage of Adults with learning disabilities in employment	15.7%	14.3%	14.2%	14.1%	14.1%	16%	16%	In 2020/21, we were the 4th best performing Local Authority nationally for this measure

Enhance skills to connect local people to opportunities

Indicator	Q4 2020/21 Value	Q1 2021/22 Value	Q2 2021/22 Value	Q3 2021/22 Value	Q4 2021/22 Value	Q4 2021/22 Target	Annual Target 2021/22	Notes
Apprentices Headcount in Council	27	19	17	17	21	Data only KPI		This is the number directly employed by Enfield.

Develop town centres that are diverse, safe and inclusive

Indicator	Q4 2020/21 Value	Q1 2021/22 Value	Q2 2021/22 Value	Q3 2021/22 Value	Q4 2021/22 Value	Q4 2021/22 Target	Annual Target 2021/22	Notes
Satisfaction with Leisure Centre Users (% of Positive and Neutral Assessments)	Information not Collected	59.5%	56.2%	43%	New KPI – target to be set	New KPI – target to be set	New KPI – target to be set	Fusion will be installing an ipad at leisure centres with a RAG method of scoring; green smiley face = happy with visit, amber face = visit was OK, red sad face = unhappy with visit. This will give a more general understanding of customer satisfaction with the leisure centres, rather than the very detailed feedback we currently receive. Percentage split of red, amber and green customer scores will then be provided. Installation will be mid-July
Number of Visitors to the Active Enfield Programme (Young People)	394	374	137	376	731	Data only KPI		Data is the number of attendees for the quarter. Attendances are increasing as Covid impact reduces. Still issues with accessing schools to be able to carry out activities for young people.
Number of Visitors to the Active Enfield Programme (Older People)	0	1,175	2,211	4,270	4,916	Data only KPI		Data is the number of attendees for the quarter. Attendance levels increasing as impact of Covid reduces and with the reintroduction of the Active Enfield website for promotion and bookings.
Leisure Centre - overall attendances	0	107,456	183,715	185,168	211,738	165,000	660,000	2021/22 attendances: 688,077 (annual target 660,000)

Craft a cultural offer for Enfield to support London’s status as a world class city

Indicator	Q4 2020/21 Value	Q1 2021/22 Value	Q2 2021/22 Value	Q3 2021/22 Value	Q4 2021/22 Value	Q4 2021/22 Target	Annual Target 2021/22	Notes
Number of Admissions to Culture Venues: All Venues	New KPI in Q2	New KPI in Q2	58,812	50,878	90,201	Data only KPI		Increase is due to attendances at the successful Winter Light Festival in Quarter 4
Number of Participants in Children’s / Family / Youth Activities offered by Culture	New KPI in Q2	New KPI in Q2	371	1,511	6,497	Data only KPI		Consisted of 5798 attendances at Millfield, 102 at Dugdale and 597 at Forty Hall
Number of Child / Young Person admissions to council cultural venues	New KPI in Q2	New KPI in Q2	2,028	5,984	5,962	Data only KPI		Consisted of 5798 attendances at Millfield, 102 at Dugdale and 62 at Forty Hall

Cross Cutting Theme 1: A Modern Council

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An empowered, responsive and happy workforce

Average Sickness Days

Indicator	Q4 2020/21	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22		Annual Target 2021/22	Notes
	Value	Value	Value	Value	Value	Target		
Average Sick Days - Council Staff (rolling 4 quarters)	10.31	10.12	10.58	10.90	10.81	7.96	7.96	**Annual sickness 1st April 2021 - 31st March 2022** Average sickness days per employee in each Department for this period Chief Executives: 6 days. Resources: 8.9 days People: 11.5 days Place: 12.2 days Absence includes sickness relating to or due to Covid-19
Average Sick Days: SHORT TERM ABSENCE - Council Staff (rolling 4 quarters)	3.20	3.33	3.66	4.16	4.48	2.80	2.80	
Average Sick Days: LONG TERM ABSENCE - Council Staff (rolling 4 quarters)	7.11	6.78	6.81	6.74	6.32	5.16	5.16	A specialist Absence & Attendance team consisting of two posts, will be created that will identify and promote constructive solution focused initiatives in relation to absence management that are aligned to deliver against the Workforce Development Strategy, service level agreements and promote a positive attendance culture and address complex employee relations cases, linked to absence and attendance across the Council. As at the end of March, 19 long-term absence cases were closed following a return to work, ill-health retirement decision, resignation or dismissal.
Average Sick Days per FTE per Month - Chief Executive's Department	1.04	1.08	1.32	1.73	1.85	1.99	7.96	Department remains ahead of target.
Average Sick Days per FTE per Month – Resources Department	2.43	2.23	2.66	2.12	1.88	1.99	7.96	**Quarter 4:** January - 0.65 February - 0.46 March - 0.76 A slight increase has been seen in March 2022, however, all long-term cases are being proactively managed.
Average Sick Days per FTE per Month – People Department	3.13	2.28	2.92	3.29	2.98	1.99	7.96	Average days sickness in Q4: January - 1.05 days February - 0.79 days March - 1.14 days
Average Sick Days per FTE per Month – Place Department	3.61	2.55	3.02	3.43	3.18	1.99	7.96	Last 3 months: January - average 1.13 days absence February - average 1.02 days absence March - average 1.03 days absence Place sickness absence is showing a downward trend. A number of long-term absence cases are being concluded and it is hoped that this downward trend will continue.

Profile of Sickness Absence

Indicator	Q4 2020/21	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22	Annual Target	Notes

	Value	Value	Value	Value	Value	Target	2021/22	
Long Term - Still Absent": Number of employees who have a sickness absence of 28 days or more and is still absent	63	64	71	63	59	Data only KPI		There has been a steady decline in the number of long-term cases
3+ Occasions in 3 Months": Number of employees who have had 3 or more periods of sickness absence in the last 3 months (regardless of duration)	93	91	75	101	118	Data only KPI		Absence during Q4 is typically higher due to seasonal illnesses.
5+ Working Days in 6 Months": Number of employees who have accumulated 5 or more working days of short term sickness absence (duration less than 28 calendar days) in the last 6 months	479	477	479	547	535	Data only KPI		Monitors the number of staff with 5 days or more absent in a 6 month period.

Profile of Workforce

Indicator	Q4 2020/21	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22		Annual Target 2021/22	Notes
	Value	Value	Value	Value	Value	Target		
Top 5% of Earners: Women	51.1%	51.1%	50.3%	51.9%	52.4%	Data only KPI		97 of 185 Top 5% are female.
Top 5% of Earners: Ethnic Minorities	19.3%	19.5%	22.3%	22.4%	24.3%	Data only KPI		45 of 185 Top 5% are from ethnic minorities
Top 5% of Earners: with a disability	5.6%	5.6%	5.1%	4.9%	4.9%	Data only KPI		9 of 185 Top 5% have a disability
Percentage of BAME Staff in LBE Workforce	35.3%	35.6%	36.2%	36.3%	36.7%	Data only KPI		1369 staff from 3730 are recorded as having a BME ethnicity

Accessible and efficient services

Library, Digital and Web

Indicator	Q4 2020/21	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22		Annual Target 2021/22	Notes
	Value	Value	Value	Value	Value	Target		
Customer Satisfaction Percentage: Webchat	86.1%	83.2%	84.5%	85.5%	85.7%	85.0%	85.0%	January – 86.9% February – 88.4% March – 81.8% We continue to exceed our targets in Q4. A comprehensive training package is in progress with follow up coaching and performance monitoring, so we anticipate further improvement in future. Staff suggestions scheme due to be launched during next quarter to help strengthen processes and work more closely with back office teams around promotion of webchat and an improved customer journey across all channels.
Enfield Website: Total Users for the Month	365,494	563,916	453,787	470,119	577,128	250,000	1,000,000	Highest number for over one year
Enfield Connected" - Sign Ups: Residential (Overall Cumulative Total)	179,255	184,770	189,877	194,093	197,989	Data only KPI		Cumulative total at the end of each quarter.
Enfield Library Visits	58,477	105,794	183,241	190,838	199,008	Data only KPI		January - 55,777 February - 69,822 March - 73,409 2021/22 - Total visits: 678,881

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Indicator	Q4 2020/21	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22		Annual Target 2021/22	Notes
	Value	Value	Value	Value	Value	Target		
Issues plus renewals - All Libraries	76,051	141,573	167,528	154,420	148,740	Data only KPI		January - 48,123 February - 51,660 March - 48,957 Total 2021/22 - 612,261
Digital - E-Newspapers Issues	160,462	122,351	150,182	166,980	162,714	Data only KPI		January -63,582 February - 50,350 March - 48,782 Total 2021/22 - 602,227
Digital - E-Book Issues	9,501	8,901	10,816	11,505	13,414	Data only KPI		January -4175 February - 5040 March - 4199 Total 2021/22 - 44,636
Digital - E-Audiobook Issues	6,446	5,999	5,695	6,117	7,083	Data only KPI		January -2,176 February - 2,493 March - 2,414 Total 2021/22 - 24,894
Digital - E-Comics and Magazines	6,263	3,167	3,250	3,460	3,719	Data only KPI		January -1,239 February - 1,279 March - 1,201 Total 2021/22 - 13,596

Telephones

Indicator	Q4 2020/21	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22		Annual Target 2021/22	Notes
	Value	Value	Value	Value	Value	Target		
Customer Satisfaction: Telephone Advisor 'Professional' Rating	86.4%	75.2%	83.1%	85.4%	80.9%	85%	85%	January - 76.6% February - 75.8% March - 90.3% Despite just missing the target for Q4, we saw a sharp increase in the rating in March which coincides with the launch of new CRM and introduction of new training. Also impacted by factors mentioned below.
Gateway Telephones - Answer Rate	90%	91%	90%	86%	85%	85%	85%	January – 91% February - 85% March – 78% Achieved overall target despite impact of factors mentioned below. .
Gateway Telephones - Average Wait Time	00h 03m 31s	00h 02m 38s	00h 03m 01s	00h 05m 07s	00h 04m 08s	00h 03m 00s	00h 03m 00s	January - 2m 25s February - 4m 03s March - 5m 58s Severe storms in quarter 4 caused increase in calls. Nevertheless, we ensured our customers were called back by 6pm the same day. Other factors i.e. HRC transition, IT issues and large volumes of calls in March.
Customer Services: % of Calls Answered Within 5 Minutes	93%	83%	82%	76%	74%	90%	90%	January - 87% February - 77%

Indicator	Q4 2020/21	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22		Annual Target 2021/22	Notes
	Value	Value	Value	Value	Value	Target		
								March - 58% Factors affecting increase in volume include: the project and distribution of council tax letters, paid green waste campaign.

Financial Resilience and Good Governance

Complaints, MEQS, FOIs, SARS

Indicator	Q4 2020/21	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22		Annual Target 2021/22	Notes
	Value	Value	Value	Value	Value	Target		
Initial Review Complaints - Council Overall (% inside target)	77%	84%	81%	79%	77%	95%	95%	Q4: 498 of 644 inside target (77%) Year to Date: 1,623 of 2,032 (80%) Complaint volumes increased by 177 from Q3 to Q4. There were no initial processing backlogs within corporate team during Q4 contributing towards response delays. Annual leave absences post New Year and towards end of financial year could contribute towards the slight decrease in performance during Q4 compared to Q3. It should be noted that the return to pre-Covid complaint handling timescales during Q1 22/23 will likely result in a continued performance decrease.
All Departments - FOIs answered within 20 days	84%	78%	70%	66%	82%	100%	100%	Q4: 327 of 398 inside target - 82% Year to Date: 1154 of 1559 - 74% There were a number of complex FOIs received during Q3 for Resources which reduced performance. Since answering these, departmental FOI performance has improved
All Departments - MEQs closed within 8 days	87%	77%	76%	84%	81%	95%	95%	Q4: 1338 of 1645 inside target (81%) Year to date: 6,286 of 7,884 (80%) MEQ volumes decreased by 350 from Q3 to Q4. There were no initial processing backlogs within the corporate team during Q4 contributing towards response delays. Annual leave absences post New Year and towards end of financial year could contribute towards the slight decrease in performance during Q4 compared to Q3. The new MEQ CRM online system is now live, open to Members and MPs. Transition to the new system is expected to support performance improvement over time.
SAR Requests ALL DEPARTMENTS - Enquiries closed inside target of 40 days	90%	86%	63%	43%	44%	100%	100%	Q4: 23 of 52 inside target (44%) Year to Date: 103/169 (61%)

Income & Arrears

Indicator	Q4 2020/21	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22		Annual Target 2021/22	Notes
	Value	Value	Value	Value	Value	Target		
Council Housing - Current Tenants: Total Arrears	£1,796,125	£1,733,939	£1,761,364	£1,766,254	£1,661,119	£2,300,000	£2,300,000	April 2022: Current tenant arrears: £1,762,423. April 2021: Arrears £1,780,072.
Council Tax collected (in year collection) Combined	93.99%	28.84%	54.39%	80.24%	93.74%	95.00%	95.00%	2021/22 Collection: 93.74% (£156.7m collected/ net debit £176.3m)

Indicator	Q4 2020/21 Value	Q1 2021/22 Value	Q2 2021/22 Value	Q3 2021/22 Value	Q4 2021/22 Value	Q4 2021/22 Target	Annual Target 2021/22	Notes
Percentage of Business Rates collected (in year collection)	86.32%	20.78%	43.79%	73.41%	90.89%	85.05%	85.05%	End of March collection rate 90.89% - (92,468,321 collected / 101,736,192 net debit).
Percentage of Housing Benefit Overpayments recovered.	95.98%	100.66%	94.24%	93.78%	92.35%	83.00%	83.00%	2021/22: £6,644,345 recovered of £7,195,052 overpayments identified (92.35%).
Processing Time for New claims - Housing Benefit (average calendar days - cumulative)	22.56	24.76	25.00	25.53	23.79	23.00	23.00	April 2021 to Date: 2,137 new claims / 50,842 days - Average 23.79.
Processing Times for Benefit Change in Circumstances (average number of calendar days) Cumulative YTD	4.02	3.53	3.91	4.6	4.51	7	7	April 2021 to Date: 81,003 new claims / 365,374 days - Average 4.51.

Invoices

Indicator	Q4 2020/21 Value	Q1 2021/22 Value	Q2 2021/22 Value	Q3 2021/22 Value	Q4 2021/22 Value	Q4 2021/22 Target	Annual Target 2021/22	Notes
Invoices Council Overall: Invoices Paid within 30 days	98.3%	98.2%	97.9%	98.7%	98.7%	100.0%	100.0%	YTD 01.04.2021 - 31.03.2022: 98.4% - 80,460 invoices paid inside 30 days from 81,761 paid.
CEX Department: Invoices Paid within 30 days	99%	95%	91%	98%	99%	100%	100%	YTD 01.04.2021 - 31.03.2022: 96% - 1,937 invoices paid inside 30 days from 2,020 paid (Quarter 4: 99% (423/426).
People Department: Invoices Paid within 30 days	98%	98%	98%	99%	99%	100%	100%	YTD 01.04.2021 - 31.03.2022: 99% - 53,205 invoices paid inside 30 days from 53,990 paid.
Place Department: Invoices Paid within 30 days	99%	99%	98%	98%	99%	100%	100%	YTD 01.04.2021 - 31.03.2022: 99% - 18,887 invoices paid inside 30 days from 19,166 paid.
Resources Department: Invoices Paid within 30 days	99%	96%	99%	99%	97%	100%	100%	YTD 01.04.2021 - 31.03.2022: 98% - 6,431 invoices paid inside 30 days from 6,585 paid.

Traded Income

Indicator	Q4 2020/21 Value	Q1 2021/22 Value	Q2 2021/22 Value	Q3 2021/22 Value	Q4 2021/22 Value	Q4 2021/22 Target	Annual Target 2021/22	Notes
All Departments - Gross Income (Actual)	£19,969,149	£8,789,109	£13,148,031	£18,305,243	£22,620,169	£25,063,937	£25,072,063	Underachievement against income target within People and Resources departments. CEX and Place department met income target.
All Departments - Net Income (Actual)	£514,175	£2,115,531	£2,523,251	£2,536,819	£1,353,146	£4,630,683	£4,630,683	Overspend on expenditure and underachievement against income target as outlined above. Expenditure has increased in the last quarter

Cross Cutting Theme 2: Climate Action

Indicator	Q4 2020/21 Value	Q1 2021/22 Value	Q2 2021/22 Value	Q3 2021/22 Value	Q4 2021/22 Value	Q4 2021/22 Target	Annual Target 2021/22	Notes

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Indicator	Q4 2020/21	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22		Annual Target 2021/22	Notes
	Value	Value	Value	Value	Value	Target		
Climate Action - % reduction in Carbon Emissions (Corporate tCO2e)	19%	Annual Data released in June			Annual Data released in June		21.9%	There was a 19% reduction in the Council's direct emissions between 2019/20 and 2020/21 against a target of 7.3%. The majority of these savings were from electrical energy emissions reductions. Significant savings were made from the completion of the street lighting LED replacement programme. Additionally, the reduction reflects the impacts from the COVID-19 pandemic and resultant reduction in operation and occupancy of council buildings and facilities.
Climate Action - Emissions per employee (tCO2e per FTE)	5.4	Annual Data released in June			Annual Data released in June		5.7	The reduction in emissions per employee reflects lower energy use (noting the impact of the Covid-19 pandemic on the operation and occupancy of buildings) as well an increase in headcount due to insourcing of services.
Residual Waste Per Household (kg)	550.1 kg per h/h	157.5 kg per h/h	314.3 kg per h/h	457.1 kg per h/h	Q3 is the latest available Data		600 kg per h/h. (Q3Target is 450 kg per h/h)	**Q3: Provisional cumulative figures** Q1 - 19,857 waste not sent for recycling/re-use: 157.5 kg per h/h Q2 - 19,765 waste not sent for recycling/re-use: 156.8 kg per h/h Q3 - 17,998 waste not sent for recycling/re-use: 142.8 kg per h/h Year to Date: 457.1 kg per h/h
Percentage of household waste sent for reuse, recycling and composting	31.9%	31.9%	32.3%	31.6%	Q3 is the latest available Data		35%	**Q3 provisional data** Q3 8,321 tonnes of h/h waste sent for recycling of 26,320 tonnes of h/h waste collected Year to date: 27,051 for recycling of 84,673 tonnes collected (31.9%)

Cross Cutting Theme 3: Fairer Enfield

Indicator	End March 31st 2018	End March 31st 2019	End March 31st 2020	End March 31st 2021	Q4 2021/22		Annual Target 2021/22	Notes
	Value	Value	Value	Value	Value	Target		
Gender Pay Gap: difference between average hourly earnings (excluding overtime) of men and women as a proportion of average hourly earnings (excluding overtime) of men's earnings; Mean Hourly Rate	4.5	3.9	2.6	1.8	Next data release 31st March 2022 data in June 2022			In summary the gender pay gap in terms of average (mean) Pay has reduced again from 4.5% to 1.8% between March 2018 and March 2021
Gender Pay Gap: difference between average hourly earnings (excluding overtime) of men and women as a proportion of average hourly earnings (excluding overtime) of men's earnings; Median Hourly Rate	-2.9	-6.1	-3.1	-3.2	Ne Next data release 31st March 2022 data in June 2022			Females have a higher rate of median pay than Males. Data is updated as of 31st March of each year

Cross Cutting Theme 4: Early Help

Indicator	Q4 2020/21	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22		Annual Target 2021/22	Notes
	Value	Value	Value	Value	Value	Target		
Community Hub Covid19 Financial Advice Calls	1,637	409	339	414	777	Data only KPI		
Community Hub Covid19 Food Calls	1,379	441	243	543	747	Data only KPI		

Indicator	Q4 2020/21	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22		Annual Target 2021/22	Notes
	Value	Value	Value	Value	Value	Target		
Community Hub Covid19 Isolation Calls	732	355	475	429	735	Data only KPI		
Community Hub Covid19 Other Advice Calls	401	201	90	144	178	Data only KPI		
Community Hub Covid19 Total Calls	4,337	1,787	1,488	1,530	2,437	Data only KPI		
Number of Housing Advice Cases	619	782	719	259	23	Data only KPI		
Total amount of DHP paid out	£3,182,557	£856,918	£1,593,104	£2,167,649	£2,753,579	Data only KPI		
Financial Assessments - % completed within 21 days	89.1%	91.3%	90%	89.7%	87.8%	95%	95%	2021/22 - 1904 assessments completed within 21 days/2169 assessments completed (87.8%)

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Action Plan Subject: Temporary Accommodation

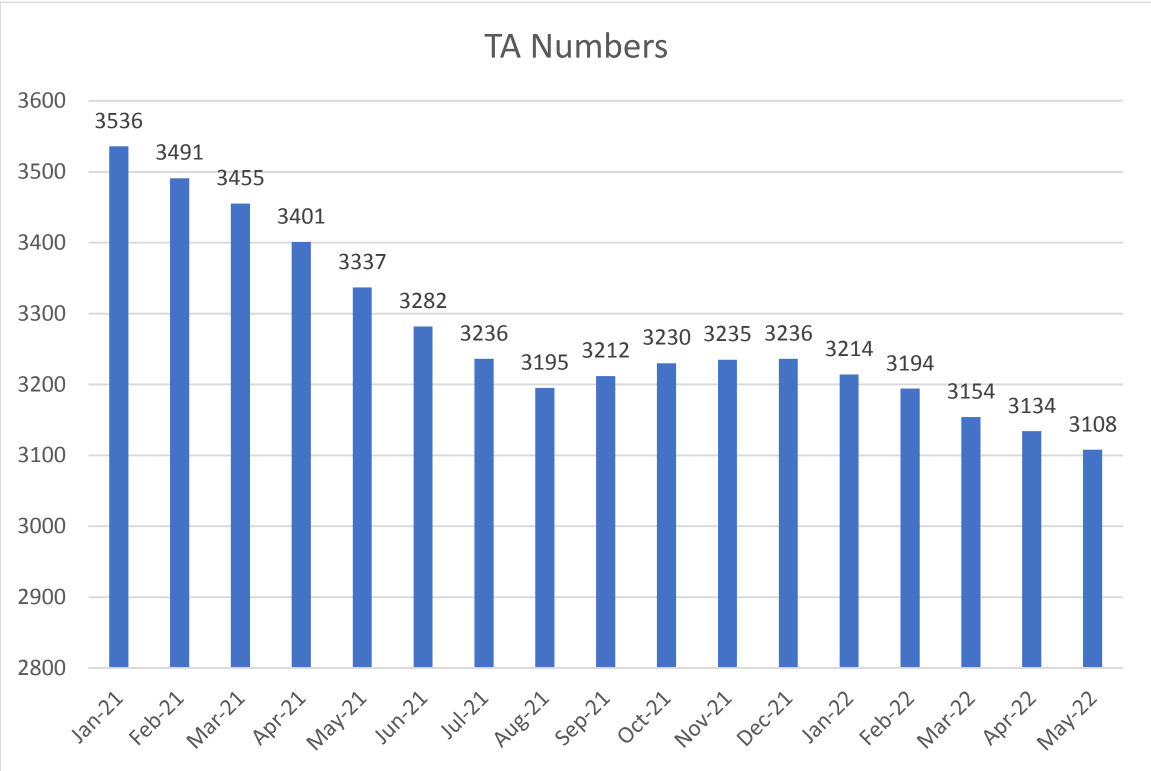
Lead Director: Executive Director Place

Total Numbers

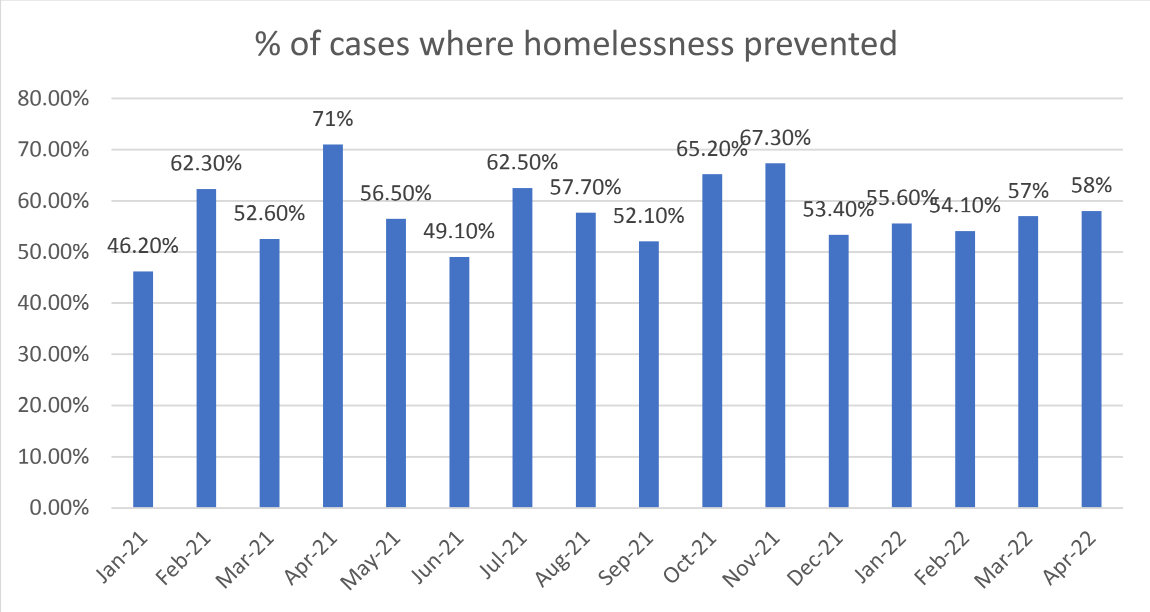
Total numbers in temporary accommodation have dropped significantly from their height in August 2020 and now stand at 3088. We ended the financial year with 3154 households in temporary accommodation. This is above the revised business plan target of 2900.

TA numbers have been managed down to 3088 as at 06/06/22. The service achieved an 8.5% reduction in TA in 2021/22. This compares against a 1.2% increase in TA nationally in the first three quarters of the year.

There is continuing pressure on the service with homelessness approaches being roughly double when compared against the same period last year. There is also a London wide shortage of both privately rented and temporary accommodation adding to these pressures.

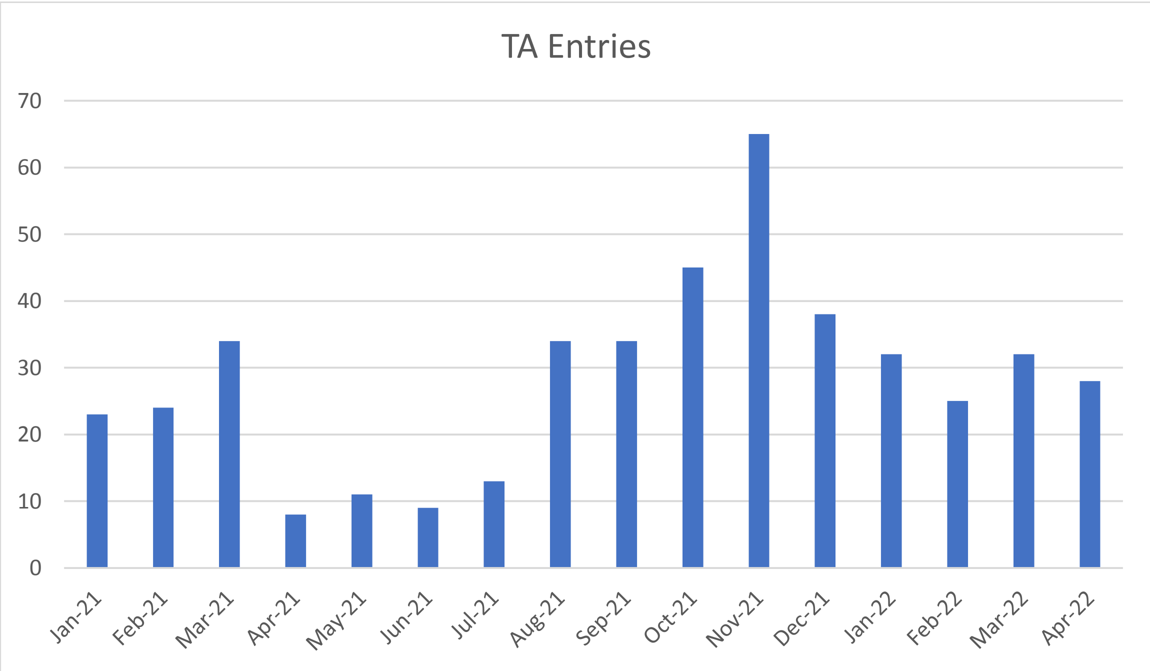


TA Prevention



Prevention activity from has continued to be at a higher rate. Prevention of homelessness includes households where we have moved them directly into alternative privately rented. This is therefore a reflection of both the prevention activity and an increased focus on PRS procurement. We are now in the top 10% of local authorities nationally for prevention activity

The number of households entering TA rose up until November but is now on a downward trend. The rise in the numbers entering temporary accommodation can be attributed to new permanent staff being brought in to replace more experienced agency staff.



TA Exits

The numbers of households leaving temporary accommodation reflects the wider changes in the housing market. As the Covid restrictions were lifted the numbers of people leaving temporary accommodation increased. However, there has been an ongoing shortage of privately rented accommodation. Within London there has been a 71% decrease in the supply of new lets over the last 12 months. Our procurement activity has dropped by around 50%, reflecting the reduction in supply and the increasing gap between Local Housing Allowance and rent levels.

We are in the process of developing a new offer for letting agents to encourage them to move away from nightly paid accommodation. The aim behind this is to convert properties currently used as temporary accommodation to private rented. Enfield currently has around 2600 nightly paid properties and the aim is to target these properties initially.

Transformation Programme Update

IT Systems

A key part of the transformation programme is to modernise and update our IT and recording systems. After a lengthy procurement process, we are now in the process of implementing our new IT system (Jigsaw) and this is due to go live in the first week of July. This will consolidate our casework into a single system for the first time. From a resident perspective, they will have online access to their case, be able to upload and update documents, and be able to contact their caseworker directly. For external agencies, the system will enable them to make referrals directly and be able to submit documents in support of a case.

Ukrainian and Afghan Refugees

The Housing Advisory Service is the lead body for managing the Council's response to the ongoing crisis in Afghanistan and Ukraine.

Afghanistan

To date we have accommodated 5 Afghan families, totalling 38 individuals. There are 2 families in temporary accommodation who have joined other family members already accommodated by our service. This takes our overall figure to 38 individuals (46 including those in TA). We are also in the process of procuring another 2 – 4 properties via market management.

Ukraine

This is a rapidly evolving situation and numbers are changing daily. At the time of writing 219 households have been matched with accommodation in Enfield. For each matched household, we carry out an inspection of the property, DBS checks on the hosts, develop a support plan with the refugees, and oversee the welfare and thank you payments to refugees and hosts.

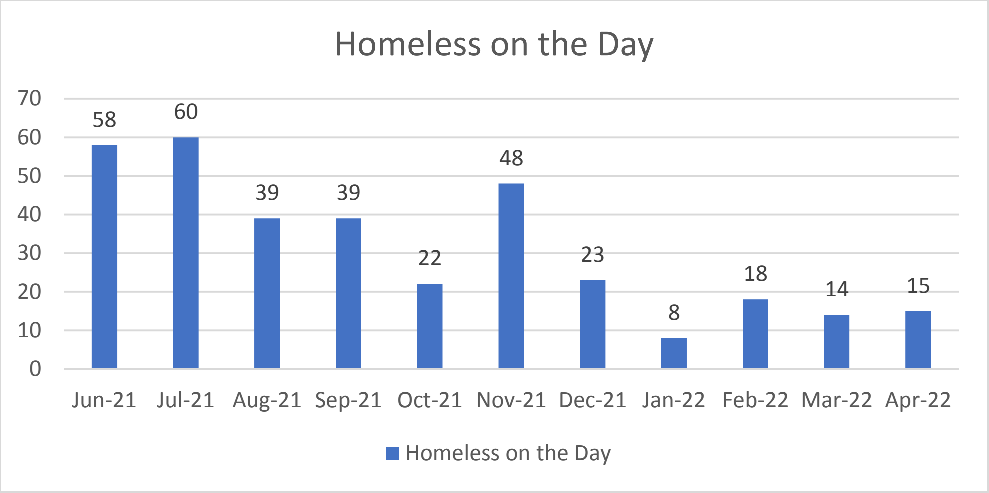
Future Pressures

The continuing impact of Covid cannot be underestimated. As the lockdown measures were lifted, we are saw an increase in the number of people approaching us for help. This is particularly relevant for PRS evictions where landlords have been prevented from evicting their tenants.

The number of new cases rose dramatically in April following the end of the last lockdown. Cases have been increasing since May, driven by the lifting of the ban on evictions and more recently by the cost of living crisis.

The success of the service has been in intervening to ensure that people do not need to go into emergency accommodation and in assisting those in emergency accommodation to secure privately rented.

The number of households presenting as homeless on the day has fallen. In July we saw 60 households presenting as homeless on the day. This fell to 8 in January although this has increased slightly in February. We successfully managed to keep the majority in their existing accommodation rather than moving them into temporary accommodation.



Rectification Plan

The impact of Covid and successive lockdowns have impacted on our ability to deliver against the business plan. The lifting of Covid measures has generated its own pressures with numbers of PRS evictions and homelessness presentations rising sharply. This is against a backdrop of a housing market seeing a 14% increase in property values and a 71% decrease in the availability of rented property in London over the last 12 months.

We are conscious that the original five-year business plan was drawn up before Covid and that this means that the service is currently forecasting an overspend this financial year and we are exploring all ways to contain this.

We have carried out a review of our five-year business plan based on our experience over the last year. This will be presented to a future Cabinet meeting for approval.

We are monitoring TA numbers on a weekly basis, tasking teams with specific actions to contribute towards the TA reduction targets. We need to accelerate the number of people moving out of TA to ensure that the business plan remains viable.

The service is also bringing in additional resources to support our work. Our work with rough sleepers and single homeless people has been supported by an additional £2.7M revenue funding from Central Government. Our work with refugees is forecast to attract a further £1.7m this financial year based on the numbers that have already arrived in the borough.

Action Plan Subject: Waste and Recycling

Lead Director: Executive Director Place

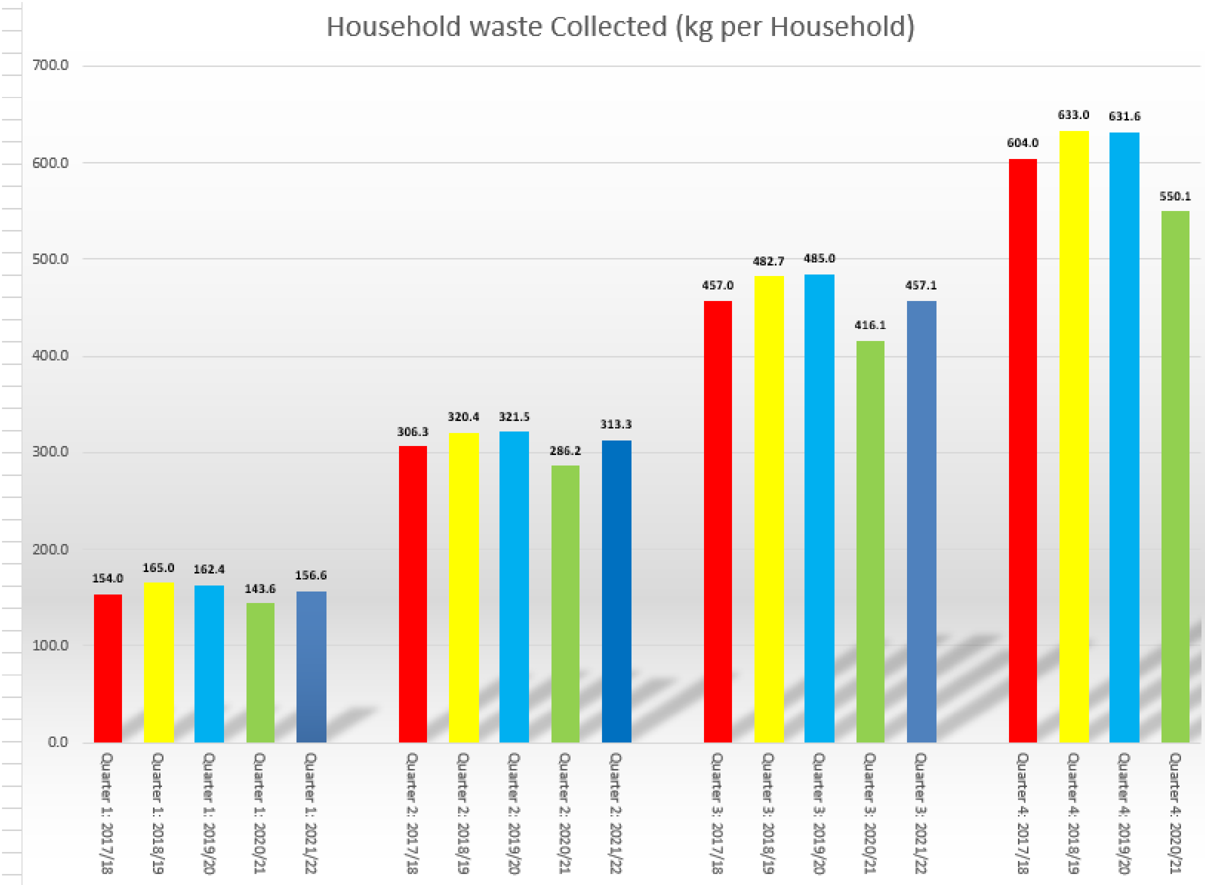
The amount of residual waste per household (known as NI191) and the percentage of household material sent for reuse, recycling and composting (known as NI192) is reported to Government through the system called Waste Data Flow and is available to the public once data verification is complete.

The process is that data is collected and verified by the London Borough of Enfield (LBE), North London Waste Authority and then Waste Data Flow. Data remains provisional until published which is generally around six months after the quarter.

<u>Current Performance</u>

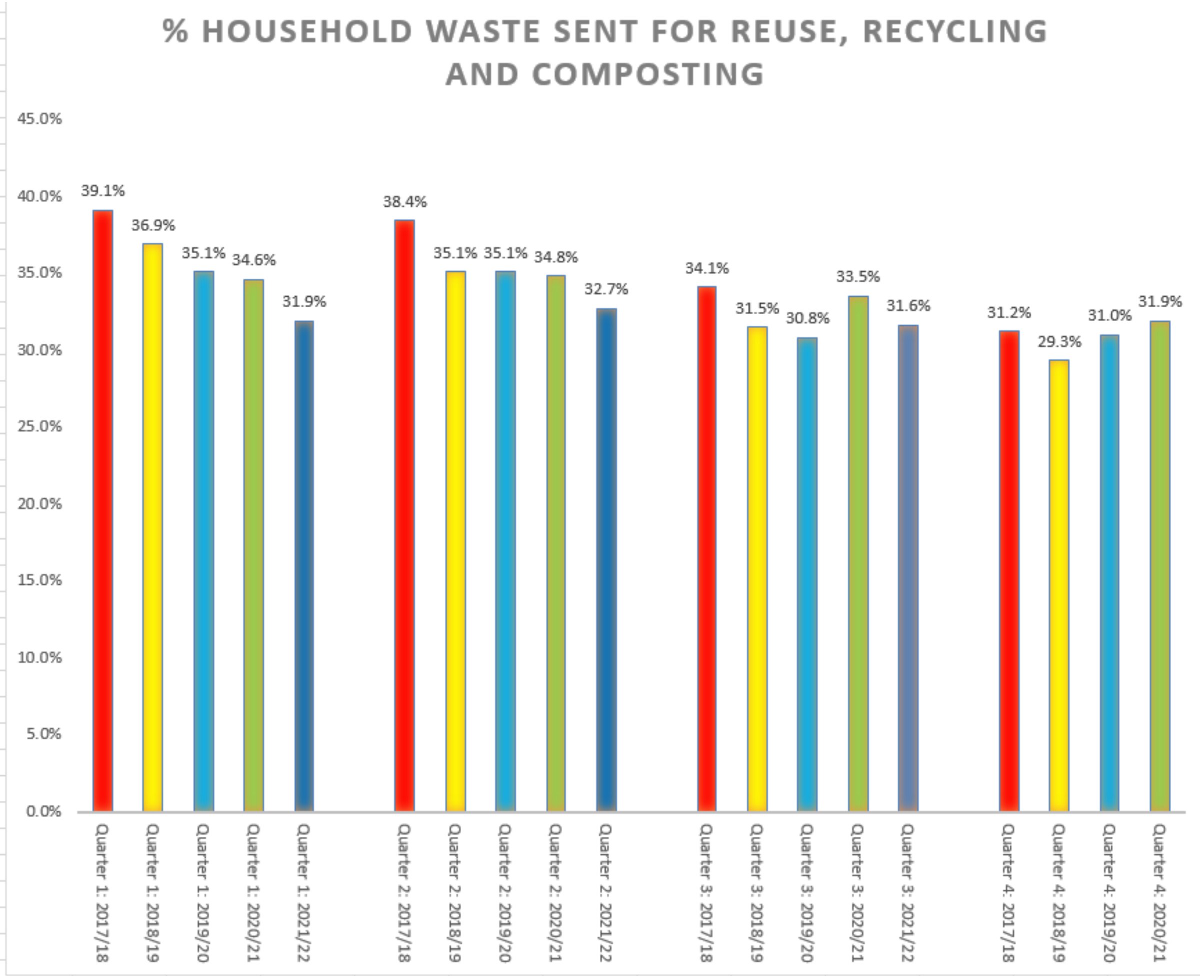
The most recently verified available data is quarter 2 (1 June 2021 to 30 September 2021). Graph 1 shows household waste collected, kg per household NI 191. Quarter 3 data is still provisional and is included below without formal verification.

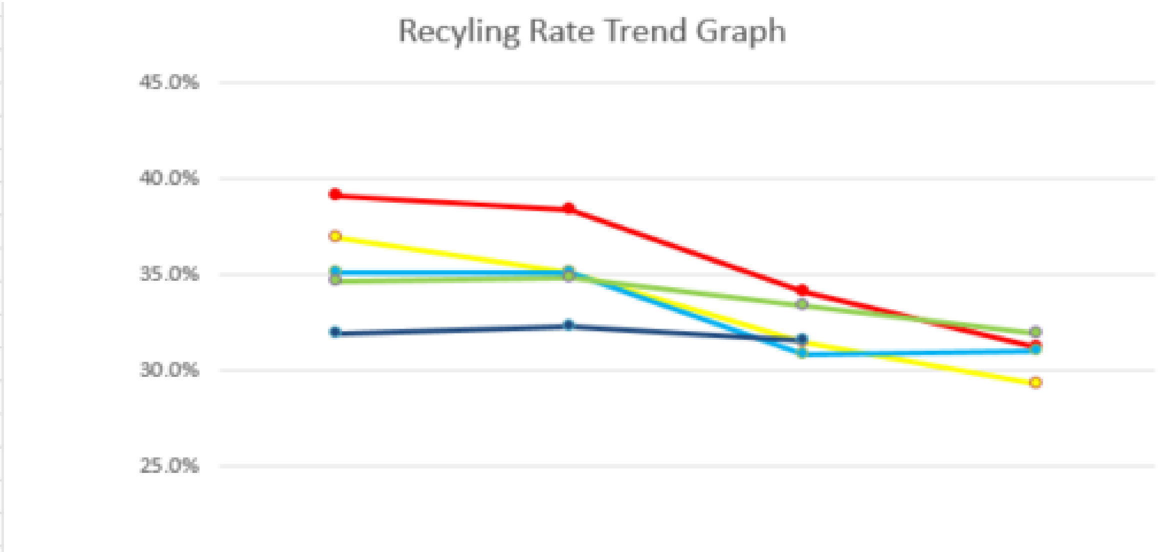
Based on the data below, provisional household waste collected, kilogram per household for Q3 2021-22 is 457.1 and just above the target of 150 per quarter (Target at this point is 450kg per h/h and the annual target is 600 kg per h/h).



Graph 2 below shows the provisional percentage of household waste sent for reuse and recycling and composting – NI 192

The percentage of household waste sent for reuse and recycling and composting for Q3 2021-22 was 31.6% percent.





	Quarter 1:	Quarter 2:	Quarter 3:	Quarter 4:
2017/2018	39.1%	38.4%	34.1%	31.2%
2018/2019	36.9%	35.1%	31.5%	29.3%
2019/2020	35.1%	35.1%	30.8%	31.0%
2020/2021	34.6%	34.8%	33.4%	31.9%
2021/2022	31.9%	32.3%	31.6%	

On-going Action Plan

As a result of Covid-19, our behavioural engagement and communications which complimented the waste service changes in 2019/20 were minimal. Furthermore, we have seen a significant increase in the amount of contamination that is being placed in the dry recycling. Our planned activities address both reducing contamination and increasing recycling and it is expected that the impacts will be seen in Q3 and Q4 of 22/23 and 23/24.

Time scale for Improvement:

Tackling contaminated recycling from wheeled bins

- June 2022 sees the commencement of the first stage of this project and will tackle 20,000 households (two collection rounds)
- The aim of the project is to implement our existing contamination policy and improve recycling quality from kerbside properties
- A three-stage letter approach will be adopted, with residents receiving letters based on whether they have incorrectly placed in 'similar items' such as a crisp packet, or 'dissimilar items' such as a black sack of refuse, into their recycling bins

Communications/Outreach Update:

- Social media communications will be launched alongside the contamination project in June 2022, with our new concept, Things For Bins; which will focus on what can be recycled.

Strategy/Governance Update:

- The Recycling and Waste Board, that meet monthly are currently strategizing on the priority areas to increase recycling, decrease contamination and reuse waste.
- The Reduction and Recycling Plan will be replaced with an updated version in 2022.

Recycling in Estates:

- This project continues, with regular monitoring of sites and assessment of new sites
- Examples where improvements have been implemented include The Shires Estate N18 and The Poplars N14
- Longer term funding is being sought to enable the establishment of a rolling commitment to improve recycling at estates.

Schools:

- Schools' education is continuing in partnership with waste enforcement.
- This includes the offering of whole school assemblies, classroom-based activities, and parent roadshows
- Recent visits include to Capel Manor Primary School and Churchfield Primary School
- The service is involved with the Schools Climate Action Network.

Action Plan Subject: Telephony and Customer Services
Lead Director: Executive Director Resources

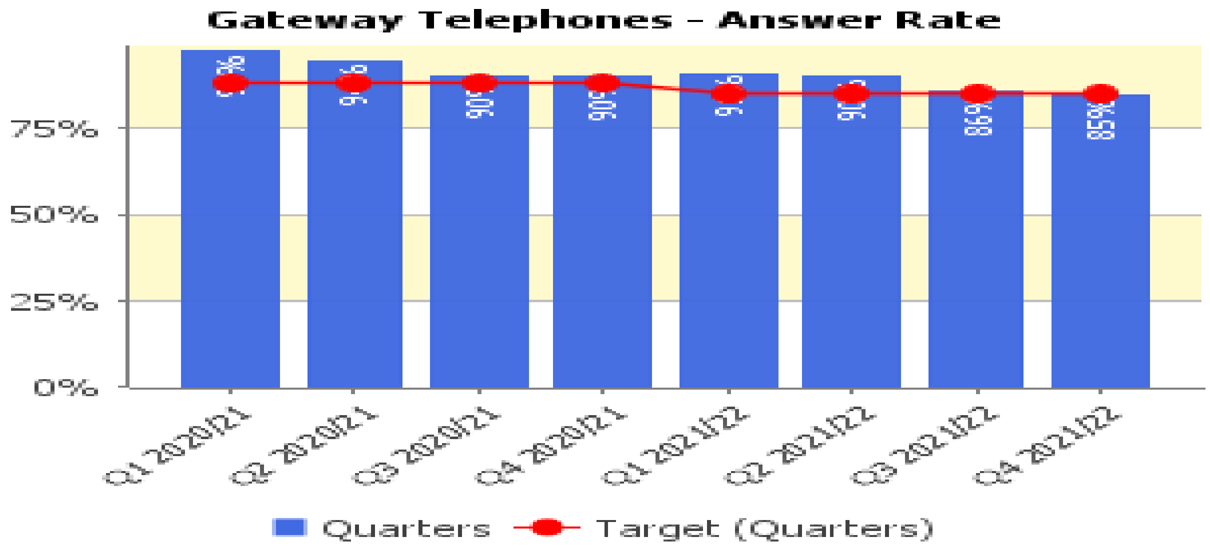
Customer Services is currently measured on how many customer calls and webchats are answered, as well as how long customers wait and level of customer satisfaction.

Call answer rates and wait times are determined largely by demand variances, specifically the volume and length of telephone calls. In addition, ad-hoc projects such as outbound calls can affect performance. Current performance is below.

Indicator	Q4 2020/21	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22	
	Value	Value	Value	Value	Value	Target
CE 007 Customer Satisfaction: Webchat	86.1%	83.2%	84.5%	85.5%	85.7%	85.0%
CE 009a Customer Satisfaction: Telephone Advisor 'Professional' Rating	86.4%	75.2%	83.1%	85.4%	80.9%	85%
GWH 002 Gateway Telephones - Answer Rate	90%	91%	90%	86%	85%	85%
GWH 003 Gateway Telephones - Average Wait Time	00h 03m 31s	00h 02m 38s	00h 03m 01s	00h 05m 07s	00h 04m 08s	00h 03m 00s
GWH 014b Customer Services: % of Calls Answered Within 5 Minutes	93%	83%	82%	76%	74%	90%

Answer rate

The Answer Rate is now showing at 85% which is on target. Further improvements have also been seen in April 2022 achieving 87.5%, our highest rate since January.



Average wait times and calls answered within 5 minutes

New quality standards and monitoring, in conjunction with newly trained staff, who are fully operational, is already leading to improvements in performance with 79.9% of calls answered within 5 minutes in April 2022. The team and HoS are also working with services to improve contact channels including supporting services with customer journeys such as Waste.

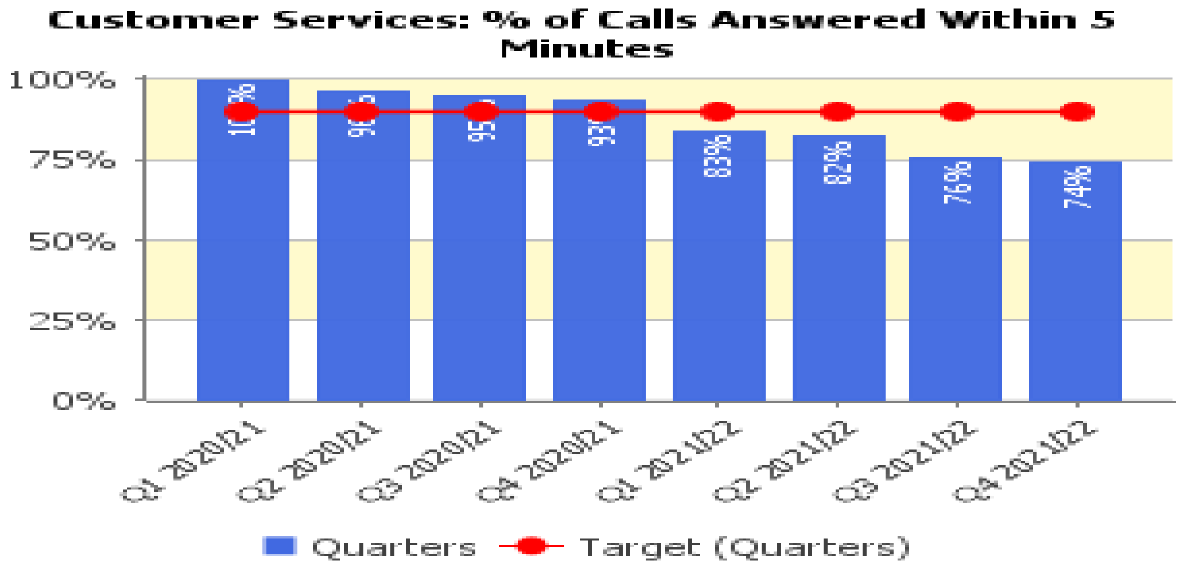
Issues over this period, particularly Q3 And Q4 which have led to performance problems in particular:

- **ICT issues**
  - For 3 weeks in Q3 (mainly November) and a week in March (Q 4) some incoming calls to the main number were not connecting and calls were not transferring correctly, resulting in dropped calls. We lost 246 staff hours in quarter 3 (of which 124 hours were in November) and 296 hours for quarter 4. This resulted in less available agents to take calls. The root cause of the earlier intermittent issue was not identified and in March it took 5 days to identify and rectify this problem with the supplier. As well as the direct time lost, the contact centre did call backs to customers that had been affected. This call back practice (only recently used during Covid) impacts on general performance across the piece and this practice will be reviewed. In terms of services affected, the issue was not specific to any particular option on the IVR and therefore affected all services across both General and Housing workgroups.
  - In January there were issues with IVR disconnecting calls - now resolved.
  - In February there were intermittent issues with Lagan freezing and going slow - now resolved.

Council tax letter. The Council Tax main billing process experienced 3 separate issues in March 2022 (now resolved), which led to many more customers calling the 1000 number, at an already busy time of year. Normally these calls on Council Tax are dealt with by a 3rd party, but because this 3rd party were experienced such high demand, customers came back to the contact centre in the hope of speaking to someone to help with these enquiries.

- **Paid Green Waste problems with Pay 360.** Since a recent systems change, staff are limited to only being able to take payments for paid garden waste only on Pay 360 – (this is working fine it's all the other payments). This is a long-term problem which is still being investigated by DS. Call times have slightly increased for these calls as the payment for Paid Green Waste is a manual workaround as fields are no longer prepopulated. As far as all other payments are concerned, the majority of customers self-serve. However, there is contingency in place for vulnerable customers when needed.

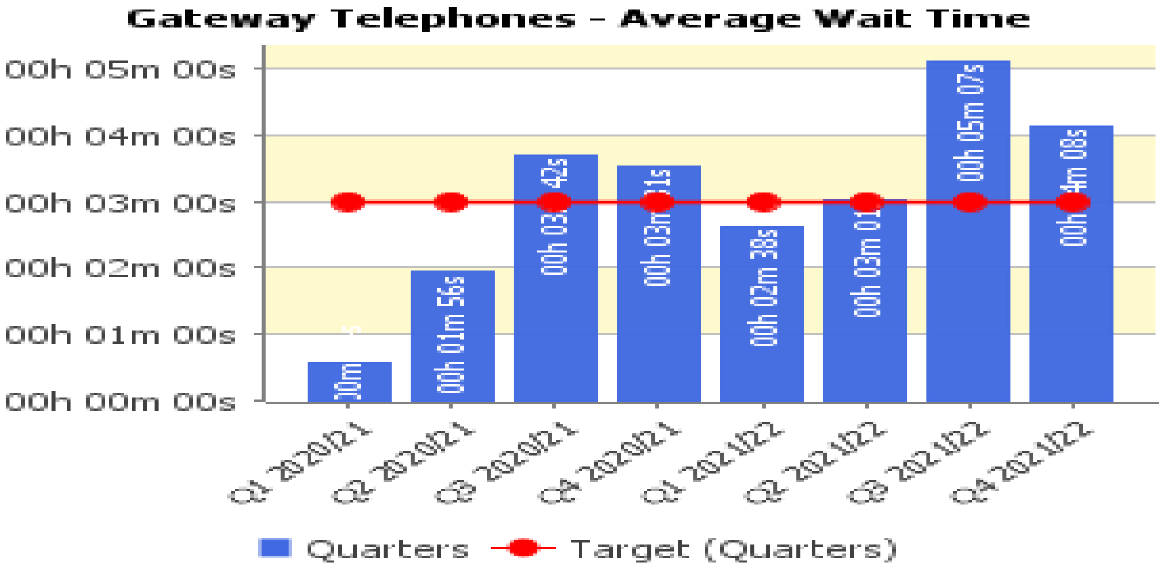
The major IT and council tax billing issues have now been resolved, leading to improved performance in Quarter 4, business as usual and significant improvements in April 2022, showing the action plan is working.



Having seen an increase in average wait times in Quarter 3 to 5m 07, they fell by one minute in Quarter 4 and this trend is continuing in April to be close to target at 3 minutes. We are confident that this will continue to improve in May as long as we are able to keep staff by converting temporary staff posts into permanent posts. The reason for the longer wait times in Q3 and Q4 were:

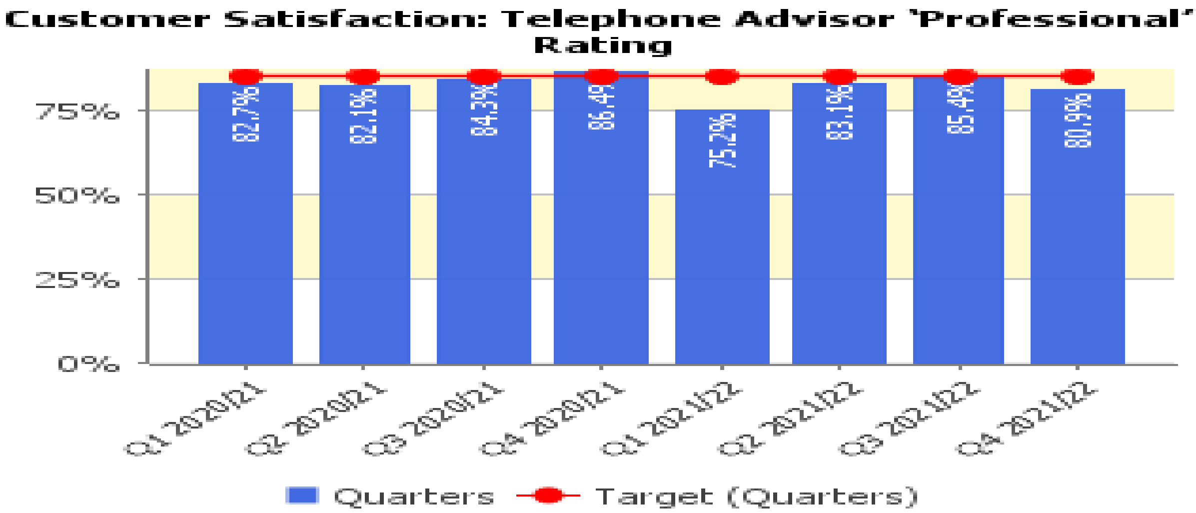
- New agency staff being brought in who required training/shadowing on phones (therefore taking time away from call answering for all staff). (We are looking to reduce agency staff and appoint more permanent staff).
- An increase in complex Council Housing calls. Council Housing team transitioned to the Housing Repair Centre (HRC) in Dec and Jan which may have impacted wait times as cross trained staff were no longer at our disposal to cover resourcing gaps (losing the benefits of economies of scale). In Q3, these were 5m07 including Council Housing & 3m35 excluding Council Housing. Council Housing KPIs will move from January and won't appear in the future reporting for the customer services KPIs as they will now be managed and reported through Housing.
- Proactive call backs to residents who had suffered because of the major ICT issues. Although this showed customer satisfaction levels growing, it also exacerbated the

call wait times as staff were making call backs at the same time as answering all the new calls



Customer Satisfaction with Webchat continues to be high and is now at 85.7%.

Satisfaction on telephony correlated to issues as identified above such as ICT for the period. Revised satisfaction surveys have been agreed to be implemented shortly. New Customer Services standards are due to be circulated and we anticipate further improvements in the near future.



<u>Covid-19 Related Support Work</u>

The Community Support Line which is accessible via the contact centre line #1000 (Option 7) recorded 2437 calls in Quarter 4 21/22 with levels of demand on the sharp increase following the spread of the Omicron variant, recent data shows an increase from Q3 of 907 calls taken. The Community Line was set up in the Contact Centre in June 2020. The aim of this service is to be accessible to *anyone* needing additional help during Covid – including those over 26,000 residents that are clinically extremely vulnerable. Additional services are still included such as food bank support, financial assistance, support around vaccination awareness and access to emotional wellbeing support. This new service was set up and funded during the pandemic using Covid funding and is now absorbed into the service – but we may need to reduce it in order to recruit more permanent staff for core business.

Action Plan Subject: Complaints, FOIs and Complaints
Executive Director: Executive Director of Resources

Executive Summary

Overall, target performance for FOIs has increased in Q4 although performance for MEQS and complaints has decreased has improved.

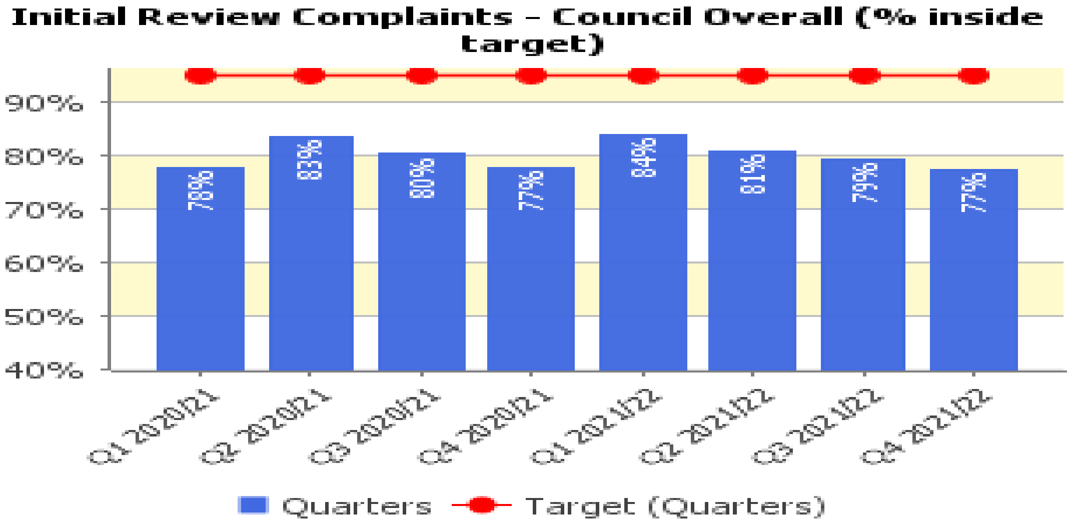
1. FOI, MEQ & Complaint Performance Charts

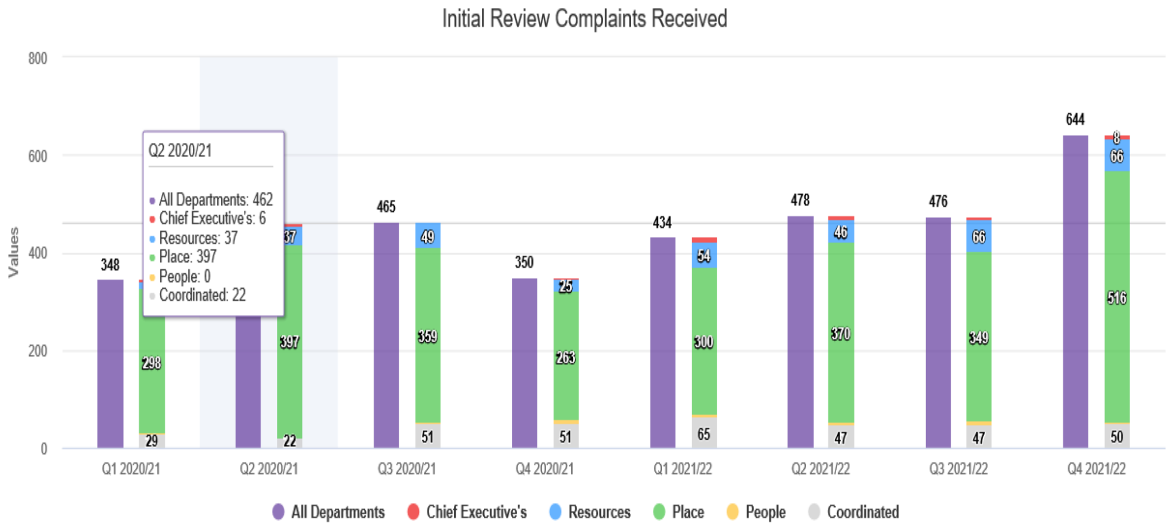
The charts below show the current performance for Freedom of Information Requests (FOIs), MEQs and Complaints. The red line denotes the target.

This covers the period (January-March) Quarter 4 of financial year 2021-22.

1.1 <u>Complaints</u>

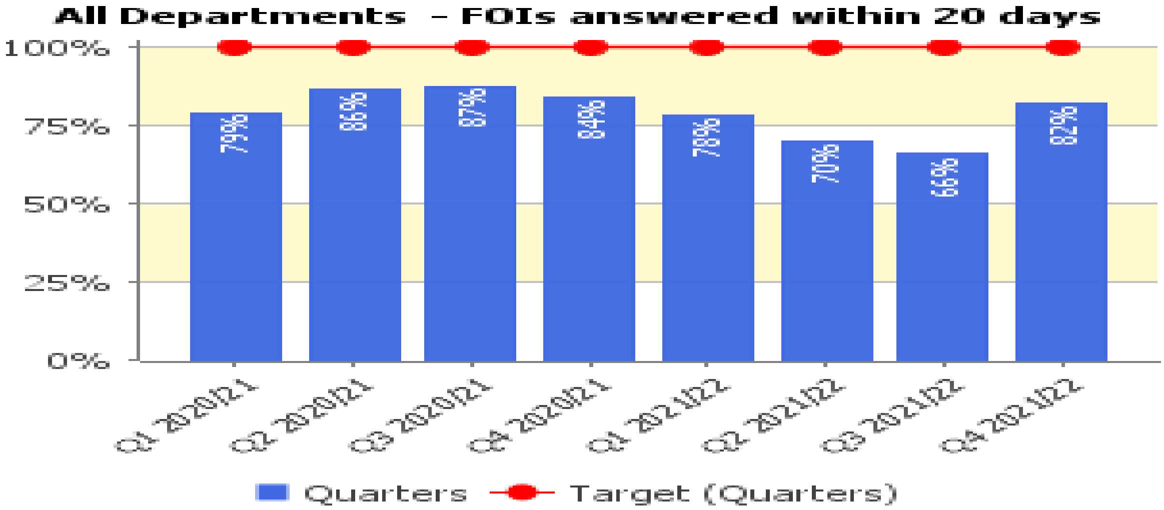
Complaints performance decreased to 77% being resolved within timeframe in Quarter 4

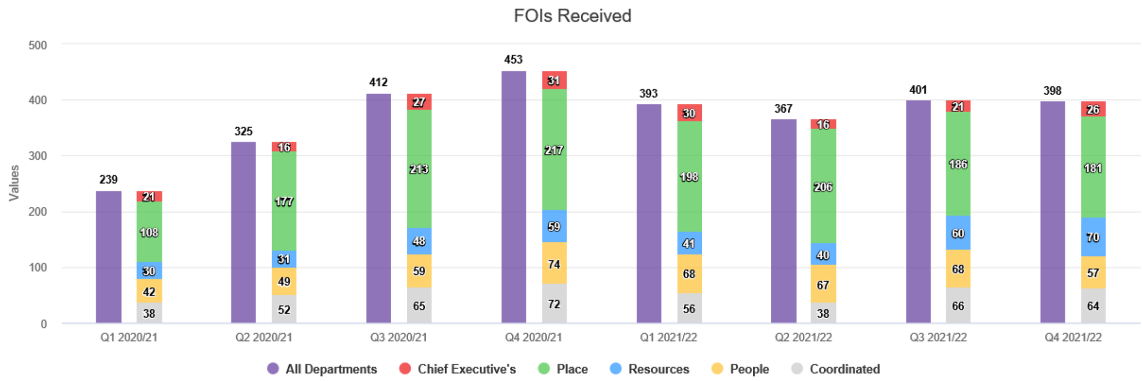




1.2 <u>FOIs</u>

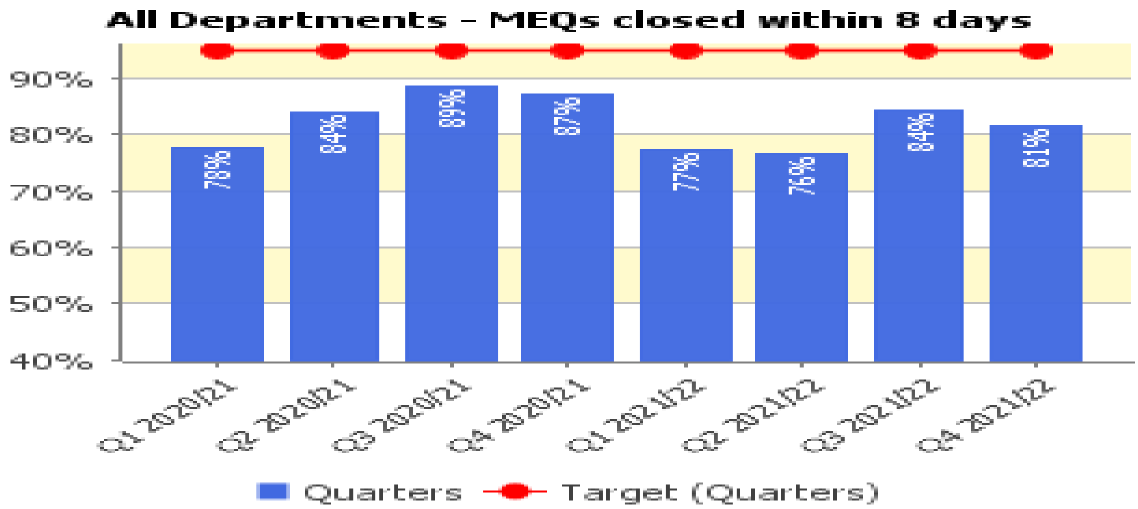
For Quarter 4 for FOIs, performance was 82% below the 100% target. There is a big increase on Quarter 3.

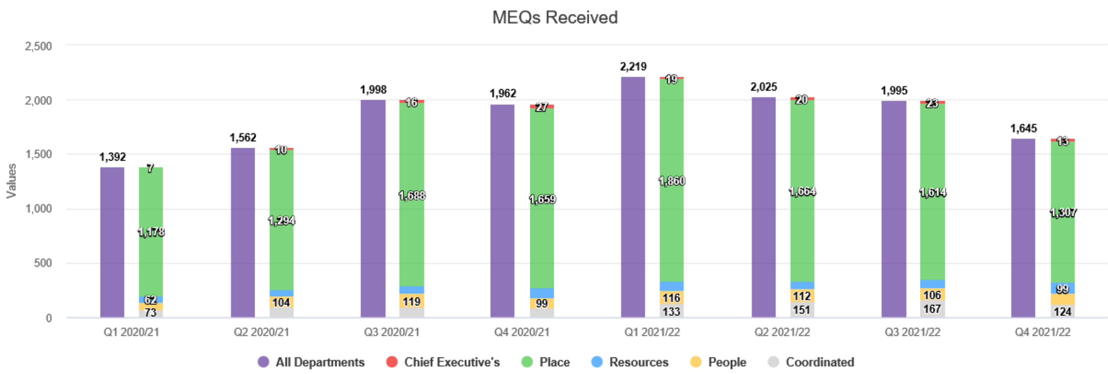




1.3 <u>MEQs</u>

In Q4 performance was 81% answered within 8 working days against a target of 95%. This is a slight decrease in performance from Quarter 3





2. Update Since Previous Reporting Period

Staffing challenges continued into Q3 although days lost due to sickness from 49 (Q2) to 31 days. The vacancy rate increased from 26% (Q2) to 31%, primarily for coordinator roles responsible for inputting and processing MEQs, FOIs and Complaints for response. However, agency resourcing was put in place to reduce this gap as an interim measure.

Allocation backlogs reported in Q2 report were successfully addressed during Q3.

However, it is recognised that there are a number of improvements required to address long term challenges regarding reporting and responsiveness to complaints, FOIs and MEQs. An improvement plan is in place from January 2022 to January 2023 that covers a range of activities set out below.

- Development actions are currently underway to improve the handling and organisational learning from complaints, MEQs and FOIs.
- Data insight: generating better data insight to drive continual service improvement with service leads; in turn ensuring strengthening accountability.
- Processes: guidance, training and templates are being reviewed and implemented to improve response quality and reduce demand failure.
- People: reviewing structures and responsibility remits to identify more efficient models of service delivery.
- Technology: developing replacement IT system for processing enquiries (CRM – Customer Relationship Management system) which will provide enhanced digital capabilities increasing automation, data insight and improve reporting.

<u>Complaints</u>

As per Q2 actions, data analysis has identified areas requiring further development which is addressed through improvement activities. Analysis of high-volume complaint areas is underway to identify complaint themes, patterns, root causes and volumes. This insight is shared with services to design effective solutions to reduce complaint types and volumes. Complaint response processes have been redesigned and additional guidance provided to improve response time and quality.

<u>FOI</u>

KPI performance continued to decrease in Q3. Resourcing challenges advised above have contributed towards allocation delays, as well as overall response delays. The volume of FOIs increased between Q2 and Q3.

To address these performance issues, FOI training is currently under development including revised guidance and new internal handling policies. These are designed to improve response times and quality. Central resource challenges will be addressed through the ‘people’ and ‘technology’ improvement activities coming into effect in May 22.

<u>MEQs</u>

A number of changes were made during Q3 (e.g. refined escalation processes, improvements to existing reporting, new reports) which created greater oversight and management activities at multiple levels across the organisation. Initial allocation backlogs have also been addressed. MEQ timely response performance has improved by 8% between Q2 and Q3.

As per Q2 report actions, steps were taken to increase resourcing arrangements to create greater flexibility and resilience on an interim basis until planned structure, process and technological changes are implemented in early May 2022.

3. Actions & Next Steps

The following actions are taking place between March to July 2022:

- Implementation of structural changes and new IT system (CRM) – May 22
- Launch of new reporting capabilities (CRM) – May 22
- Launch remaining new guidance, training and templates for MEQs, FOIs and complaints – June 22
- Redesign corporate complaints and statutory complaints annual reporting for publication in Q2 (FY 22/23) – July 22

Action Plan Subject: Sickness Absence
Lead Director: Director of Human Resources & Organisational Design

Please note the following definitions for the purposes of this report.

FTE: Full Time Equivalent is the hours worked by one employee on a full-time basis.

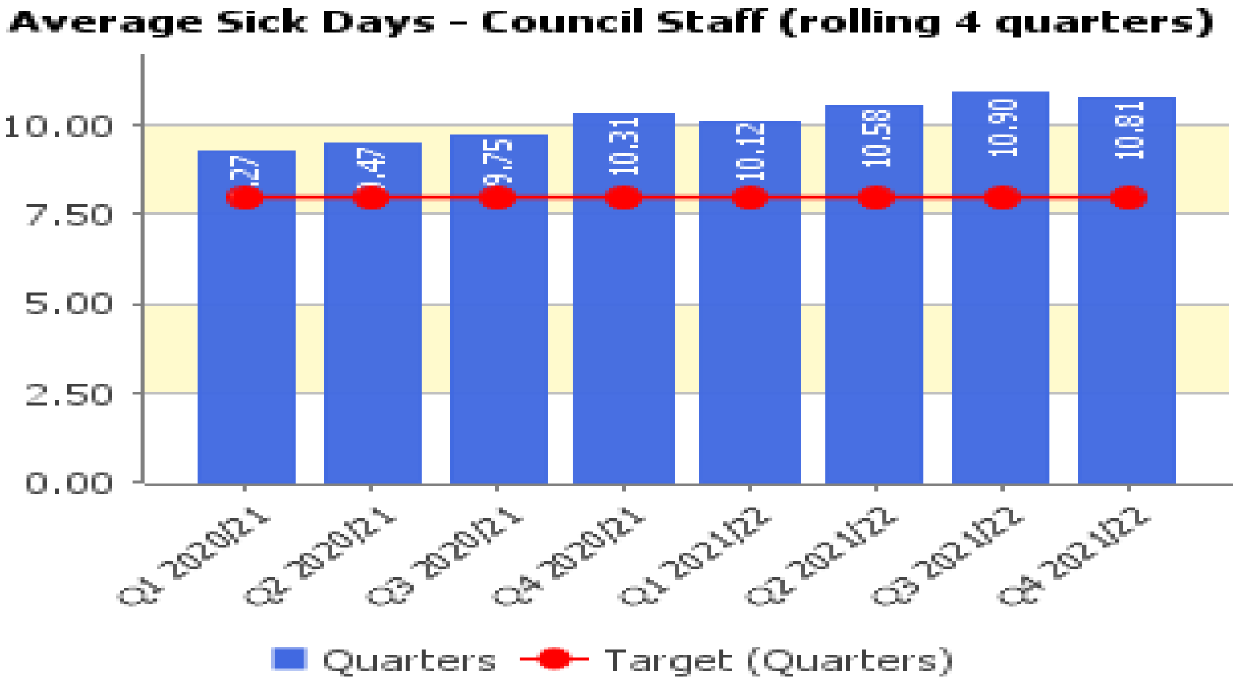
Average FTE Days: This is the number of FTE working days lost to sickness absence

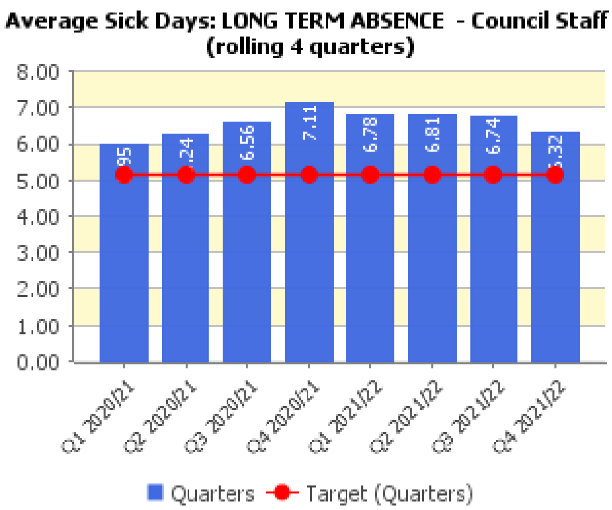
Sickness absence includes sickness relating to or due to Covid-19 but not self-isolation cases. 20.3% of all sickness absence in the January – March 2022 was related to Covid-19 (excluding self-isolation); this was higher than the 12.3% in Quarter 3.

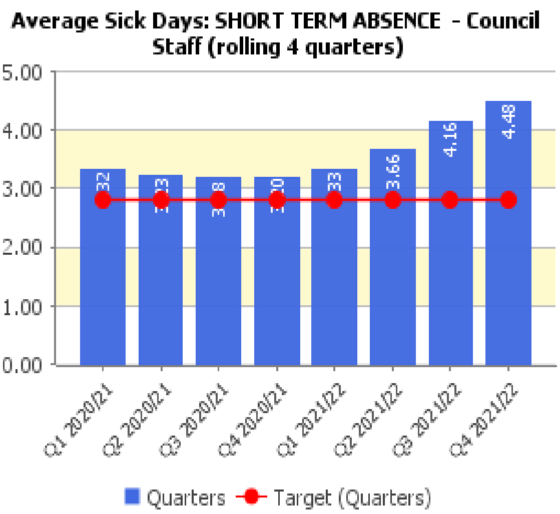
Compared to the same period last year sickness levels are lower in the CEX and Place Departments and higher in Resources and People departments

The rolling 8 quarters for sickness absence up to Quarter 4 (Jan – March 2022) is included in the table below. Current Council wide performance is above the agreed target with 10.81 FTE days being lost. This is a slight decrease from Q3. The target is 7.96 FTE days lost which was the London average in 2018/19. The London average for 2019/20 increased to 8.52 FTE days lost and consideration should be given to align the Council target for 2022/23.

Long term absence has decreased across the quarter but short term has increased (reflecting the trend of higher numbers of sickness absence due to Covid-19).







The annual target relates to 0.66 days per FTE per month and 1.99 FTE per quarter. The departmental breakdown of sickness for Quarter three shows the following:

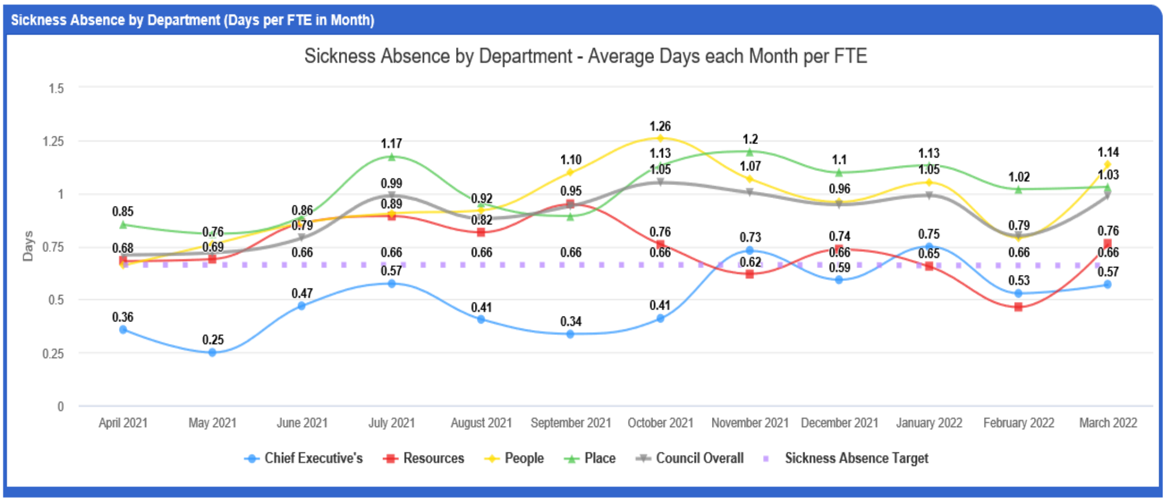
Average Sick Days per FTE for the **Chief Executive's Directorate** is 1.85 which is below the 1.99 target

Average Sick Days per FTE for the **Resources Directorate** is 1.88 which is below the 1.99 target.

Average Sick Days per FTE for the **People Directorate** is 2.98 which is above target.

Average Sick Days per FTE for the **Place Directorate** is 3.18 which is above the 1.99 target.

It should be noted that the People and Place departments have a larger manual workforce. The manual workforce within Place expanded in April 2020 following the insourcing of the cleaning service and in June 2020, the manual workforce within People expanded following the insourcing of IWE. Sickness absence levels do tend to be higher for manual workers. This trend is not just within Enfield Council and is typical higher within this workforce category.



Absence reasons:

The top three absence reasons for quarter 4 are:

- Stress, Depression and Anxiety
- Other musculoskeletal problems - exclude back problems- include neck problems
- Cold, Cough, Flu - Influenza

Additional Interventions and Actions

A specialist Absence & Attendance team consisting of two posts, has now been created. The HR Associate Business Partner, commenced in post in February 2022. An appointment has now been made to the second post, HR Advisor, Absence & Attendance with a start date to be confirmed. This team will identify and promote constructive solution focused initiatives in relation to absence management that are aligned to deliver against the Workforce Development Strategy, service level agreements and promote a positive attendance culture whilst also addressing complex employee relations cases, linked to absence and attendance across the Council. This team will take overall responsibility for the Council's approach to the management of sickness absence and will be responsible for quality assurance and establishing key performance indicators and data to ensure that sickness absence cases are robustly and efficiently managed. This will be achieved by:

Detailed analysis of absence data at both corporate and service level to identify trends and bottlenecks

Working closely with managers to ensure they are trained and confident when dealing with staff sickness and absence

Identifying absence reason trends at both a corporate and service level and identifying and implementing both corporate and local initiatives to address these trends (for example, supporting an ageing manual workforce, how to avoid muscular skeletal problems for workers where heavy manual handling is a key component of their role, addressing and managing workplace stress)

Identifying specific cases that are not progressing and providing additional support for managers to progress these cases.

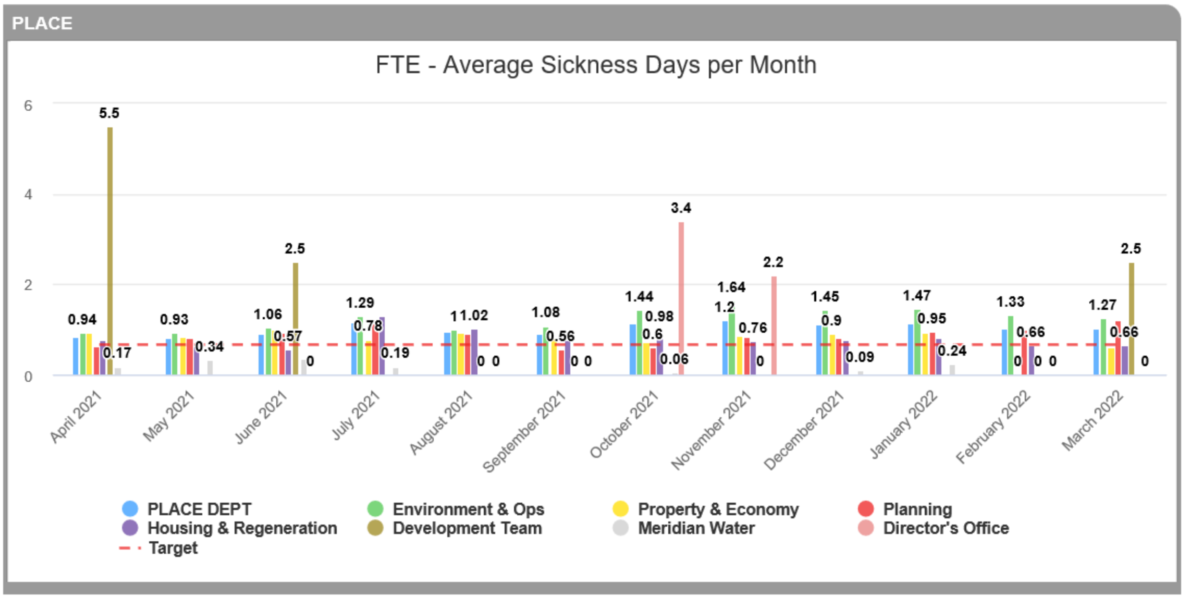
Work has already commenced reviewing and ensuring proactive management of long-term absence cases and is now starting to see a positive downward trend in the overall number of long-term cases (64 cases in December 2021 compared with 39 in April 2022).

The Council actively promotes the EAP (confidential counselling) service that is well used by staff.

The Council is piloting a scheme of Mental Health First Aiders in the workplace. A cohort of 16 staff have been trained to become a Mental Health First Aider (MHFA) and the scheme was formally launched in April 2022. The cohort of MHFA's are spread across services and departments and communications have been rolled out to promote this additional support for staff. The MHFA's have practical skills and knowledge to recognise the symptoms of mental health issues and to be able to support anyone experiencing mental ill-health or difficulties. They will be able to provide practical information and signposting for support and appropriate professional help. This will support staff when or before they are in crisis to prevent absence or deterioration in their mental health. This initiative is hoped to have a positive impact on sickness absence due to poor mental health.

Place Department

Sickness absence is monitored on a regular basis at Sickness boards to ensure absence is appropriately managed and interventions put in place to support staff back to work at the earliest opportunity. Place sickness absence is showing a downward trend. Several long-term absence cases have been closed or are being concluded and it is hoped that this downward trend will continue.



The highest levels of sickness absence are within Environment and Operations that employs high numbers of manual workers. The Place Department did have higher levels of Covid-19 sickness absence during Q4. This would contribute to absence levels in Environment and Operations, but it should be noted there are front line workers within this service cannot work from home as alternative to attending the workplace.

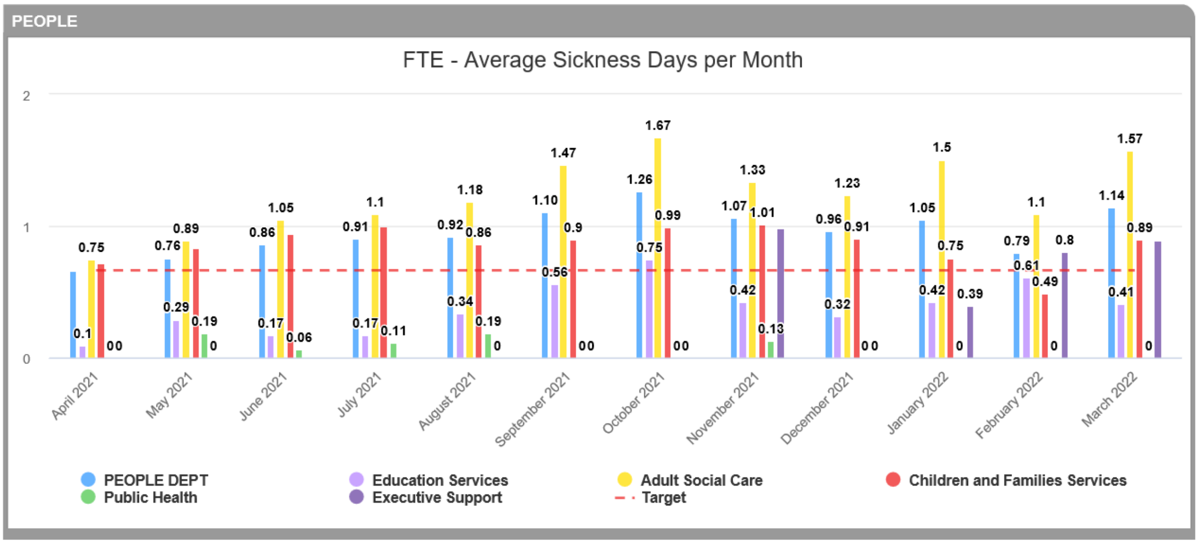
It should also be noted that although the Development Team shows a sharp increase in March 2022, this is a small team and a single absence case can cause this spike.

To ensure oversight and the timely management of high sickness absence within this Service, the Director of Environment and Operations chairs a monthly ‘sickness absence board’, with his management team, supported by the Associate HR Business Partner. This is making an impact and each Manager within the service has proven successful in managing cases in a timely manner to a successful resolution, whether it be a stage 3 hearing or supported back to work. This is reflected in the data for Q4 and will continue to have a positive impact in Q1 2022/23.

Within both Housing & Regeneration and Environment & Operations that previously had higher levels of sickness absence, the trend is now showing a gradual improvement. A number of interventions have been put in place to support sickness absence in these services. These consist of Sickness boards, coaching managers, managers engaged fully in reducing the absence levels along with a strong focus from the relevant Director.

People Department

Sickness absence is monitored on a regular basis.

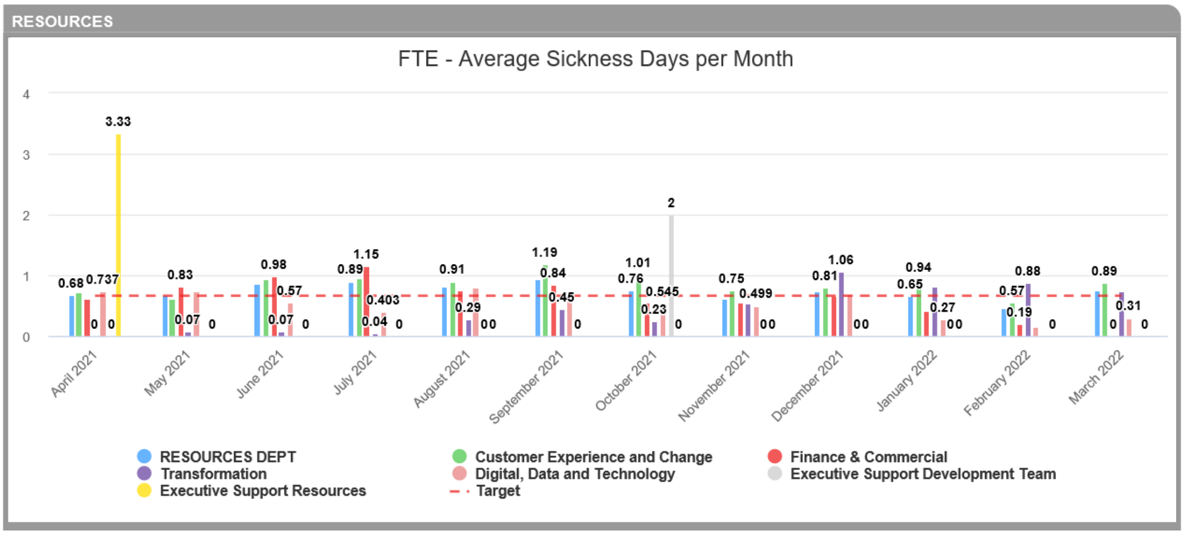


The higher levels of sickness absence in Adult Social Care is due to the high number of front-line workers. Front-line workers normally cannot work from home on days they are feeling unwell compared with other Council services where staff can work from home. Due to the nature of their work Covid will also have a significant impact on absence levels in Q4.

- The Directorate acknowledges the slight increase in sickness levels, particularly ASC following the transfer of IWE back in-house from June 2020. This can be evidenced in the overall increase in sickness absence in Adult Social Care since June 2020.
- The combination of a frontline workforce still required to work, and the consequences of the Covid-19 pandemic will have had a direct impact on the absence stats for the People Department. As frontline workers who have been working out in the community delivering services throughout the pandemic, they are at greater risk of contracting Covid-19 than staff who work primarily from home.
- The HR Team meet regularly with Directors and Head of services to address not only sickness absence but other issues across their teams.
- There are robust plans in place to address the overall absence levels across departments. This is resulting in a downward trend of long-term absence with a number of cases closed during April 2022 that will be reflected in Q1 2022/23.

In addition, the HR leads attend bi-monthly DMT meetings where overall sickness absence management is discussed.

Resources Department



Overall, there was a reduction in sickness absence during Q4 and overall sickness fell below the corporate target. Absence is monitored and reviewed and regularly discussed at management team meetings.

London Borough of Enfield

Cabinet
Meeting Date: 6th July 2022

Subject: **Capital Outturn 2021/22**

Cabinet Member: **Cllr Tim Leaver, Cabinet Member, Finance & Procurement**

Key Decision: **KD5464**

Purpose of the Report

1. The purpose of this report is to detail the financial expenditure for the prior year at the end of the financial year, in local government finance this is called the "outturn". This report compares the actual expenditure for the year ending 31 March 2022 to the budget or planned position for the 2021/22 Capital Programme.

2. This is the fourth and final report of 2021/22, following similar monitoring reports as at Period 3 (Quarter 1), Period 6 (Quarter 2) and Period 8 (January Cabinet).

3. This report requests budget adjustments for the 2022/23 budget – where programmes have been delayed rolling budgets forward to 2022/23 and where outcomes have been delivered early reducing 2022/23 budgets.

4. The Housing Revenue Account spend, and income is reported at a summary level only, with detailed explanations of project outcomes, variances, and funding available in the separate HRA Outturn report KD5467.

Proposals

Cabinet is asked to recommend to Council for approval:

5. Increase the 2022/23 General Fund and HRA capital budget by £26.6m (rolling forward unutilised 2021/22 budgets). This is the net position of:

    a. a total of £41.43m 2022/23 budgets increasing due to programmes being delayed
    b. a total of £14.79m 2022/23 budgets being reduced to recognise where budgets have been spent early (in 2021/22), as detailed in Table 5.

6. £13.74m additions to the approved programme, as a result of recognising additional grant funding, as detailed in Table 3.

7. Transfer £2.48m usable capital receipts from General Fund to HRA to rectify capital financing for the construction of Alma Youth Centre, a General Fund asset, as required by accounting standards.

8. Reprofiling £79.74m Meridian Water budgets (within the same total budget) using ‘budgets with both levels of approval’ before ‘budgets requiring secondary level of approval’.

Cabinet is asked to note:

9. Total expenditure on the Capital Programme for 2021/22 was £198.6m, against the revised outturn forecast of £225.3m.

10. The total reprofiling of £26.6m comprises of £15.5m General Fund (excl. companies), Companies £10.1m and £1.1m on HRA programmes;

11. Funding of the Council’s capital expenditure for 2021/22, the largest elements of which were £98.8m borrowing and £51m grants, as detailed in Table 6.

Reasons for Proposals

12. To update Cabinet on the year end Capital Programme position, including project outputs.

13. To align capital programme budgets so that where projects have delayed spending, budgets are included in the following year so that the total budget for each programme remains the same as previously agreed.

Executive Summary

14. The report provides an overview of the outputs of the Capital Programme in 2021/22 and how much was spent on the individual capital programmes, across the General Fund, Housing Revenue Account (HRA) and lent to the Council’s subsidiary companies.

15. The HRA has a separate report, KD5467, that covers both Revenue and Capital, however it is this report that is requested to be forwarded to Council to agree HRA requested carried forwards and 2022/23 budget reductions, where work was carried out early, during 2021/22.

16. During 2021/22, a total of £198.6m capital budget was spent, made up of £89.4m General Fund, £25.4m loaned to wholly owned companies and £83.8m spent in the HRA.

17. This represents 88% of the revised budget 2021/22, compared to 71% in 2020/21.

18. The 2021/22 General Fund Capital Programme was funded by:
    a. £44.7m grants
    b. £0.2m reserves & capital receipts
    c. £70m borrowing

19. The 2021/22 HRA capital programme was funded by:
    a. £9.2m grants
    b. £45.8m reserves & capital receipts
    c. £28.9m borrowing

20. Outcomes from the capital expenditure included:
    a. Meridian Water project: Meridian one, is scheduled to deliver the first 20 affordable homes in March 2023, with the balance of 957 homes to be completed in phases by 2026/27. Enabling works have started on Meridian Two, which will deliver 250 affordable homes, with construction scheduled to start late 2022, with first completions in 2024.
    b. Expansion of Southgate and Edmonton cemeteries
    c. 11.3km of carriageway resurfaced, 6km of pavements renewed, 18,000 individual smaller defective repairs to the highway network completed
    d. 689 new street trees planted
    e. 250 homes adapted to enable disabled residents to live independently
    f. Genotin Road office development ensured Microsoft, a major blue chip employer with circa 400 - 500 employees in Enfield, remains in the borough
    g. Electric Quarter mixed use retail, community and housing scheme is nearing completion and has delivered c.168 new homes, a new Public Library, retail and nursery space

21. The Consumer Prices Index (CPI) rose by 9.0% in the 12 months to April 2022, up from 7.0% in March. Construction costs and energy costs are increasing and are forecast to continue increasing. The Council will consider the impact of this in the Ten-Year Capital Strategy and monitor the impact on the current programme via the quarterly reports to Cabinet.

22. Work is currently underway to review the financial model for the Meridian Water project which will include consideration of the current economic climate. A separate report will be presented to Cabinet in the autumn.

23. The last capital monitoring was undertaken at the end of Period 8 and reported to Cabinet in January. Since then, there have been changes to the forecasted budget position. Such movements are shown in Tables 3 and 4. Therefore, the revised forecast outturn position for 2021/21 across the General Fund and HRA was £225.2m.

24. During the financial year 2021/22 the Council raised £2.46m (net) from the sale of land and buildings relating to the General Fund and £1.70m for the HRA.

25. The Prudential code requires the Council to publish capital programme affordability indices. The revenue cost of the capital programme (Minimum Revenue Provision and Interest) for 2021/22 was £21m which is 8% of the net revenue budget. The HRA interest costs were £9.8m, which is 14.8% of the 2021/22 income.

Relevance to the Council's Corporate Plan

26. The Council's capital strategy provides the overall framework under which Capital investment plans are delivered. These plans are informed by the Council's strategic objectives as detailed in the Council's Corporate Plan. The 2022/23 capital strategy was approved by Council on 22 September 2021.

27. The paragraphs below provide a high-level description of how the 2021/22 programme expenditure supported the delivery of the Council's corporate objectives

Good homes in well connected neighbourhoods - £154.44m

28. 77% of the 2021/22 capital expenditure supported the delivery of this objective. Key achievements include continued progress on the Meridian Water project: Meridian one, is scheduled to deliver the first 20 affordable homes in March 2023, with the balance of 957 homes to be completed in phases by 2026/27. Enabling works have started on Meridian Two, which will deliver 250 affordable homes, with construction scheduled to start late 2022, with first completions in 2024.

29. Energetik continued work on building the Meridian Water energy centre and installation of plant as well the installation of the phase 1 network within Meridian Water, both scheduled to complete in 2023.

30. The Vehicle replacement programme has a rolling programme of vehicle replacements. During 2021/22, 7 narrow access Refuse collection vehicles, 6 Cage Tipper vehicles, 6 tractors and 12 School buses were purchased.

Safe, healthy and confident communities - £16.92m

31. During 20221/22 the annual roads maintenance programme resurfaced 11.3km of carriageway and 6km of pavements. Work continued on the installation and repairs of alley gates which contribute to improving the safety of surrounding streets. A total of 47 alley gates were installed or repaired.

32. The programme of implementing sustainable drainage included work on flood alleviation schemes at Turkey Brook, Enfield Town as well as Enfield Chase restoration project.

33. Disability Facilities Grant (DFG) supports the provision of Enfield's Housing adaptations to enable disabled residents to live independently, with a range of adaptations made to 150 properties during the year.

34. The expansion of the Southgate and Edmonton Cemetery's delivered additional burial chambers, mausolea and underground chambers. The Southgate expansion programme is complete and provided 362 burial chambers and 24 mausolea.

An economy that works for everyone - £27.25m

35. The schools programme covers the provision of additional school places through schools expansion as well as undertaking capital works to existing schools. The current priority is the increase in Special Educational Needs places, with ongoing work in 3 schools. A range of work was carried out across the borough's schools including works to roofs, heating and electrical upgrades, accessibility and safety work.

36. The Council's Build the Change Programme's purpose is to create a modern Council by modernising and improving working practices and environments to meet the specific needs of services and staff. The investment in physical assets will enable delivery of the objective of a smart working culture of a modern council. During 2021/22 work continued on the Civic Centre, Dugdale/Thomas Hardy House and Edmonton Green, with Edmonton Green now complete.

37. The Genotin Road office development is a project which delivered a new office building on the former Genotin road car park, ensuring the retention of Metaswitch, which has now been purchased Microsoft. In addition the Council also benefits from a competitive annual rent over the next 15 years and the use of circa 100 car parking spaces outside of office hours, helping to maintain Parking income. The site also includes circa 25 electric charging points and infrastructure for 25 more.

38. Energy Decarbonisation programme is a Salix funded programme that supports the Council's decarbonisation of corporate and education buildings. Work is ongoing and to date has covered works including, roof lighting and air source heat pumps.

Background

39. The Council's Capital Programme for 2021/22 to 2031/32 was approved by Council on 5th March 2021. This programme covers investment in Council assets (e.g. roads, Council buildings or vehicles), regeneration schemes and Council companies. This programme is mainly funded by grants and borrowing. The cost of borrowing arising from this investment is funded from the Council's general fund budget. Note, the operational or day to day expenditure of the Council is reported separately.

40. The Capital Programme is monitored and reported to Cabinet on a quarterly basis. This includes any additions, reductions and reprofiling of approved budgets. The Council Capital Programme spans ten years which aligns with the ten-year Treasury Management Strategy. The Treasury Management Strategy sets out how the Council manages its cashflow and borrowing requirements to fund the capital programme.

41. Since early 2021, the UK construction sector has seen unusual inflation in materials and build costs, alongside materials and labour shortages which are affecting site activity. More recently the war in Ukraine has exacerbated these factors as well as driving up costs.

42. The Council manages its maintenance and development costs using various third-party advisors and contractors who forecast costs, monitor, and measure development designs, and monitor quality. Since early 2021 officers have sought additional advice and secondary reviews on schemes and projects as well as contract appointments and award negotiations. We also encourage knowledge sharing among colleagues in different departments.

43. The steps the Council can take to manage these unusual cost increases are broadly as below. We have used a number of these, often together, on our development and maintenance programmes over the past year:
    - Review our approach to procurement to try to increase pool of potential suppliers
    - Review our approach to contracts including allocating works to those that hold prices and balancing risk and reward, to mitigate cost increases and contractor quality concerns and avoid litigation
    - Redesign projects and value engineer to be cheaper to deliver whilst managing negative impacts on final design quality and long-term maintenance
    - Not take forward, or significantly delay/reprioritise, approved schemes which are now unviable or represent poor value for money
    - Accept additional costs and therefore reduced volume delivery, higher risk, and lower viability to deliver the project

44. The Council has lobbied government to raise grant costs to cover this unusual cost pressure. On affordable housing schemes affordable grant increases have been rejected which has resulted in substitution of funding towards use of Right to Buy receipts (these are receipts from the sale of Council properties which are ring-fenced within the HRA) which does put pressure on achieving starts in our GLA programme.

45. On sustainability projects again additional grant has been rejected and a scaling down of the number of properties that can benefit from decarbonisation initiatives to fall within budgets. On maintenance contracts some large volume contracts have been stood down when appointed contractors failed to stand by their prices with an alternative delivery strategy adopted using SME contractors.

46. Work is currently underway to review the financial model for the Meridian Water project which will include consideration of the current economic climate. A separate report will be presented to Cabinet in the autumn.

47. These factors mean construction costs and energy costs are forecast to continue increasing and the Council will consider the impact of this in the Ten-Year Capital Strategy and monitor the impact on the current programme via the quarterly reports to Cabinet.

Outturn Position

48. The total expenditure on the Capital Programme for 2021/22 is £198.63m, against the Period 8 forecast of £225.27m. The position by Department is summarised below in Table 1, with further analysis in Table 2.

Table 1: Summary Outturn by Directorate

Department	2021/22 Revised Budget £m	2021/22 Outturn £m	Variance £m	Spend to Budget %
Resources	4.61	2.38	2.23	52%
People	14.61	9.91	4.71	68%
Place	40.01	35.30	4.70	88%
Place - Meridian Water	45.62	41.81	3.81	92%
Total General Fund Excluding Companies	**104.86**	**89.40**	**15.46**	**85%**
Companies	35.51	25.40	10.11	72%
Total General Fund	**140.37**	**114.80**	**25.57**	**82%**
HRA	84.90	83.83	1.07	99%
Total Capital Programme	**225.27**	**198.63**	**26.64**	**88%**

49. A breakdown of the variances is shown below in Table 3. Explanations for variances over £0.50m are detailed in paragraph 112 onwards.

50. Detailed outturn expenditure and variances by programme are shown in Appendix A.

Table 2: Capital Outturn Summary

	2021/22 Jan Budget	Net Adjustment	2021/22 Revised Budget	2021/22 Outturn	Variance (all proposed to be carried forward)	Spend to budget
	£m	£m	£m	£m	£m	%

General Fund						
Digital Data & Technology	3.96	0.37	4.33	2.27	(2.06)	47%
Customer Experience & Change	0.29	0.00	0.29	0.11	(0.17)	61%
RESOURCES	**4.25**	**0.37**	**4.61**	**2.38**	**(2.23)**	**48%**
Education	10.50	3.35	13.85	9.40	(4.45)	32%
Children & Family Services	0.72	0.05	0.77	0.51	(0.26)	34%
PEOPLE	**11.21**	**3.40**	**14.61**	**9.91**	**(4.71)**	**32%**
Environment & Operations	20.08	0.48	20.56	18.29	(2.27)	11%
Meridian Water	45.62	0.00	45.62	41.81	(3.81)	8%
Property & Economy	17.33	0.00	17.33	14.62	(2.71)	16%
Housing & Regeneration	2.11	0.00	2.11	2.39	0.28	-13%
PLACE (exc. HRA)	**85.15**	**0.48**	**85.63**	**77.11**	**(8.52)**	**10%**
Total General Fund Excluding Companies	**100.61**	**4.25**	**104.86**	**89.40**	**(15.46)**	**15%**
Energetik	15.74	0.00	15.74	15.25	(0.49)	3%
Housing Gateway Ltd	19.77	0.00	19.77	10.15	(9.62)	49%
Total Companies	**35.51**	**0.00**	**35.51**	**25.40**	**(10.11)**	**28%**
Total General Fund	**136.12**	**4.25**	**140.37**	**114.80**	**(25.57)**	**18%**
Housing Revenue Account	84.90	0.00	84.90	83.83	(1.07)	1%
Total Capital Expenditure	**221.02**	**4.25**	**225.27**	**198.63**	**(26.64)**	**12%**

**net movement comprises of growth and reductions in the capital programme since P8 Capital monitoring report.*

51. Reprofiling represents budget adjustments to reflect new timescales for project delivery. These are detailed in Table 5.

52. The next section provides details of significant areas of spend during 2021/22 on General Fund projects and the associated outputs delivered by those projects. The HRA is referenced in summary only as the details are reported in the separate HRA report (KD5467).

Project Outcomes – General Fund

53. Projects outcomes for each programme over £1m are described in the paragraphs below. Appendix A details all expenditure at a programme level.

Resources

IT Investment (£2.27m)

54. New device rollout (complete) – The programme completed at the end of 2021/22. This replaced all old devices used at public sites (mainly desktop PC's). The programme came in under budget, because the number of devices reduced following changes in services and buildings following the pandemic.

55. SharePoint - Build the Change (in progress) - The Council's new intranet was built using SharePoint and has been fully live for over a year, replacing the legacy Enfield Eye which was no longer supported. The new system is a collaborative tool used by the whole organisation that is easy to update and shares information avoiding duplication.

56. Customer Platform Replacement (in progress) – Phase 1 went live in March 2022 as the 'minimum viable product'. This replaced the previous platform by mending broken customer journeys and providing a new website with a better search function. The new system is easier to maintain and has significantly less reliance on external contractors and suppliers.

57. Infrastructure Programme (in progress) – A new network has been installed which improved connectivity and security and using latest technology. In addition, this also delivered migration from data centre into the cloud and on site servers.

People

Strategic Schools Programme (£3.38m)

58. Cabinet approved the strategy of increasing capacity in special schools that provide education services for some of the most acute special need categories. To deliver the strategy of creating additional Special Education Needs (SEN) places the following projects have so far completed or are in progress:

    a. Fern House
    b. Oaktree Expansion
    c. Winchmore 6th Form and Autism Spectrum Disorder (ASD) unit

Schools Maintenance (£6.02m)

59. The maintenance programme takes into account the environmental legislation and advances in technology available to improve building and building services efficiency. Examples of the improvements include:
    a. Building envelope insulation and integrity – roofs and windows for Hadleywood, George Spicer and a number of other schools
    b. Building Services design and efficiency - heating and electrical upgrades for Enfield County, George Spicer (electrics) and Oakthorpe (heating)

c. Other examples of works to improve accessibility and safety include works, removal of Winchmore School DDA disability access; removal and Suffolk's School security works

Place

Edmonton Cemetery Mausoleum and Burial Chamber (£1.06m)

60. The expansion cemetery has delivered additional capacity for burial of the borough's residents. It has provided an additional 240 mausolea, 60 keepsake niches, 324 cremation niches, and 176 underground chambers.

Highways , Street scene and flood alleviation (£10.14m(£7.94m)

61. During 2021/22, the highways capital funding enabled the completion of 11.3km of carriageway resurfacing and 6km of pavements to be renewed. Approximately 18,000 individual smaller defective repairs to the highway network. 689 new street trees were planted. Work was also completed to several smaller bridge maintenance schemes and two larger bridge refurbishment schemes at Powys Lane and Melville Gardens. The programme of constructing sustainable drainage schemes, including rain gardens and wetlands, which, including the capital funding for flood alleviation schemes, has levered in considerable external funding to undertake more sizeable projects such as The Salmons Brook Natural Flood Management project which involves the creation of rural wetlands and the creation of 60 hectares of publicly accessible woodland.

Vehicle replacement (£1.82m)

62. Fleet Services currently has an on-going programme for the procurement, management and disposal of all council owned fleet vehicles, plant and equipment, ensuring it delivers where possible, electric vehicles and where not ensures an efficient and low emission fleet to all council services.

63. Vehicles are a requirement to directly deliver or support the delivery of frontline services and require replacement as part of the vehicle replacement program. This ensures that vehicles do not go past their 'useful life cycle' and that reliability and maintenance costs do not become overly excessive and uneconomical. Further, technological advances are constantly evolving which will deliver fuel efficient and clean vehicles that can be delivered through a replacement programme. This year the following vehicles have been ordered as part of this programme

a. 34 small electric vans across departments
b. 6 electric cage vehicles for Highways and Housing Grounds Maintenance
c. 5 tractors for Parks Operations
d. 2 buses for Passenger Transport Services

Healthy Streets – Grant funded - (£3.13m)

64. The Healthy Streets programme is delivered through a variety of funding sources. Significant outcomes include making permanent 12 School Street projects, along with both the Fox Lane and Bowes Quieter Neighbourhoods becoming permanent. A series of design and engagement work was also undertaken in respect of future projects along Ponders End High Street, North Middlesex Hospital and a future Enfield Town to Broxbourne walking and cycling route. Design and feasibility work was also completed on a series of future School Street projects to continue to expand this aspect of the programme.

Meridian Water (£41.80m)

65. Progress has continued during the year on the programme, specifically in the following areas described below.

66. Meridian One construction is continuing, with practical completion for the first units estimated November 2022, with the remaining units completed in financial year 2026/27. ‘Golden brick status, (i.e., construction to ground level) was achieved on the first 87 affordable units.

67. Preliminary work undertaken on Meridian Four to enable the submission of a planning application in 2022/23, this included initial concept and design work.

68. Progress on the Housing Infrastructure Fund (HIF) rail elements of the project include, the procurement of the main rail contractor, approval of full business case by the Department for Transport approved. No letters of objection were received from train operators or network rail. Non-rail work concluded during 2021/22 included developing technical design for street works, obtaining planning approval to deliver a primary substation, and developing a remediation strategy to discharge required planning conditions before the main construction work starts.

69. A decision is currently being sought (Portfolio holder report – KD5459- Meridian Water HIF variation Grant determination Agreement) to seek approval to vary the HIF Grant Determination Agreement with the Department for Levelling up, Housing and Communities (DLUHC). The report also highlighted the risk of a demand for repayment of historic /preliminary grant funding (£33.6m in total), in the event that the Council fails to meet any of the HIF funding conditions

70. Main mitigations are the de-scoping of works to reduce costs and ensure delivery of infrastructure works are completed by March 2024 together with engagement with Government to re-negotiate elements of the original HIF funding agreement. A national funding review for HIF supported schemes is in progress the results of which are not expected until the winter 2022.

71. Relevant land acquisitions continued during 2021/22 including land acquired from IKEA, Thames Water, Lea Valley Regional Park as well as businesses bought out as part of the overall land acquisition strategy. Some

of the land acquisitions were required to allow for the continuation and completion of the HIF non-rail works.

72. Work continued on refining and updating the project masterplan, including incorporating changes required due to planning. A separate report is scheduled for presentation to Cabinet in Autumn 2022 which includes an update on the Meridian Water financial model.

Build the Change (£5.94m)

73. The Housing Hub at Edmonton Green is now complete, apart from a video conferencing solution currently being procured. The Children and Family hub design is complete and works commenced on site in January, forecast to complete in December 2022. Works on the Civic Centre are ongoing with works to D and B block including the new staff lounge, completed during 2021/22.

Corporate Condition Programme (CCP) (£1.69m)

74. The CCP works provided condition improvement investment. This was across many corporate properties and has included substantial repairs to the civic centre car park, Enfield Highway Carnegie and planned asbestos and abatement works.

75. A number of works were carried out to improve building elements, typically lifecycle replacement of whole building systems such as heating and roofing systems. Also, to meet health and safety and fire safety landlord obligations. These included various asbestos abatement works and fire door works including at Civic Centre; including windows in D Block, QE2 lift upgrade and work at Beech Barn Farm Agriculture Shed.

Electric Quarter (£1.69m)

76. The Electric Quarter mixed use retail, community and housing scheme is nearing completion and has delivered c.168 new homes, a new Public Library, retail and nursery space. A community facing first floor space development above the library and facilitated much needed expansion space for the adjacent Mosque. The Compulsory Purchase Order (CPO) acquisitions have facilitated this development without which the scheme would not have progressed.

77. The fit out of the ground and first floor space to Block B4 of the Electric Quarter project includes reprovision of the former library building and a community facing multi agency occupier aimed at promoting entrepreneurial activity for young start-ups. There will also include the secondary behaviour support service aimed at promoting and supporting young people with challenging behaviour and those from disadvantaged backgrounds

Energy Decarbonisation (£1.81m)

78. Fifteen corporate and education buildings received decarbonisation systems including Installation of Air Source Heat Pumps (ASHP) and Solar

panels (PV) panels to enable the replacement of existing inefficient and aged gas fired heating boilers. This has made a significant contribution to meet the Council's Net Zero Carbon Agenda.

Genotin Road Metaswitch (£2.38m)

79. The construction of this investment property on the former Genotin Road car park ensures Microsoft, a major blue chip employer with circa 400-500 employees, remains in the borough. In addition, the Council will receive an annual rent of c.£1.6m per annum on a full repairing and insuring lease for 15 years with RPI linked increases every 5 years. The Council also benefits from a car park management deed retaining the use of circa 100 car parking spaces outside of office hours with retention of Pay and display income, circa 25 electric charging points and infrastructure for 25 more charging points are also provided.

80. The project is now in the defects liability period with only BREAM certification and cladding defects remediation outstanding. The asset is estimated to be worth approximately £3m more to the Council following the takeover by Microsoft from Metaswitch Networks in 2020.

Housing Adaptations and Assistance (£2.39m)

81. Disability Facilities Grant (DFG) supports the provision of Enfield's Housing adaptations to enable disabled residents to live independently at home for as long as possible. Residents are provided with essential housing adaptations such as ramp access, stair lifts, level access showers etc. In 2021/22, 270 enquiries were received, 150 were approved and a total of 150 properties were adapted, with all works completed.

82. **Council Companies (£25.40m)**

83. Companies performance is covered in paragraph 132 onwards

Housing Revenue Account (HRA) (£83.82m)

84. The 2021/22 HRA Capital and Revenue outturn are detailed in KD5467.

85. **Budget approvals since Period 8**

86. Table 3 below details budget approvals since period 8, the last time the capital programme was reported to Cabinet on the 5th January 2022 (KD5349).

Table 3 – Capital Programme Changes since Period 8 (these are additional budgets across the ten year capital programme)

Additions to the Approved Capital Programme Since Period 8	Total Growth (£m)	Funding Sources (Approval Report)	Comments

Additions to the Approved Capital Programme Since Period 8	Total Growth (£m)	Funding Sources (Approval Report)	Comments
PEOPLE			
Community Safety	0.05	MOPAC Violence Reduction Unit Grant	Awarded during the year and transferred to Capital from Revenue.
Schools Maintenance	1.46	DfES Grant	KD5383
Strategic Schools Places Programme	1.92	DfES Grant	KD5383
Total People	**3.43**		
PLACE			
Changes to Waste & Recycling Collections	0.03	Capital Receipt	Original business case identified the use of capital receipts to fund programme
Highways & Street Scene	0.33	TFL Grant £241k Section 106 £50k Use of 2022/23 RA budget £38k	S106 approved by Strategic Planning Board
Tennis Courts Works at Broomfield Park	0.15	LMCT Grant	New grant award during the year
Healthy Streets	0.33	TFL Grant	
Traffic & Transportation	0.24	TFL Grant	
Meridian Water HIF	9.30	HIF Grant	Growth in 2022/23 HIF funded schemes (KD5252)
Healthy Streets	(0.60)	Grant	Correction
Total Place	**9.78**		
TOTAL Growth	**13.21**		

2022/23 Budget Realignment - Meridian Water

87. The budget envelope approved by Council 24th February 2022 (KD5353) reflected the aggregate budget requirement for 2022/23, and the right total (over ten years) split between ‘budgets with both levels of approval’ and ‘budgets subject to secondary level of approval’. Within this same funding envelope, budgets are requested to be realigned to use the budgets with both levels of approval first prior to using budgets requiring a second level of approval.

88. This means Council is requested to approve £79.74m of ‘approved’ budgets being swapped with ‘budgets requiring further approvals’ in 2022/23 and a corresponding offsetting swap in future years.

89. This will not result in additional borrowing over that approved by Council 24th February 2022 (KD 5353)

Variances

90. A breakdown of the variances compared to the forecast position reported in January (Period 8) is shown in the table below followed by explanations for the variances over £0.5m.

91. The variance of £26.64m can be further analysed in terms of gross slippage and the value of budgets that were accelerated from 2022/23 to 2021/22 in order to support in-year activity. Gross slippage at 31 March 2022 was £41.43m, this is offset by £14.79m utilised early from 2022/23 in other projects. The proposed net budget to be carried forward is £26.64m.

Table 5: Variance Analysis

Capital Budget Variations	**2021/22 underspend to carry forward**	**Accelerated Budgets B/Fwd. from 2022/23**	**Proposed Carry Forward Slippage (Net)**
	£000	**£000**	**£000**
People:			
Community Safety	0.11	0.00	0.11
Contribution to HRA Property Purchase	0.15	0.00	0.15
Education			
Strategic Schools Places Programme	2.87	(0.02)	2.85
Schools Maintenance	2.17	(0.58)	1.60
Total People	**5.30**	**(0.59)**	**4.71**
Resources:			
Community Hubs	0.16	0.00	0.16
IT Investment	2.06	(0.00)	2.06
Libraries	0.01	0.00	0.01
Total People	**2.23**	**(0.00)**	**2.23**
Place:			
Environment & Operations:			
Alley Gating	0.02	0.00	0.02
Changes to Waste & Recycling Collections	0.00	0.00	0.00
Edmonton Cemetery	0.00	(0.16)	(0.16)
Flood Alleviation	0.10	0.00	0.10
Highways & Street Scene	0.41	(0.01)	0.40
Sloemans Farm Burial	0.07	0.00	0.07
Southgate Cemetery	0.01	0.00	0.01
Tennis Courts Works at Broomfield Park	0.20	0.00	0.20
Tottenham Park Cemetery	0.00	(0.00)	(0.00)

Capital Budget Variations	2021/22 underspend to carry forward	Accelerated Budgets B/Fwd. from 2022/23	Proposed Carry Forward Slippage (Net)
	£000	£000	£000
Healthy Streets	0.53	(0.01)	0.52
Traffic & Transportation	0.24	0.00	0.24
Vehicle Replacement Programme	0.88	0.00	0.88
Housing & Regeneration:			
Housing Adaptations & Assistance (DFG)	0.00	(0.48)	(0.48)
Vacant Property Review	0.20	0.00	0.20
Property & Economy:			
Build the Change	0.53	0.00	0.53
Corporate Condition Programme	0.82	(0.20)	0.62
Corporate Property Investment Programme	0.13	0.00	0.13
Electric Quarter	0.57	0.00	0.57
Energy Decarbonisation (RE:FIT)	1.07	0.00	1.07
Forty Hall	0.01	0.00	0.01
Genotin Road (Metaswitch)	0.00	(0.77)	(0.77)
Montagu Industrial Estate	0.02	0.00	0.02
Town Centre Regeneration	0.55	0.00	0.55
Meridian Water:			
Meridian One	0.98	(5.77)	(4.79)
Meridian Two	0.47	0.00	0.47
Meridian Three	0.16	0.00	0.16
Meridian Four	0.00	(0.04)	(0.04)
Meridian Three and Meridian Four (50/50)	0.09	0.00	0.09
Meridian Water HIF	1.56	(0.16)	1.40
Meridian Water Scheme-wide	8.79	(0.87)	7.92
Total Place (excl HRA)	**16.83**	**(8.31)**	**8.52**
Total General Fund Excluding Companies	**24.36**	**(8.91)**	**15.46**
Companies			
Housing Gateway Ltd	9.62	(0.00)	9.62
Energetik	0.49	0.00	0.49
Total Companies	**10.11**	**(0.00)**	**10.11**
Total General Fund	**34.48**	**(8.91)**	**25.57**
HRA			
Development Programme	1.76	(0.34)	1.42
Development Programme - Joyce & Snell's	0.00	(0.80)	(0.80)
Development Programme: Electric Quarter	0.00	(0.03)	(0.03)
Development Programme: Bury Street	1.02	0.00	1.02

Capital Budget Variations	2021/22 underspend to carry forward	Accelerated Budgets B/Fwd. from 2022/23	Proposed Carry Forward Slippage (Net)
	£000	£000	£000
Estate Regeneration: Ladderswood	0.00	(0.02)	(0.02)
Estate Regeneration: New Avenue	0.05	(0.00)	0.05
Estate Regeneration: Alma Towers	0.00	0.00	0.00
Stock-Condition-Led Works	1.24	(3.07)	(1.83)
Demand-Led Works	0.09	(0.08)	0.01
Fire-Led Works	1.93	(1.25)	0.68
Asset-Led Works	0.87	(0.31)	0.57
Total HRA	**6.96**	**(5.88)**	**1.07**
Total Capital Programme	**41.43**	**(14.79)**	**26.64**

*Explanations of HRA variances are covered in the separate HRA outturn report

Strategic School Places - £2.85m

92. Underspend due to delays in the procurement process for the Aylands and Winchmore Hill projects, resulting in reduced works during 2021/22. Works on both projects will continue in 2022/23.

Schools Maintenance - £1.60m

93. The programme consists of over 30 individual projects, the variance was mainly due to changes in specification /design on the following projects - Oakthorpe Primary, Winchmore School DDA Access works, Oaktree School expansion and Eldon School roofing. Relevant budgets have either been carried forward or reallocated as appropriate.

IT Investment - £2.06m

94. Underspend due mainly to delayed signing of two contracts that will now be signed in the current financial year. They are for Mobile voice and data and the professional team who will deliver the new Asset management.

Vehicle Replacement programme - £0.88m

95. Worldwide supply chain issues have resulted in delays in vehicle deliveries.

Build the change - £0.53m

96. The budget variation is due to

    a. Minor delays on the Thomas Hardy project, which are not expected to impact planned completion date

b. A strategic review of the leased floors of the Civic Centre has started, to assess the implications of a government proposal that all commercially let, non-domestic buildings meet energy efficiency standard Energy Performance Certificate (EPC) B by 2030. The Civic Centre project has been paused in the meantime.

97. The overall project budget will be reviewed as part of the first quarterly monitoring process.

Corporate Condition Programme - £0.62m

98. The budget allocation for the Public Sector Decarbonisation scheme exceeded what was required and the limited capacity within the Construction Maintenance and Facilities Management (CMFM) team, has meant some programmes have been delayed till 2022/23.

Electric Quarter - £0.57m

99. The outstanding Electric Quarter CPO claimants have either disengaged from the process or have settlement expectations above market value resulting in a slow settlement process or a requirement to be settled by a valuation tribunal.

Genotin Road - Metaswitch - (-£0.77m)

100. As detailed in paragraphs 74-75 above, the project is complete and in the defects liability phase. The budget variance is the result of a budget error, which will be corrected in Q1 of the new financial year. The project budget will be increased by £1.3m, in line with the Cabinet approval granted under (KD 4567).

Town Centre Regeneration - £0.54m

101. Underspend due to the value engineering exercise required across a number of programmes to bring costs down, which caused delays, as well as unforeseen delays due to contractor supply and resource issues. The programmes will continue in the current financial year.

Meridian Water – (£3.82m)

102. Underspend relates mainly to lower than budgeted interest payments, three month delay in construction of Skills Academy as a result of moving from standard to enhanced product, together with delays in HIF funded non-rail pre-construction works and in moving main gas line at Willoughby Way. These have been partially offset by first milestone payment for Meridian One Affordable homes being made ahead of schedule with the phase costs remaining within overall project budget.

103. The underspend in 2021/22 was due to contingency budgets not being required and HIF non rail spend being delayed (£1.4m), offset by a payment

to Vistry for affordable housing units originally expected in 2022/23 but paid in 2021/22 following completion of first milestone.

104. The net underspend of £3.81m is being reprofiled to 2023/24 and 2024/25 in recognition of the programme requirement of £157m for 2022/23 . Programme expenditure profiles will be reviewed during the year and updated accordingly to ensure they support the delivery of agreed milestones, in each financial year

Housing Gateway Ltd - £9.62m

105. HGL currently has £8.1m of property in its purchasing pipeline. It is still proving to be difficult to complete purchases quickly in the current climate due to backlogs in the courts which prevent property owners obtaining vacant possession

106. HGL has also experienced a large increase in late stage withdrawals by property owners following the acceptance of an offer which has further hindered attempts to increase the purchasing rate.

107. The remaining underspend of £1.5m is due to a lack of capacity to explore sufficient purchase opportunities beyond properties suitable for Rough Sleepers Accommodation Programme (RSAP). RSAP purchases are generally more labour intensive than standard purchases to identify and complete. HGL has sought to address this issue by taking on additional resources to expand the team's capacity to identify suitable properties. Capital works at Greenway House & Brickfield House and the leasehold extension project, are scheduled for 2022/23.

HRA - £1.07m

108. The 2021/22 HRA Capital and Revenue outturn are dealt with in a separate report elsewhere on the agenda

Financing - General Fund

109. The capital expenditure was financed as set out in the below table.

Table 6: Sources of Funding for 2021/22 Capital Programme

Sources of financing	General Fund	Companies	HRA	Total Financing
	£m	£m	£m	£m
Capital Grants	26.84	16.90	7.26	51.00
Section 106 & CIL	0.94	0.00	1.91	2.86
Revenue Contribution	0.17	0.00	0.00	0.17
Capital Receipts	0.03	0.00	3.23	3.26
Major Repairs Allowance	0.00	0.00	17.47	17.47

Sources of financing	General Fund £m	Companies £m	HRA £m	Total Financing £m
Earmarked and Capital Reserves	0.00	0.00	25.11	25.11
Borrowing	61.42	8.50	28.85	98.76
Total Capital Funding	**89.40**	**25.40**	**83.83**	**198.63**

110. External borrowing is used by the Council to finance a portion of the Capital Programme. Further information is included in the Treasury Management Outturn Report also on this Cabinet meeting agenda KD 5466.

111. The 2022/23 Quarter 1 (June) Monitoring report will include details of reprofiling from 2021/22. The latest 2022/23 programme, including any additions to the programme since February 2022 (the approval of the 10-year Capital programme and Strategy Report), will be reviewed as part of the annual budget process to ensure all projects are affordable within the Medium Term Financial Plan and meet corporate priorities.

Capital Financing

112. Table 7a sets out the approved financing position for the 2021/22 to 2030/31 Capital Programme as approved by Council on 2nd March 2021 (KD5210). Future years comprise of approved schemes from the existing ten year programme that have now been reprofiled into the future and outside of the ten year programme delivery horizon.

TABLE 7a: Original approved financing of the capital programme

	Original Approved	Outturn Adj	Revised	Original	Original	Original	Original	Original	Original	Original
Full Programme Capital Funding Source £m	**2021/22**	**2020/21**	**2021/22**	**2022/23**	**2023/24**	**2024/25**	**2025/26**	**2026/27-2030/31**	**Future Years**	**TOTAL**
External Sources-Grants & Contributions	151.63	(3.29)	148.35	66.99	102.21	92.38	90.38	137.35	0.00	637.64
LBE Resources-Reserves & Capital Receipts	2.44	0.00	2.44	0.00	0.00	0.00	0.00	0.00	0.00	2.44
Borrowing	265.68	46.41	312.10	152.04	110.54	55.36	55.37	303.32	0.00	988.73
Total General Fund	**419.75**	**43.13**	**462.88**	**219.02**	**212.75**	**147.74**	**145.75**	**440.67**	**0.00**	**1,628.81**
External Sources-Grants & Contributions	19.32	(0.09)	19.23	12.48	15.51	15.66	25.45	38.29	0.00	126.62
LBE Resources-Reserves & Capital Receipts	90.31	20.69	111.00	42.93	59.98	74.12	66.07	346.39	0.00	700.49
Borrowing	59.00	0.00	59.00	61.00	59.00	0.00	6.60	233.96	0.00	419.56
Total HRA	**168.63**	**20.60**	**189.23**	**116.42**	**134.50**	**89.77**	**98.12**	**618.63**	**0.00**	**1,246.67**

Total Programme	588.38	63.73	652.11	335.44	347.25	237.51	243.87	1,059.30	0.00	2,875.48

113. Table 7b sets out the revised financing position for the 2021/22 to 2030/31 Capital Programme (approved per KD5210) following consultations with Budget Holders during 2021/22 financial year and subsequently reported to Cabinet as part of capital monitoring. The forecast is inclusive of the 2021/22 slippage but excludes growth added to the years 2022/23 to 2030/31 as part of the new ten year capital programme that was approved by Council on 24th February 2022 (KD5353).

TABLE 7b: Revised financing of the capital programme

Outturn Revised Forecast- Capital Programme Funding Source £m	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27-2030/31	Future Years	TOTAL
External Sources- Grants & Contributions	44.67	203.42	102.21	92.38	90.38	137.35	0.00	670.39
LBE Resources- Reserves & Capital Receipts	0.17	2.58	0.41	0.15	1.23	0.44	0.00	4.98
Borrowing	69.96	185.71	205.27	86.94	55.59	167.14	98.84	770.63
Total General Fund	**114.80**	**391.72**	**307.90**	**179.47**	**147.20**	**304.93**	**98.84**	**1,446.00**
External Sources- Grants & Contributions	9.18	20.15	9.14	21.14	13.12	110.98	0.00	183.71
LBE Resources- Reserves & Capital Receipts	45.80	72.85	54.25	74.47	54.10	284.40	0.00	585.88
Borrowing	28.85	62.69	132.80	0.00	62.02	96.01	0.00	382.37
Total HRA	**83.83**	**155.70**	**196.19**	**95.61**	**129.25**	**491.39**	**0.00**	**1,151.96**
Total Programme	**198.63**	**547.42**	**504.08**	**275.08**	**276.45**	**796.31**	**98.84**	**2,597.96**

114. Table 7c sets out the movement in financing from the approved ten-year Capital programme, approved by Council in the Budget report (KD5210) and is reflective of the 2021/22 slippage in budgets.

TABLE 7c: Change in movement of capital financing

Full Programme Outturn Revised Forecast- Changes in Capital Funding Source £m	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27-2030/31	Future Years	TOTAL
External Sources- Grants & Contributions	(103.68)	136.43	0.00	0.00	0.00	0.00	0.00	**32.75**
LBE Resources- Reserves & Capital Receipts	(2.26)	2.58	0.41	0.15	1.23	0.44	0.00	**2.55**
Borrowing	(242.13)	33.68	94.73	31.58	0.22	(136.18)	98.84	**(119.26)**
Total General Fund	**(348.08)**	**172.69**	**95.14**	**31.73**	**1.45**	**(135.74)**	**98.84**	**(83.96)**
External Sources- Grants & Contributions	(10.06)	7.67	(6.37)	5.48	(12.33)	72.69	0.00	57.09

Full Programme Outturn Revised Forecast- Changes in Capital Funding Source £m	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27-2030/31	Future Years	TOTAL
LBE Resources- Reserves & Capital Receipts	(65.20)	29.92	(5.73)	0.35	(11.97)	(61.99)	0.00	**(114.61)**
Borrowing	(30.15)	1.69	73.80	0.00	55.42	(137.95)	0.00	**(37.18)**
Total HRA	**(105.40)**	**39.29**	**61.69**	**5.84**	**31.13**	**(127.24)**	**0.00**	**(94.71)**
Total Programme	**(453.48)**	**211.98**	**156.83**	**37.56**	**32.58**	**(262.98)**	**98.84**	**(178.67)**

115. Appendix B provides a further breakdown of the change in capital financing per department. Overall, the ten year capital programme (as approved per KD5210) has reduced by £178.67m as at 2021/22 Outturn (P8 £182.89m) when compared to the original Council approved programme, and the table above analyses the financing reduction. Key changes during the year are summarised below:

i. GLA Grant - Energetik £1.20m added to the capital programme
ii. Section 106 contributions - £3.84m added to the programme, £1.29m relating to Environment & Operation schemes; £0.24m relating to Energetik; and £2.32m relating to the HRA.
iii. Sloemans Farm - growth in the programme that was approved in October 2021 (KD 5380) and is to be financed by the importation of soil onto the site for which a gate fee is charged, thus generating a net capital receipt of £1.00m. The first two years of the scheme is to be financed by borrowing £0.24m. Later years are financed by capital receipts.
iv. Electric Quarter (GF)- Reduction in borrowing of £3.51m.
v. Energy Decarbonisation (RE:FIT)- Reduction in grant financing of £0.74m
vi. Joyce & Snell's (HRA) - £94.71m removed from the programme following the approval of the revised scheme.
vii. Joyce & Snell's (General Fund) – Indicative budgets of £135.06m were removed from the programme following the approval of the revised scheme. The budget for the revised scheme is £52.36m, which is financed by borrowing.
viii. Edmonton Cemetery- £1.46m has been added to the programme financed by borrowing.
ix. Community Safety - Youth Bus - £0.09m has been added to the programme for the purchase of a new bus for Youth Services.
x. Reardon Court - £27.73m has been removed from the General Fund programme following the appropriation of Reardon Court to the HRA earlier in the financial year. The scheme has been absorbed into the HRA Development Programme for the delivery of social housing.
xi. £12.00m Energetik grant was added to capital programme in quarter two and advanced to Energetik by way of equity purchase by the Council.

Grant Financing

116. Tables 8 provides a breakdown of the grant financing used to finance the 2021/22 capital programme.

117. Grants of £51m were used to finance the 2021/22 capital programme. Table 8 details the value of external grants applied and the programmes that benefited from the grant financing.

TABLE 8 - 2021/22 analysis of grants and external contributions

	Total Grant Applied	**Grant & Awarding Body**
	£m	
PEOPLE		
Community Safety	0.03	MOPAC Violence Reduction Unit
Strategic Schools Places Programme	3.38	DFES Basic Needs Grant
Schools Maintenance	6.02	DFES School Condition Allocations Grant
Total PEOPLE	**9.43**	
PLACE		
Flood Alleviation	1.48	GLA (River Restoration; Groundwork Greener; Enfield Chase Restoration) £1,286k; Forestry Commission WCF £130k; NHMF Green Recovery £62k
Highways & Street Scene	0.24	Transport for London Grant
Housing Adaptations & Assistance (DFG)	2.39	Better Care Fund Grant
Healthy Streets	2.74	Transport for London Grant
Traffic & Transportation	0.44	Transport for London Grant
Town Centre Regeneration	0.45	Good Growth Fund
Tennis Courts Works at Broomfield Park	0.14	London Marathon Charitable Trust Grant
Energy Decarbonisation (RE:FIT)	1.81	BEIS PS Decarbonisation Scheme
Meridian Water HIF	7.74	MHCLG Housing Infrastructure Fund
Total PLACE	**17.41**	
Companies:		
Energetik	12.75	BEIS Heat Networks Infrastructure Grant (£12m); GLA Heat Networks Grant (£750k)
Housing Gateway Ltd	4.15	Rough Sleeping Accommodation Programme / RSAP1
Total Companies	**16.90**	
Total GENERAL FUND	**43.74**	
Housing Revenue Account:		
Development Programme	4.60	GLA Building Council Homes for Londoners
Development Programme: Electric Quarter	2.35	GLA Building Council Homes for Londoners
Stock-Condition-Led Works	0.32	BEIS National Net Zero Retrofit (£10k); HRA Green Homes Grant (£300k)

	Total Grant Applied	Grant & Awarding Body
	£m	
Total HRA	**7.26**	
Total Capital Grants	**51.00**	

Section 106 & CIL Financing

118. Table 9 below details the capital programmes that benefited from Section 106 and Strategic CIL financing and incurred qualifying expenditure that met the required funding criteria. The funding was awarded by the Council's Strategic Planning Board during the financial year.

Table 9: Section 106 & CIL Financing

	S106 funding applied	Strategic CIL applied	Total Section 106 / CIL Applied
	£m	£m	£m
PLACE			
Tennis Courts Works at Broomfield Park	0.17	0.00	0.17
Highways & Street Scene	0.03	0.00	0.03
Flood Alleviation	0.35	0.00	0.35
Healthy Streets	0.40	0.00	0.40
Total Place	**0.94**	**0.00**	**0.94**
PLACE			
HRA			
Development Programme	0.00	1.91	1.91
Total HRA	**0.00**	**1.91**	**1.91**
Total Capital Programme	**0.94**	**1.91**	**2.86**

Revenue Contribution to Capital Outlay (RCCO) Financing

119. Alley Gating capital expenditure was financed from revenue as the expenditure is capital in nature but the assets that are either enhanced or created by the investment are not owned by the Council. Traffic and Transportation expenditure relates to minor traffic & parking schemes that are capital in nature but were financed from existing revenue budgets.

Table 10 – Revenue financing

	Revenue Contribution to Capital Applied
	£'000
PLACE	

Alley Gating	0.09
Traffic & Transportation	0.08
Total	**0.17**

Capital Receipts & Disposals

120. During the financial year 2021/22 the Council raised £2.46m (Net) from the sale of land and buildings relating to the General Fund and £1.70m for the HRA. Table 11a summarises the movements within the Useable Capital Receipts Reserve between 1st April 2021 and 31st March 2022.

Table 11a – Movements in the Useable Capital Receipts Reserve

Useable Capital Receipt Balances	General Fund	HRA	Total
	£m	£m	£m
Opening Useable Capital Receipt Balances	**4.05**	**(0.28)**	**3.77**
Sale Receipts Transferred In (Net)	2.46	1.70	4.16
Capital Receipts Applied to Finance Capital Expenditure (mostly HRA fire-led works)	(0.03)	(3.23)	(3.26)
Technical Adjustments	(2.48)	2.48	0.00
Flexible Use of Capital Receipts	(1.13)	0.00	(1.13)
Closing Useable Capital Receipt Balances	**2.88**	**0.67**	**3.55**

121. £1.13m of capital receipts were identified to finance revenue activity for the transformational purposes in accordance with the Flexible Use of Capital Receipts Capitalisation Directive issued by the Ministry of Housing, Communities & Local Government on 6th February 2018. The Directive covers the financial year 2021/22.

122. A further £2.48m of capital receipt balances were transferred from the General Fund Useable Capital Receipts Reserve to the HRA Useable Capital Receipts Reserve to correct an historical capital financing error relating to the Alma Youth Centre. Capital costs associated with capital enhancement works to Alma Youth Centre were charged to the HRA in financial years 2020/21 and 2021/22 and subsequently financed by HRA capital receipts. The asset is owned by the General Fund and the corrective action in capital financing to reimburse the HRA was completed on 31 March 2022.

123. As at 31 March 2022, the General Fund capital receipts reserve was £2.9m.

124. Capital receipts of £0.03m were used to finance the General Fund Capital Programme; and £3.23m were used to finance the HRA Capital Programme.

Borrowing Financing

125. Table 12 details the capital programmes that were financed by debt in accordance with the Council approved ten year capital programme report (KD5210) and any subsequent quarterly capital monitoring reports that preceded during 2021/22.

126. In total £0.01m was used to finance the total capital programme inclusive of Companies and the HRA. During the financial year the Council did not raise any specific loan debt to finance the capital expenditure and internal borrowing was used. Further details on the Council's debt related activities can be found in the Treasury Management 2021/22 Outturn Report that is being reported to Cabinet on 6th July 2022.

Table 12: Capital Programme financed by borrowing

	Total Borrowing Applied
	£m
RESOURCES	
IT Investment	2.27
Community Hubs	0.11
Libraries	0.00
Total Resources	**2.38**
PEOPLE	
Community Safety	0.48
Total People	**0.48**
PLACE	
Environment & Operations:	
Changes to Waste & Recycling Collections	0.23
Healthy Streets	0.00
Highways & Street Scene	7.67
Flood Alleviation	0.38
Southgate Cemetery	0.36
LED Street Lighting	0.60
Vehicle Replacement Programme	1.82
Sloemans Farm Burial	0.00
Tottenham Park Cemetery	0.00
Edmonton Cemetery	1.06
Property & Economy:	
Build the Change	5.94
Corporate Condition Programme	1.69
Montagu Industrial Estate	0.60
Genotin Road (Metaswitch)	2.38
Forty Hall	0.00
Corporate Property Investment Programme	0.00
Electric Quarter	1.69

	Total Borrowing Applied
	£m
Town Centre Regeneration	0.05
Meridian Water:	
Meridian One	12.07
Meridian Two	0.42
Meridian Three	0.08
Meridian Four	2.35
Meridian Three and Meridian Four (50/50)	0.05
Meridian Water HIF	0.48
Meridian Water Scheme-wide	18.63
Total Place	**58.55**
Total General Fund Excluding Companies	**61.42**
Companies:	
Energetik	2.50
Housing Gateway Ltd	6.00
Total Companies	**8.50**
Total GENERAL FUND	**69.92**
Housing Revenue Account:	
Development Programme	3.69
Development Programme - Joyce & Snell's	2.85
Development Programme: Bury Street	8.51
Development Programme: Electric Quarter	3.58
Estate Regeneration: Alma Towers	8.98
Estate Regeneration: Ladderswood	0.20
Estate Regeneration: New Avenue	0.95
Estate Regeneration: Small Sites	0.09
Total HRA	**28.85**
Total Borrowing	**98.76**

127. Table 13 below shows the capital financing costs as a measure of the Net Revenue Budget for the General Fund (excluding Companies and Meridian Water); and the HRA.

Table 13: Prudential Indicator: Affordability

	2021/22 Actual
	£m
General Fund (GF)	
Total GF Financing Costs (MRP & Interest)	20.99
Net Revenue Budget	260.28
Proportion of Net Revenue Stream	8.1%
Housing Revenue Account (HRA)	
Total HRA Financing Costs (Interest)	9.83
HRA Income	66.26

Proportion of Net Revenue Stream	14.8%

Capital Programme Delivery

128. Appendix C sets out the movement in capital expenditure budgets since the start of the financial year as approved by Council (KD5210), and the final revised budgets at 31 March 2022, against which the Outturn position has been compared.

129. KD5210 approved a total capital expenditure budget of £588.38m (inclusive of Requested Addition budgets, i.e. subject to a second level of approval). The 2020/21 carry forward budgets amounted to £63.78m bringing the total capital budgets available to Programme Managers to spend to £652.16m. During the financial year budgets of £452.72m were reprofiled into future years; new growth of £50m was added to the capital programme and £20m was removed from the capital programme. This resulted in a net movement of budgets of a total reduction of in year budgets of £422.77m.

130. These movements have been reported to Cabinet during the financial year as part of the quarterly capital monitoring. As at 31 March 2022 Programme Managers had a total budget of £229.39m to spend. Total spend as at 31 March 2022 was £198.63m. Actual spend represents 88% against the revised budget at 31 March 2022 or 30% as a proportion of spend against the original budget as at 1 April 2021 (inclusive of slippage).

Analysis by Strategic Outcomes

131. Table 14 analyses the Council's capital programme against the Council's three Strategic Outcomes. Further details are provided in Appendix D at Programme and Directorate level.

132. Strategic Outcomes have the following objectives:

    a. An economy that works for everyone
        i. Create more high-quality employment;
        ii. Enhance skills and connect local people to opportunities;
        iii. Develop town centres that are vibrant, safe and inclusive;
        iv. Craft a cultural offer for Enfield to support London's status as a world class city.

    b. Good homes in well-connected neighbourhoods
        i. Build more and better homes for residents;
        ii. Invest in and improve our council homes;
        iii. Deliver housebuilding and regeneration programmes with our residents;
        iv. Drive investment to deliver good growth for London.

    c. Safe, healthy and confident communities
        i. Keep communities free from crime;

ii. Inspire and empower young Enfield to reach their full potential;
iii. Deliver essential services to protect and support vulnerable residents;
iv. Create healthy streets, parks and community spaces.

Table 14: Analysis by Strategic Outcomes

Corporate Objective	Revised Budget at Outturn	Revised Budget at Outturn	Outturn	Outturn	Variance
	£m	%	£m	%	£m
An economy that works for everyone	36.35	16%	27.26	14%	(9.10)
Good homes in well-connected neighbourhoods	171.49	76%	154.44	78%	(17.05)
Safe, healthy and confident communities	17.42	8%	16.93	8.5%	(0.49)
Total	**225.27**	**100%**	**198.63**	**100%**	**(26.64)**

LBE Companies Performance

Energetik

133. Table 15a details how the Council’s capital investment in Energetik was financed

Table 15a – Energetik capital expenditure and financing

	Revised Budget	Outturn	Variance
	£000	**£000**	**£000**
Capital Expenditure	**15.74**	**15.25**	**(0.49)**
Financed by:			
Grant	13.00	12.75	(0.25)
S106/CIL	0.24	0.00	(0.24)
Borrowing	2.50	2.50	0.00
Total Financing	**15.74**	**15.25**	**(0.49)**

134. During 2021/22 Energetik continued :

a. The build of the Meridian Water energy centre and installation of plant (completion March 2023);
b. The installation of the phase 1 network to Meridian Water and within Meridian Water (completion July 2023) continues;
c. The design of the Meridian Water western extension and submission for planning permission;

d. The build of the Meridian Water northern extension sections A1 and A2 (A3 delayed until Colosseum Retail Park enter into contracts)
e. Preparation, issue to tender, appointment of contractors for the £25m of works for the Meridian Water western extension (phase 2)

135. Energetik drew down a single loan of £2.5m against Tranche two funding to finance its capital expenditure. The loan was financed by borrowing from the MEEF / HNIP loan that the Council received in 2020/21.

136. The Council provided £12.75m of equity financing that was financed by a £12m BEIS Heat Networks Infrastructure Grant and a £0.75m GLA Heat Networks Grant. The equity share purchase took place in September 2021 and October 2021 respectively.

137. Energetik loan repayments are covered in the Treasury Management Outturn report.

Housing Gateway Ltd

138. Table 15b details the capital expenditure and financing of the Housing Gateway Limited (HGL) capital programme.

Table 15b – Housing Gateway Limited capital expenditure and financing

	Revised Budget	**Outturn**	**Variance**
	£m	**£m**	**£m**
Capital Expenditure	**19.77**	**10.15**	**(9.62)**
Financed by:			
Grant	6.00	4.15	(1.85)
S106/CIL	0.00	0.00	0.00
Borrowing	13.77	6.00	(7.77)
Total Financing	**19.77**	**10.15**	**(9.62)**

139. HGL purchased 49 properties, 12 standard and 49 for use under the Rough Sleepers Accommodation Programme(RSAP). The RSAP properties were financed by a GLA Rough Sleepers Accommodation Programme Grant that was paid to Council's to undertake the purchases. The properties will be used by HGL to accommodate former Rough Sleepers.

140. During the financial year HGL drew down two loans of £5m and £1m (April 2021 and July 2021 respectively) to finance its capital programme. This will be financed by borrowing from Public Works Loan Board.

141. HGL loan repayments are covered in the Treasury Management Outturn report.

Revised Ten Year Capital Programme

142. Appendices E to H detail the revised Ten-Year Capital Programme and takes into consideration the proposed slippage as detailed throughout this report, as well as movements in capital budgets (growth; reduction; acceleration) since the Ten-Year Capital Programme was approved by Council on 24th February 2022 (KD5353). The following list details the respective appendices:

    a. Appendix E1 - 10-Year Approved Programme expenditure budgets at programme level

    b. Appendix E2a - 10-Year Approved Programme expenditure budgets at Directorate level

    c. Appendix E2b - 10-Year Approved Programme financing budgets shown for the General Fund and the HRA

    d. Appendix F1 - 10-Year Requested Addition expenditure budgets at programme level. These require a second level approval by Cabinet prior to the works commencing and budgets being utilised.

    e. Appendix F2a - 10-Year Requested Addition expenditure budgets at Directorate level.

    f. Appendix F2b - 10-Year Requested Addition financing budgets shown for the General Fund and the HRA.

    g. Appendix G1 – Full 10-Year Capital Programme expenditure budgets at Directorate level incorporating Approved and Requested Addition budgets.

    h. Appendix G2 – Full 10-Year Capital Programme financing budgets shown for the General Fund and the HRA incorporating Approved and Requested Addition financing budgets.

    i. Appendix H - Revised 2022/23 Full Capital Programme (includes Approved and Requested Addition budgets) detailing the movement in budgets at programme level since KD5353 Ten Year Capital Programme report was approved by Council. The table shows the starting budget as per KD5353 and movements in the budget (growth; reductions; acceleration) resulting in a revised 2022/23 capital expenditure budget. The term “accelerating” is referred to the use of the budget in 2021/22.

Main Considerations for the Council

143. To note the project outputs and capital investment across the capital programme.

Safeguarding Implications

144. Not relevant to this report.

Public Health Implications

145. 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.

Equalities Impact of the Proposal

146. Not relevant to this report.

Environmental and Climate Change Considerations

147. Environmental and climate changes implications are referenced as relevant in the body of the report

Risks that may arise if the proposed decision and related Work is not taken

148. Not relevant to this report.

Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

149. Not relevant to this report

150. **Financial Implications**

151. Financial implications are integral to this report.

Legal Implications

152. The Council has a statutory duty to arrange for the proper administration of its financial affairs and a fiduciary duty to taxpayers with regards to its use of and accounting for public monies. This report assists in the discharge of those duties.

153. Section 151 of the Local Government Act 1972 requires local authorities to make arrangements for the proper administration of their financial affairs. The Local Government Act 1972 brought in the current regime for capital finance for local authorities.

154. There are no direct legal implications arising from this report. The report is produced as part of the requirements for managing the Council's spending within budget.

Workforce Implications

155. Not relevant to this report.

Property Implications

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156. Whilst a number of capital projects mentioned within this report have property implications, these will have been highlighted in the relevant report that authorised the project. As such, this report in itself does not have any direct property implications

Other Implications

157. There are no other implications.

Options Considered

158. Not relevant to this report.

Conclusions

159. The Report provided a year end position of the Capital programme, including the outcomes which were delivered.

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Date of report: 6 July 2022

Appendices

Further detailed analysis of the Capital Outturn position is included in the Appendices to this report:

Appendix A	2021/22 Outturn Position by Capital Programme & Directorate
Appendix B	Movements in Capital Financing
Appendix C	Movement in Capital Expenditure Budgets From 1st April 2021 to 31st March 2022
Appendix D	Analysis by Corporate objective at Programme Level

Appendix E1	Revised 10-Year Capital Programme - Approved Programme Expenditure Budgets
Appendix E2A	Revised 10-Year Capital Programme - Approved Programme Expenditure Budgets by Directorate
Appendix E2B	Revised 10-Year Capital Programme - Approved Programme Financing Budgets
Appendix F1	Revised 10-Year Capital Programme - Expenditure Budgets Subject to Second Level Approval at Programme Level
Appendix F2A	Revised 10-Year Capital Programme - Expenditure Budgets Subject to Second Level Approval at Directorate Level
Appendix F2B	Revised 10-Year Capital Programme - Financing Budgets Subject to Second Level Approval
Appendix G1A	Revised Full 10-Year Capital Programme - Expenditure Budgets by Directorate
Appendix G1B	Revised Full 10-Year Capital Programme - Financing Budgets
Appendix H	Revised 2022/23 Full Capital Programme

Background Papers

The following documents have been relied on in the preparation of this report:

Ten Year Capital Programme – KD5353

Period 8 Monitor – KD5349

APPENDIX A- 2021/22 Outturn Position By Capital Programme & Directorate

Approved Capital Programme	2021/22 Jan (P8) Budget	2021/22 Budget Adjustments since P8	Virements	2021/22 Revised Budget	2021/22 Expenditure	Variance (all proposed to be carried forward to 2022/23)
	£m	£m	£m	£m	£m	£m
RESOURCES						
IT Infrastructure and Programmes						
Community Hubs	0.28	0.00	0.00	**0.28**	0.11	(0.16)
IT Investment	3.96	0.37	0.00	**4.33**	2.27	(2.06)
Total IT Infrastructure and Programmes	**4.24**	**0.37**	**0.00**	**4.60**	**2.38**	**(2.22)**
Customer Experience & Change						
Libraries	0.01	0.00	0.00	**0.01**	0.00	(0.01)
Total Customer Experience & Change	**0.01**	**0.00**	**0.00**	**0.01**	**0.00**	**(0.01)**
Total RESOURCES	**4.25**	**0.37**	**0.00**	**4.61**	**2.38**	**(2.23)**
PEOPLE						
Children & Family Services						
Community Safety	0.57	0.05	0.00	**0.62**	0.51	(0.11)
Contribution to Property (Vulnerable Family)	0.15	0.00	0.00	**0.15**	0.00	(0.15)
Total Children & Family Services	**0.72**	**0.05**	**0.00**	**0.77**	**0.51**	**(0.26)**
Education						
Strategic Schools Places Programme	4.23	1.89	0.11	**6.23**	3.38	(2.85)
Schools Maintenance	6.26	1.46	(0.11)	**7.62**	6.02	(1.60)
Total Education	**10.50**	**3.35**	**0.00**	**13.85**	**9.40**	**(4.45)**
Total PEOPLE	**11.21**	**3.40**	**0.00**	**14.61**	**9.91**	**(4.71)**
PLACE						
Environment & Operations						
Alley Gating	0.11	0.00	0.00	**0.11**	0.09	(0.02)
Edmonton Cemetery	0.89	0.00	0.00	**0.89**	1.06	0.16
Southgate Cemetery	0.37	0.00	0.00	**0.37**	0.36	(0.01)

Approved Capital Programme	**2021/22 Jan (P8) Budget**	**2021/22 Budget Adjustments since P8**	**Virements**	**2021/22 Revised Budget**	**2021/22 Expenditure**	**Variance (all proposed to be carried forward to 2022/23)**
Highways:	0.00	0.00	0.00	**0.00**	0.00	0.00
Flood Alleviation	2.28	0.00	0.02	**2.30**	2.20	(0.10)
LED Street Lighting	0.60	0.00	0.00	**0.60**	0.60	0.00
Highways & Street Scene	8.03	0.33	(0.02)	**8.34**	7.94	(0.40)
Changes to Waste & Recycling Collections	0.23	0.03	0.00	**0.26**	0.26	0.00
Tennis Courts Works at Broomfield Park	0.35	0.15	0.00	**0.50**	0.30	(0.20)
Vehicle Replacement Programme	2.71	0.00	0.00	**2.71**	1.82	(0.88)
Traffic & Transportation	0.52	0.24	0.00	**0.76**	0.52	(0.24)
Healthy Streets	3.92	(0.27)	0.00	**3.65**	3.13	(0.52)
Total Environment & Operations	**20.01**	**0.48**	**0.00**	**20.49**	**18.29**	**(2.20)**
Meridian Water						
Meridian One	0.89	0.00	0.00	**0.89**	0.42	(0.47)
Meridian Two	0.14	0.00	0.00	**0.14**	0.05	(0.09)
Meridian Three	0.24	0.00	0.00	**0.24**	0.08	(0.16)
Meridian Four	7.28	0.00	0.00	**7.28**	12.07	4.79
Meridian Three and Meridian Four (50/50)	2.32	0.00	0.00	**2.32**	2.35	0.04
Meridian Water HIF	9.62	0.00	0.00	**9.62**	8.21	(1.40)
Meridian Water Scheme-wide	34.76	0.00	0.00	**34.76**	26.84	(7.92)
Total Meridian Water	**45.62**	**0.00**	**0.00**	**45.62**	**41.81**	**(3.81)**
Property & Economy						
Build the Change	6.47	0.00	0.00	**6.47**	5.94	(0.53)
Corporate Condition Programme	2.31	0.00	(0.00)	**2.31**	1.69	(0.62)
Corporate Property Investment Programme	0.13	0.00	0.00	**0.13**	0.00	(0.13)
Electric Quarter	2.26	0.00	0.00	**2.26**	1.69	(0.57)
Energy Decarbonisation (RE:FIT)	2.87	0.00	0.00	**2.87**	1.81	(1.07)
Forty Hall	0.02	0.00	0.00	**0.02**	0.00	(0.01)
Genotin Road (Metaswitch)	1.61	0.00	0.00	**1.61**	2.38	0.77

Approved Capital Programme	2021/22 Jan (P8) Budget	2021/22 Budget Adjustments since P8	Virements	2021/22 Revised Budget	2021/22 Expenditure	Variance (all proposed to be carried forward to 2022/23)
Montagu Industrial Estate	0.62	0.00	0.00	**0.62**	0.60	(0.02)
Sloemans Farm Burial	0.07	0.00	0.00	**0.07**	0.00	(0.07)
Tottenham Park Cemetery	0.00	0.00	0.00	**0.00**	0.00	0.00
Town Centre Regeneration	1.05	0.00	0.00	**1.05**	0.50	(0.55)
Total Property & Economy	**17.40**	**0.00**		**17.40**	**14.62**	**(2.78)**
Housing & Regeneration						
Housing Adaptations & Assistance (DFG)	1.91	0.00	0.00	**1.91**	2.39	0.48
Vacant Property Review	0.20	0.00	0.00	**0.20**	0.00	(0.20)
Total Housing & Regeneration	**2.11**	**0.00**	**0.00**	**2.11**	**2.39**	**0.28**
Total PLACE exc. HRA	**85.15**	**0.48**	**0.00**	**85.63**	**77.11**	**(8.52)**
Total GENERAL FUND exc. Companies	**100.61**	**4.25**	**0.00**	**104.86**	**89.40**	**(15.46)**
COMPANIES						
Energetik	15.74	0.00	0.00	**15.74**	15.25	(0.49)
Housing Gateway Ltd	19.77	0.00	0.00	**19.77**	10.15	(9.62)
Total COMPANIES	**35.51**	**0.00**	**0.00**	**35.51**	**25.40**	**(10.11)**
Total GENERAL FUND	**136.12**	**4.25**	**0.00**	**140.37**	**114.80**	**(25.57)**
HOUSING REVENUE ACCOUNT						
Development Programme - Joyce & Snell's	2.05	0.00	0.00	**2.05**	2.85	0.80
Development Programme	11.78	0.00	0.00	**11.78**	10.35	(1.42)
Development Programme: Bury Street	9.53	0.00	0.00	**9.53**	8.51	(1.02)
Development Programme: Electric Quarter	5.90	0.00	0.00	**5.90**	5.93	0.03
Estate Regeneration: Alma Towers	8.98	0.00	0.00	**8.98**	8.98	(0.00)
Estate Regeneration: Ladderswood	0.18	0.00	0.00	**0.18**	0.20	0.02
Estate Regeneration: New Avenue	1.01	0.00	(0.01)	**1.00**	0.95	(0.05)
Estate Regeneration: Small Sites	0.08	0.00	0.01	**0.09**	0.09	0.00
Stock-Condition-Led Works	25.99	0.00	0.00	**25.99**	27.82	1.83
Demand-Led Works	1.31	0.00	0.00	**1.31**	1.31	(0.01)

Approved Capital Programme	2021/22 Jan (P8) Budget	2021/22 Budget Adjustments since P8	Virements	2021/22 Revised Budget	2021/22 Expenditure	Variance (all proposed to be carried forward to 2022/23)
Fire-Led Works	11.28	0.00	0.00	**11.28**	10.60	(0.68)
Asset-Led Works	6.81	0.00	0.00	**6.81**	6.25	(0.57)
Total HRA	**84.90**	**0.00**	**(0.00)**	**84.90**	**83.83**	**(1.07)**
Total PLACE inc HRA	**170.05**	**0.48**	**(0.00)**	**170.53**	**160.94**	**(9.59)**
TOTAL CAPITAL PROGRAMME	**221.02**	**4.25**	**(0.00)**	**225.27**	**198.63**	**(26.64)**

APPENDIX B - Movements in Capital - Financing

The financing movements in the table below represent the change in financing in the full ten-year programme at Outturn compared to the financing of the capital programme at the start of the financial year that was approved on 2nd March 2021 (KD5210).

Capital Financing	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27-2030/31	Future Years	Total	Comments
	£m	£m	£m	£m	£m	£m	£m	£m	
Resources:									
External Sources- Grants & Contributions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
LBE Resources- Reserves & Capital Receipts	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Borrowing	(14.32)	12.63	2.20	0.00	0.00	0.00	0.00	0.52	Libraries/comm Hub virements in yr £150k; ICT growth of £367k
Total Resources	**(14.32)**	**12.63**	**2.20**	**0.00**	**0.00**	**0.00**	**0.00**	**0.52**	
People:									
External Sources- Grants & Contributions	(24.31)	27.66	0.00	0.00	0.00	0.00	0.00	3.35	Education grant funded schemes
LBE Resources- Reserves & Capital Receipts	0.00	0.05	0.00	0.00	0.00	0.00	0.00	0.05	
Borrowing	(0.27)	0.26	0.10	0.00	0.00	0.00	0.00	0.09	Youth bus £90k
Total People	**(24.58)**	**27.97**	**0.10**	**0.00**	**0.00**	**0.00**	**0.00**	**3.49**	
Place:									

Capital Financing	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27-2030/31	Future Years	Total	Comments
	£m	£m	£m	£m	£m	£m	£m	£m	
External Sources- Grants & Contributions	(1.64)	4.79	0.00	0.00	0.00	0.00	0.00	3.15	Key movements: Grants: Flood Alleviation +£1.3m; Highways +£490k; Energy de-carbonisation (£758k); TFL T&T (£1.6m) S106: Flood alleviation £350k; Highways £215k- all new growth in P8. Tennis Courts £165k; Healthy St £398k
LBE Resources- Reserves & Capital Receipts	(0.18)	0.45	0.41	0.15	1.23	0.44	0.00	2.50	£825k REFCUS scheme that was previously financed by borrowing but is now financed by revenue source. £83k growth in Minor Highways scheme financed from revenue; £1.58m capital receipts linked to Sloemans Farm cemetery soil sale- added in P8
Borrowing	(63.60)	20.72	(7.13)	(2.43)	(2.90)	(76.04)	19.07	(112.30)	Key Movements: **Growth:** J&S Revised scheme approval £53m; Ed' Cemetery new scheme added £1.45m; Broomfield Park £57k; Sloemans' Farm £238k **Reductions:** Alleygating £826k; J&S £135m; Reardon Court £28m; Electric Quarter £3.51m; Build the Change (£150k);
Total Place	**(65.41)**	**25.95**	**(6.72)**	**(2.28)**	**(1.67)**	**(75.60)**	**19.07**	**(106.66)**	
Place - Meridian Water:									

Capital Financing	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27-2030/31	Future Years	Total	Comments
	£m	£m	£m	£m	£m	£m	£m	£m	
External Sources- Grants & Contributions	(87.83)	101.45	0.00	0.00	0.00	0.00	0.00	13.62	£13.6m of HIF grant not previously built into 10yr cap prog. Following confirmation of grant in Q1 borrowing was reduced.
LBE Resources-Reserves & Capital Receipts	(2.09)	2.09	0.00	0.00	0.00	0.00	0.00	0.00	
Borrowing	(112.44)	(31.76)	93.31	14.53	3.12	(60.14)	79.77	(13.62)	£13.6m of HIF grant not previously built into 10yr cap prog. Following confirmation of grant in Q1 borrowing was reduced.
Total Place - Meridian Water	**(202.36)**	**71.77**	**93.31**	**14.53**	**3.12**	**(60.14)**	**79.77**	**0.00**	
General Fund (excl companies)	**(306.67)**	**138.33**	**88.90**	**12.25**	**1.45**	**(135.74)**	**98.84**	**(102.65)**	
Companies:									
External Sources- Grants & Contributions	10.10	2.54	0.00	0.00	0.00	0.00	0.00	12.64	£12m Energetik Grant added in Q2. This was not included in financing when the 10yr prog was approved. £6m HGL grant confirmed during Q2 (Rough Sleepers). Original expectation was £6.8m. Therefore reduction in grant financing of £0.8m. £1.2m Energetik grant and £240k s106 Energetik funding added in P8.
LBE Resources-Reserves & Capital Receipts	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

Capital Financing	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27-2030/31	Future Years	Total	Comments
	£m	£m	£m	£m	£m	£m	£m	£m	
Borrowing	(51.50)	31.83	6.24	19.48	0.00	0.00	0.00	6.05	£5m growth in T3 energetik Q1; £250k growth HGL lets; and shortfall in grant income on HGL of £0.8m which is now being financed by borrowing
Total Place - Companies	**(41.40)**	**34.37**	**6.24**	**19.48**	**0.00**	**0.00**	**0.00**	**18.69**	
General Fund (inc companies)	**(348.08)**	**172.69**	**95.14**	**31.73**	**1.45**	**(135.74)**	**98.84**	**(83.96)**	
Place - HRA:									
External Sources- Grants & Contributions	(10.06)	7.67	(6.38)	5.48	(12.33)	72.69	0.00	57.09	Impact of business plan
LBE Resources- Reserves & Capital Receipts	(65.20)	29.92	(5.73)	0.35	(11.97)	(61.99)	0.00	(114.61)	Impact of business plan
Borrowing	(30.15)	1.69	73.80	0.00	55.43	(137.95)	0.00	(37.18)	Impact of business plan
Total Place - HRA	**(105.40)**	**39.29**	**61.69**	**5.84**	**31.13**	**(127.24)**	**0.00**	**(94.71)**	Overall reduction relates to J&S scheme £94m, which was reduced in Q2.
Total Capital Programme	**(453.48)**	**211.98**	**156.84**	**37.56**	**32.58**	**(262.98)**	**98.84**	**(178.67)**	

Appendix C- Movement in Capital Expenditure Budgets From 1st April 2021 to 31st March 2022

Capital Programme (Inc RA Budgets)	Original budget	2020/21 Outturn Adj	2021/22 Revised budget	Reprofiling	Other Adj	Q1 Revised Budget	Reprofiling	Other Adj	Q2 Revised Budget	Reprofiling	Other Adj	P8 Revised Budget	Other Adj	Q4 Revised Budget	Outturn	Variance
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Resources	14.49	2.21	16.70	(0.13)	0.15	16.72	(12.52)	(0.00)	4.21	(0.20)	0.24	4.25	0.37	4.61	2.38	2.23
People	34.24	0.24	34.49	(18.60)	0.00	15.89	(3.90)	0.09	12.08	(0.87)	(0.42)	10.79	3.40	14.20	9.91	4.29
Place	91.96	8.81	100.77	(42.91)	(2.06)	55.80	(15.31)	1.07	41.56	(5.43)	3.82	39.95	0.48	40.42	35.30	5.12
Place - Meridian Water	224.06	20.11	244.17	(134.43)	0.00	109.74	(38.60)	(0.00)	71.14	(25.51)	0.00	45.62	0.00	45.62	41.81	3.81
Chief Executive	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
General Fund (excl companies)	**364.75**	**31.38**	**396.13**	**(196.07)**	(1.91)	**198.15**	**(70.32)**	**1.16**	**128.98**	**(32.01)**	**3.64**	**100.61**	**4.25**	**104.86**	**89.40**	**15.46**
Energetik	17.99	0.00	17.99	(9.99)	17.00	25.00	(10.50)	0.00	14.50	(0.20)	1.44	15.74	0.00	15.74	15.25	0.49
Housing Gateway Ltd	37.02	11.80	48.82	0.00	0.00	48.82	(29.29)	0.25	19.77	0.00	0.00	19.77	0.00	19.77	10.15	9.62
Total General Fund (inc companies)	**419.75**	**43.18**	**462.93**	**(206.06)**	**15.09**	**271.96**	**(110.12)**	**1.41**	**163.25**	**(32.21)**	**5.08**	**136.12**	**4.25**	**140.37**	**114.80**	**25.57**
Place – HRA	168.63	20.60	189.23	(73.18)	0.00	116.05	(27.71)	(0.00)	88.35	(3.45)	0.00	84.90	0.00	84.90	83.83	1.07
Total Capital Programme	**588.38**	**63.78**	**652.16**	**(279.24)**	**15.09**	**388.02**	**(137.82)**	**1.41**	**251.60**	**(35.66)**	**5.08**	**221.02**	**4.25**	**225.27**	**198.63**	**26.64**

*Other Adj include capital programme growth, virements and reductions as reported during capital monitoring.

Appendix D – Analysis by Corporate Objective at Programme Level

Corporate Objective	Capital Programme	Revised Budget at Outturn (£m)	Outturn (£m)	Variance (£m)
PEOPLE				
An economy that works for everyone	Strategic Schools Places Programme	6.23	3.38	(2.85)
An economy that works for everyone	Schools Maintenance	7.62	6.02	(1.60)
An economy that works for everyone	Community Safety	0.09	0.00	(0.09)
Total People		**13.94**	**9.40**	**(4.54)**
PLACE				
An economy that works for everyone	Corporate Condition Programme	2.31	1.69	(0.62)
An economy that works for everyone	Build the Change	6.47	5.94	(0.53)
An economy that works for everyone	Corporate Property Investment Programme	0.13	0.00	(0.13)
An economy that works for everyone	Montagu Industrial Estate	0.62	0.60	(0.02)
An economy that works for everyone	Genotin Road (Metaswitch)	1.61	2.38	0.77
An economy that works for everyone	Electric Quarter	2.26	1.69	(0.57)
An economy that works for everyone	Southgate Cemetery	0.37	0.36	(0.01)
An economy that works for everyone	LED Street Lighting	0.60	0.60	0.00
An economy that works for everyone	Energy Decarbonisation (RE:FIT)	2.87	1.81	(1.07)
An economy that works for everyone	Sloemans Farm Burial	0.07	0.00	(0.07)
An economy that works for everyone	Tottenham Park Cemetery	0.00	0.00	0.00
An economy that works for everyone	Traffic & Transportation	0.21	0.09	(0.12)
An economy that works for everyone	Healthy Streets	0.00	0.00	0.00
An economy that works for everyone	Highways & Street Scene	0.30	0.31	0.01
Total Place		**17.81**	**15.48**	**(2.34)**
RESOURCES				

Corporate Objective	Capital Programme	Revised Budget at Outturn (£m)	Outturn (£m)	Variance (£m)
An economy that works for everyone	IT Investment	4.33	2.27	(2.06)
An economy that works for everyone	Community Hubs	0.28	0.11	(0.16)
Total Resources		**4.60**	**2.38**	**(2.22)**
Total An Economy That Works For Everyone		**36.35**	**27.26**	**(9.10)**
PLACE				
Good homes in well-connected neighbourhoods	Healthy Streets	0.15	0.10	(0.05)
Good homes in well-connected neighbourhoods	Traffic & Transportation	0.55	0.43	(0.12)
Good homes in well-connected neighbourhoods	Highways & Street Scene	0.29	0.24	(0.05)
Good homes in well-connected neighbourhoods	Vacant Property Review	0.20	0.00	(0.20)
Good homes in well-connected neighbourhoods	Vehicle Replacement Programme	2.71	1.82	(0.88)
Good homes in well-connected neighbourhoods	Town Centre Regeneration	1.05	0.50	(0.55)
Good homes in well-connected neighbourhoods	Tennis Courts Works at Broomfield Park	0.50	0.30	(0.20)
Good homes in well-connected neighbourhoods	Meridian One	7.28	12.07	4.79
Good homes in well-connected neighbourhoods	Meridian Two	0.89	0.42	(0.47)
Good homes in well-connected neighbourhoods	Meridian Three	0.24	0.08	(0.16)
Good homes in well-connected neighbourhoods	Meridian Four	2.32	2.35	0.04
Good homes in well-connected neighbourhoods	Meridian Three and Meridian Four (50/50)	0.14	0.05	(0.09)
Good homes in well-connected neighbourhoods	Meridian Water HIF	9.62	8.21	(1.40)
Good homes in well-connected neighbourhoods	Meridian Water Scheme-wide	25.14	18.63	(6.52)
Total Place		**51.07**	**45.22**	**(5.86)**
RESOURCES				
Good homes in well-connected neighbourhoods	Libraries	0.01	0.00	(0.01)
Total Resources		**0.01**	**0.00**	**(0.01)**
Total Good Homes In Well-Connected		**51.08**	**45.22**	**(5.87)**

Corporate Objective	Capital Programme	Revised Budget at Outturn (£m)	Outturn (£m)	Variance (£m)
Neighbourhoods				
PEOPLE				
Safe, healthy and confident communities	Community Safety	0.53	0.51	(0.02)
Safe, healthy and confident communities	Contribution to Property (Vulnerable Family)	0.15	0.00	(0.15)
Total People		**0.68**	**0.51**	**(0.17)**
PLACE				
Safe, healthy and confident communities	Alley Gating	0.11	0.09	(0.02)
Safe, healthy and confident communities	Flood Alleviation	2.30	2.20	(0.10)
Safe, healthy and confident communities	Highways & Street Scene	7.75	7.39	(0.36)
Safe, healthy and confident communities	Healthy Streets	3.50	3.03	(0.47)
Safe, healthy and confident communities	Housing Adaptations & Assistance (DFG)	1.91	2.39	0.48
Safe, healthy and confident communities	Forty Hall	0.02	0.00	(0.01)
Safe, healthy and confident communities	Changes to Waste & Recycling Collections	0.26	0.26	0.00
Safe, healthy and confident communities	Edmonton Cemetery	0.89	1.06	0.16
Total Place		**16.74**	**16.42**	**(0.33)**
Total Safe, Healthy and Confident Communities		**17.42**	**16.93**	**(0.49)**
Total General Fund Excluding Companies		**104.86**	**89.40**	**(15.46)**
COMPANIES				
Good homes in well-connected neighbourhoods	Energetik	15.74	15.25	(0.49)
Good homes in well-connected neighbourhoods	Housing Gateway Ltd	19.77	10.15	(9.62)
Total Companies		**35.51**	**25.40**	**(10.11)**
Total General Fund		**140.37**	**114.80**	**(25.57)**

Corporate Objective	Capital Programme	Revised Budget at Outturn (£m)	Outturn (£m)	Variance (£m)
HRA				
Good homes in well-connected neighbourhoods	Development Programme	11.78	10.35	(1.42)
Good homes in well-connected neighbourhoods	Development Programme: Bury Street	9.53	8.51	(1.02)
Good homes in well-connected neighbourhoods	Development Programme: Electric Quarter	5.90	5.93	0.03
Good homes in well-connected neighbourhoods	Development Programme - Joyce & Snell's	2.05	2.85	0.80
Good homes in well-connected neighbourhoods	Estate Regeneration	0.00	0.00	0.00
Good homes in well-connected neighbourhoods	Estate Regeneration: Alma Towers	8.98	8.98	(0.00)
Good homes in well-connected neighbourhoods	Estate Regeneration: New Avenue	1.00	0.95	(0.05)
Good homes in well-connected neighbourhoods	Estate Regeneration: Small Sites	0.09	0.09	0.00
Good homes in well-connected neighbourhoods	Estate Regeneration: Ladderswood	0.18	0.20	0.02
Good homes in well-connected neighbourhoods	Asset-Led Works	6.81	6.25	(0.57)
Good homes in well-connected neighbourhoods	Demand-Led Works	1.31	1.31	(0.01)
Good homes in well-connected neighbourhoods	Fire-Led Works	11.28	10.60	(0.68)
Good homes in well-connected neighbourhoods	Stock-Condition-Led Works	25.99	27.82	1.83
Total HRA Good Homes In Well-Connected Neighbourhoods		**84.90**	**83.83**	**(1.07)**
Total Capital Programme		**225.27**	**198.63**	**(26.64)**

Appendix E1 – Revised 10-Year Capital Programme - Approved Programme Expenditure Budgets

	Outturn	Revised	Revised	Revised	Revised	Revised	Revised	Revised
Directorate & Capital Programme	**2021/22**	**2022/23**	**2023/24**	**2024/25**	**2025/26**	**2026/27**	**2027/28 - 2031/32**	**TOTAL**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
RESOURCES								
Community Hubs	0.11	0.29	0.00	0.00	0.00	0.00	0.00	**0.40**
IT Investment	2.27	4.57	0.00	0.00	0.00	0.00	0.00	**6.84**
Libraries	0.00	0.08	0.00	0.00	0.00	0.00	0.00	**0.08**
Total Resources	**2.38**	**4.94**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**7.32**
PEOPLE								
Mental Health and Wellbeing Centre	0.00	0.00	1.25	1.25	0.00	0.00	0.00	**2.50**
Contribution to Property (Vulnerable Family)	0.00	0.15	0.00	0.00	0.00	0.00	0.00	**0.15**
Community Safety	0.51	0.11	0.00	0.00	0.00	0.00	0.00	**0.62**
Strategic Schools Places Programme	3.38	13.96	1.60	0.00	0.00	0.00	0.00	**18.94**
Schools Maintenance	6.02	11.59	4.92	0.00	0.00	0.00	0.00	**22.52**
Total People	**9.91**	**25.81**	**7.77**	**1.25**	**0.00**	**0.00**	**0.00**	**44.73**
PLACE								
Environment & Operations:								
Alley Gating	0.09	0.02	0.00	0.00	0.00	0.00	0.00	**0.11**
Changes to Waste & Recycling Collections	0.26	0.00	0.00	0.00	0.00	0.00	0.00	**0.26**
Flood Alleviation	2.20	0.26	0.00	0.00	0.00	0.00	0.00	**2.46**
Healthy Streets	3.13	2.52	0.50	0.50	0.50	0.00	0.00	**7.15**
Highways & Street Scene	7.94	1.10	0.00	0.00	0.00	0.00	0.00	**9.04**
LED Street Lighting	0.60	(0.00)	0.00	0.00	0.00	0.00	0.00	**0.60**

Vehicle Replacement Programme	1.82	0.88	0.00	0.00	0.00	0.00	0.00	**2.71**
Edmonton Cemetery	1.06	0.64	0.00	0.00	0.00	0.00	0.00	**1.69**
Southgate Cemetery	0.36	0.01	0.00	0.00	0.00	0.00	0.00	**0.37**
Sloemans Farm Burial	0.00	0.24	0.33	0.07	1.15	0.04	0.00	**1.83**
Tennis Courts Works at Broomfield Park	0.30	0.20	0.00	0.00	0.00	0.00	0.00	**0.50**
Traffic & Transportation	0.52	0.24	0.00	0.00	0.00	0.00	0.00	**0.76**
Environment & Operations:	**18.29**	**6.10**	**0.83**	**0.57**	**1.65**	**0.04**	**0.00**	**27.48**
Property & Economy:								
Corporate Condition Programme	1.36	2.56	0.00	0.00	0.00	0.00	0.00	**3.92**
Corporate Property Investment Programme	0.33	3.80	0.00	0.00	0.00	0.00	0.00	**4.12**
Build the Change	5.94	14.43	5.00	7.03	7.02	0.00	0.00	**39.42**
Electric Quarter	1.69	1.46	0.00	0.00	0.00	0.00	0.00	**3.15**
Energy Decarbonisation (RE:FIT)	1.81	1.27	0.00	0.00	0.00	0.00	0.00	**3.08**
Forty Hall	0.00	0.01	0.00	0.00	0.00	0.00	0.00	**0.02**
Genotin Road (Metaswitch)	2.38	(0.77)	0.00	0.00	0.00	0.00	0.00	**1.61**
Montagu Industrial Estate	0.60	6.52	36.49	7.43	0.18	0.00	0.00	**51.22**
Town Centre Regeneration	0.50	2.63	0.00	1.03	0.63	0.13	0.13	**5.03**
Property & Economy Total	**14.62**	**31.91**	**41.49**	**15.48**	**7.82**	**0.13**	**0.13**	**111.57**
Housing & Regeneration:								
Joyce and Snell's	0.00	0.00	0.00	0.00	0.00	0.00	41.30	**41.30**
Housing Adaptations & Assistance (DFG)	2.39	0.42	0.00	0.00	0.00	0.00	0.00	**2.81**
Vacant Property Review	0.00	0.20	0.00	0.00	0.00	0.00	0.00	**0.20**
Housing & Regeneration Total	**2.39**	**0.62**	**0.00**	**0.00**	**0.00**	**0.00**	**41.30**	**44.31**

Meridian Water:								
Meridian One	12.07	12.62	0.00	0.00	0.00	0.00	0.00	**24.69**
Meridian Two	0.42	2.63	0.00	0.00	0.00	0.00	0.00	**3.05**
Meridian Three	0.08	0.21	0.00	0.00	0.00	0.00	0.00	**0.29**
Meridian Four	2.35	19.97	0.00	0.00	0.00	0.00	0.00	**22.32**
Meridian Three and Meridian Four (50/50)	0.05	1.00	0.00	0.00	0.00	0.00	0.00	**1.05**
Meridian Water HIF	8.21	83.14	52.25	0.00	0.00	0.00	0.00	**143.60**
Meridian Water Scheme-wide	18.63	37.42	0.00	2.41	0.00	0.00	0.00	**58.46**
Meridian Water Total:	**41.81**	**157.00**	**52.25**	**2.41**	**0.00**	**0.00**	**0.00**	**253.47**
Total Place exc HRA	**77.11**	**195.63**	**94.56**	**18.47**	**9.47**	**0.17**	**41.42**	**436.83**
Total General Fund Excluding Companies	**89.40**	**226.37**	**102.33**	**19.72**	**9.47**	**0.17**	**41.42**	**488.88**
COMPANIES								
Energetik	15.25	21.69	25.12	15.00	0.00	0.00	0.00	**77.06**
Housing Gateway Ltd	10.15	35.54	3.37	0.00	0.00	0.00	0.00	**49.07**
Total Companies	**25.40**	**57.23**	**28.50**	**15.00**	**0.00**	**0.00**	**0.00**	**126.13**
Total General Fund Including Companies	**114.80**	**283.60**	**130.83**	**34.72**	**9.47**	**0.17**	**41.42**	**615.01**
Housing Revenue Account:								
Development Programme	10.35	55.85	119.67	36.55	61.23	35.31	110.34	**429.31**
Development Programme: Bury Street	8.51	10.66	0.44	0.00	0.00	0.00	0.00	**19.60**
Development Programme: Electric Quarter	5.93	1.26	0.00	0.00	0.00	0.00	0.00	**7.19**
Development Programme - Joyce & Snell's	2.85	5.96	38.41	43.14	52.72	47.29	268.91	**459.27**

Estate Regeneration	0.00	(0.00)	0.00	0.00	0.00	0.00	0.00	**0.00**
Estate Regeneration: Alma Towers	8.98	5.68	0.74	0.65	0.65	0.63	0.00	**17.33**
Estate Regeneration: Ladderswood	0.20	0.23	0.11	0.11	0.11	0.00	0.00	**0.76**
Estate Regeneration: New Avenue	0.95	0.36	0.21	0.22	0.00	0.00	0.00	**1.74**
Estate Regeneration: Small Sites	0.09	0.00	0.00	0.00	0.00	0.00	0.00	**0.09**
Asset-Led Works	6.25	10.41	0.23	0.17	0.00	0.00	0.00	**17.05**
Demand-Led Works	1.31	2.36	2.35	0.00	0.00	0.00	0.00	**6.01**
Fire-Led Works	6.00	23.47	23.16	0.21	0.00	0.00	0.00	**52.85**
Stock-Condition-Led Works	32.41	17.76	32.21	14.93	14.54	14.54	68.19	**194.59**
Total HRA	**83.83**	**133.99**	**217.51**	**95.99**	**129.25**	**97.77**	**447.45**	**1,205.79**
Total Place inc. HRA	**160.93**	**329.62**	**312.08**	**114.46**	**138.72**	**97.94**	**488.87**	**1,642.62**
Total Approved Capital Programme	**198.62**	**417.60**	**348.34**	**130.71**	**138.72**	**97.94**	**488.87**	**1,820.80**

Appendix E2a – Revised 10-Year Capital Programme -Approved Programme Expenditure Budgets By Directorate

	Outturn	Revised	Revised	Revised	Revised	Revised	Revised	Revised
Directorate	**2021/22**	**2022/23**	**2023/24**	**2024/25**	**2025/26**	**2026/27**	**2027/28 - 2031/32**	**Total**
	£m	£m	£m	£m	£m	£m	£m	£m
Resources	2.38	4.94	0.00	0.00	0.00	0.00	0.00	**7.32**
People	9.91	25.81	7.77	1.25	0.00	0.00	0.00	**44.73**
Place	35.30	38.63	42.32	16.05	9.47	0.17	41.42	**183.36**
Place - Meridian Water	41.81	157.00	52.25	2.41	0.00	0.00	0.00	**253.47**
Total General Fund Excluding Companies	**89.40**	**226.37**	**102.33**	**19.72**	**9.47**	**0.17**	**41.42**	**488.88**
Companies	25.40	57.23	28.50	15.00	0.00	0.00	0.00	**126.13**
Total General Fund	**114.80**	**283.60**	**130.83**	**34.72**	**9.47**	**0.17**	**41.42**	**615.01**
Place – HRA	83.83	133.99	217.51	95.99	129.25	97.77	447.45	**1,205.79**
TOTAL	**198.62**	**417.60**	**348.34**	**130.71**	**138.72**	**97.94**	**488.87**	**1,820.80**

Appendix E2b – Revised 10-Year Capital Programme - Approved Programme Financing Budgets

	Outturn	Revised	Revised	Revised	Revised	Revised	Revised	Revised
Capital Financing	**2021/22**	**2022/23**	**2023/24**	**2024/25**	**2025/26**	**2026/27**	**2027/28 - 2031/32**	**Total**
	£m	£m	£m	£m	£m	£m	£m	£m
External Grants	43.74	135.75	59.85	1.25	0.00	0.00	0.00	**240.58**
S106 & CIL	0.94	0.43	0.00	0.00	0.00	0.00	0.00	**1.38**
Revenue Contributions	0.17	0.42	0.00	0.00	0.00	0.00	0.00	**0.59**
Capital Receipts	0.03	3.60	3.93	2.16	1.15	0.04	0.00	**10.91**
Major Allowance Repairs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Earmarked Reserves	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Borrowing	69.91	143.41	67.05	31.31	8.32	0.13	41.42	**361.56**
Total General Fund Financing	**114.80**	**283.60**	**130.83**	**34.72**	**9.47**	**0.16**	**41.42**	**615.01**
External Grants	7.26	20.15	9.14	21.14	13.12	34.93	89.34	**195.08**
S106 & CIL	1.91	0.00	0.00	0.00	0.00	0.00	27.51	**29.42**
Revenue Contributions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Capital Receipts	3.23	22.75	56.59	60.70	39.59	17.36	128.83	**329.05**
Major Allowance Repairs	17.47	7.90	12.06	14.14	14.54	14.96	68.20	**149.28**
Earmarked Reserves	25.11	21.56	6.92	0.00	0.00	19.52	48.58	**121.69**
Borrowing	28.85	61.63	132.80	0.00	62.00	11.00	85.00	**381.27**
Total HRA Financing	**83.83**	**133.99**	**217.51**	**95.99**	**129.25**	**97.77**	**447.45**	**1,205.79**
Total Capital Financing	**198.62**	**417.60**	**348.34**	**130.71**	**138.72**	**97.94**	**488.87**	**1,820.80**

Appendix F1 - Revised 10-Year Capital Programme - Expenditure Budgets At Programme Level Subject to Second Level of Approval (Usually Cabinet)

	Outturn	Revised	Revised	Revised	Revised	Revised	Revised	Revised
Directorate & Capital Programme	**2021/22**	**2022/23**	**2023/24**	**2024/25**	**2025/26**	**2026/27**	**2027/28 - 2031/32**	**Total**
	£m	£m	£m	£m	£m	£m	£m	£m
RESOURCES								
IT Investment	0.00	12.52	2.50	2.41	0.79	0.29	9.50	**28.02**
Total Resources	**0.00**	**12.52**	**2.50**	**2.41**	**0.79**	**0.29**	**9.50**	**28.02**
PEOPLE								
Extensions to Foster Carers' Homes	0.00	0.38	0.31	0.21	0.21	0.21	1.05	**2.37**
Community Safety	0.00	0.15	0.15	0.15	0.15	0.15	0.75	**1.50**
School Expansions	0.00	3.00	1.48	3.00	3.00	3.00	15.00	**28.48**
Schools Maintenance	0.00	5.00	0.00	5.00	5.00	5.00	25.00	**45.00**
Total People	**0.00**	**8.53**	**1.94**	**8.36**	**8.36**	**8.36**	**41.80**	**77.35**
PLACE								
Environment & Operations:								
Alley Gating	0.00	0.08	0.08	0.08	0.08	0.08	0.40	**0.80**
Flood Alleviation	0.00	0.25	0.25	0.25	0.25	0.25	1.00	**2.25**
Healthy Streets	0.00	7.94	6.65	6.15	4.65	4.65	23.25	**53.29**
Highways & Street Scene	0.00	8.01	8.02	9.39	8.43	8.84	50.01	**92.70**
Vehicle Replacement Programme	0.00	4.59	1.91	1.86	7.75	1.81	6.41	**24.33**
Workshops for External Commercialisation	0.00	0.25	0.25	0.00	0.00	0.00	0.00	**0.50**
Growth of Trade Waste Service	0.00	0.50	0.25	0.25	0.00	0.00	0.00	**1.00**
Tottenham Park Cemetery	0.00	0.50	0.00	0.00	1.50	0.00	0.00	**2.01**

Traffic & Transportation	0.00	0.70	0.70	0.70	0.70	0.70	3.50	**7.00**
Environment & Operations Total	0.00	22.83	18.11	18.68	23.36	16.33	84.57	**183.88**
Property & Economy:								
Corporate Condition Programme	0.00	2.64	2.98	3.16	3.35	3.55	18.24	**33.91**
Land Investment	0.00	7.50	0.00	0.00	0.00	0.00	0.00	**7.50**
Dugdale Coffee Shop	0.00	1.50	0.00	0.00	0.00	0.00	0.00	**1.50**
Property & Economy Total	0.00	11.64	2.98	3.16	3.35	3.55	18.24	**42.91**
Housing & Regeneration:								
Housing Adaptations & Assistance (DFG)	0.00	2.00	2.00	2.00	2.00	2.00	10.01	**20.01**
Vacant Property Review	0.00	0.30	0.30	0.20	0.00	0.00	0.00	**0.80**
Housing & Regeneration Total	0.00	2.30	2.30	2.20	2.00	2.00	10.01	**20.81**
Meridian Water:								
Meridian Four	0.00	0.00	83.01	73.72	73.72	8.52	0.00	**238.98**
Meridian Water Scheme-wide	0.00	0.00	59.84	40.35	32.06	92.17	180.83	**405.25**
Meridian Water Total	0.00	0.00	142.85	114.08	105.79	100.69	180.83	**644.23**
Total Place Exc. HRA	**0.00**	**36.77**	**166.24**	**138.12**	**134.50**	**122.57**	**293.64**	**891.84**
Total General Fund Excluding Companies	**0.00**	**57.82**	**170.69**	**148.89**	**143.65**	**131.22**	**344.94**	**997.21**
COMPANIES								
Housing Gateway Ltd	0.00	10.73	30.95	21.96	0.00	0.00	0.00	**63.64**
Total Companies	**0.00**	**10.73**	**30.95**	**21.96**	**0.00**	**0.00**	**0.00**	**63.64**
Total General Fund Inc. Companies	**0.00**	**68.55**	**201.64**	**170.85**	**143.65**	**131.22**	**344.94**	**1,060.86**
Housing Revenue Account:	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Total Place Inc. HRA	**0.00**	**36.77**	**166.24**	**138.12**	**134.50**	**122.57**	**293.64**	**891.84**

Total Requested Addition Capital Programme	**0.00**	**68.55**	**201.64**	**170.85**	**143.65**	**131.22**	**344.94**	**1,060.86**

Appendix F2a- Revised 10-Year Capital Programme - Expenditure Budgets At Directorate Level Subject to Second Level of Approval (Usually Cabinet)

	Outturn	Revised	Revised	Revised	Revised	Revised	Revised	Revised
Directorate	**2021/22**	**2022/23**	**2023/24**	**2024/25**	**2025/26**	**2026/27**	**2027/28 - 2031/32**	**TOTAL**
	£m	£m	£m	£m	£m	£m	£m	£m
Resources	0.00	12.52	2.50	2.41	0.79	0.29	9.50	**28.02**
People	0.00	8.53	1.94	8.36	8.36	8.36	41.80	**77.35**
Place	0.00	36.77	23.39	24.04	28.71	21.88	112.81	**247.60**
Place - Meridian Water	0.00	0.00	142.85	114.08	105.79	100.69	180.83	**644.23**
Total General Fund Excluding Companies	**0.00**	**57.82**	**170.69**	**148.89**	**143.65**	**131.22**	**344.94**	**997.21**
Companies	0.00	10.73	30.95	21.96	0.00	0.00	0.00	**63.64**
Total General Fund	**0.00**	**68.55**	**201.64**	**170.85**	**143.65**	**131.22**	**344.94**	**1,060.86**
Place - HRA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
TOTAL	**0.00**	**68.55**	**201.64**	**170.85**	**143.65**	**131.22**	**344.94**	**1,060.86**

Appendix F2b – Revised 10-Year Capital Programme – Financing of Capital Expenditure Subject to Second Level of Approval (Usually Cabinet)

	Outturn	Revised	Revised	Revised	Revised	Revised	Revised	Revised
Capital Financing	**2021/22**	**2022/23**	**2023/24**	**2024/25**	**2025/26**	**2026/27**	**2027/28 - 2031/32**	**TOTAL**
	£m	£m	£m	£m	£m	£m	£m	£m
External Grants	0.00	16.97	92.08	89.00	89.00	23.80	76.26	**387.10**
S106 & CIL	0.00	1.82	2.20	1.70	0.20	0.20	1.00	**7.12**
Revenue Contributions	0.00	0.08	0.08	0.08	0.08	0.08	0.40	**0.80**
Capital Receipts	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Major Allowance Repairs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Earmarked Reserves	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Borrowing	0.00	49.69	107.27	80.07	54.37	107.14	267.29	**665.83**
Total General Fund Financing	**0.00**	**68.55**	**201.64**	**170.85**	**143.65**	**131.22**	**344.94**	**1,060.86**
External Grants	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
S106/CIL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Revenue Contributions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Capital Receipts	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Major Allowance Repairs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Earmarked Reserves	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Borrowing	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Total HRA Financing	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
Total Capital Financing	**0.00**	**68.55**	**201.64**	**170.85**	**143.65**	**131.22**	**344.94**	**1,060.86**

Appendix G1a – Revised Full 10-Year Capital Programme- Expenditure Budgets By Directorate

	Outturn	Revised	Revised	Revised	Revised	Revised	Revised	Revised
Directorate	**2021/22**	**2022/23**	**2023/24**	**2024/25**	**2025/26**	**2026/27**	**2027/28 - 2031/32**	**TOTAL**
	£m	£m	£m	£m	£m	£m	£m	£m
Resources	2.38	17.45	2.50	2.41	0.79	0.29	9.50	**35.35**
People	9.91	34.34	9.71	9.61	8.36	8.36	41.80	**122.08**
Place	35.30	75.40	65.71	40.10	38.18	22.04	154.24	**430.96**
Meridian Water	41.81	157.00	195.10	116.49	105.79	100.69	180.83	**897.70**
Total General Fund Excluding Companies	**89.40**	**284.19**	**273.02**	**168.61**	**153.12**	**131.38**	**386.36**	**1,486.09**
Companies	25.40	67.96	59.45	36.96	0.00	0.00	0.00	**189.77**
Total General Fund	**114.80**	**355.97**	**331.06**	**203.16**	**153.12**	**131.38**	**386.36**	**1,675.86**
Place - HRA	83.83	133.99	217.51	95.99	129.25	97.77	447.45	**1,205.79**
Total Capital Programme	**198.63**	**486.15**	**549.98**	**301.56**	**282.37**	**229.15**	**833.81**	**2,881.65**

Appendix G1b Full 10-Year Capital Programme- Financing Budgets

Capital Financing	Outturn 2021/22	Revised 2022/23	Revised 2023/24	Revised 2024/25	Revised 2025/26	Revised 2026/27	Revised 2027/28 - 2031/32	Revised Total
	£m	£m	£m	£m	£m	£m	£m	£m
External Grants	43.74	152.71	151.93	90.25	89.00	23.80	76.26	**627.68**
S106 & CIL	0.94	2.26	2.20	1.70	0.20	0.20	1.00	**8.50**
Revenue Contributions	0.17	0.50	0.08	0.08	0.08	0.08	0.40	**1.39**
Capital Receipts	0.03	3.60	3.93	2.16	1.15	0.04	0.00	**10.91**
Major Allowance Repairs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Earmarked Reserves	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Borrowing	69.92	193.10	174.33	111.39	62.69	107.27	308.71	**1,027.39**
Total General Fund Financing	**114.80**	**352.16**	**332.46**	**205.57**	**153.12**	**131.38**	**386.36**	**1,675.86**
External Grants	7.26	20.15	9.14	21.14	13.12	34.93	89.34	**195.08**
S106/CIL	1.91	0.00	0.00	0.00	0.00	0.00	27.51	**29.42**
Revenue Contributions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Capital Receipts	3.23	22.75	56.59	60.70	39.59	17.36	128.83	**329.05**
Major Allowance Repairs	17.47	7.90	12.06	14.14	14.54	14.96	68.20	**149.28**
Earmarked Reserves	25.11	21.56	6.92	0.00	0.00	19.52	48.58	**121.69**
Borrowing	28.85	61.63	132.80	0.00	62.00	11.00	85.00	**381.27**
Total HRA Financing	**83.83**	**133.99**	**217.51**	**95.99**	**129.25**	**97.77**	**447.45**	**1,205.79**
Total Capital Financing	**198.63**	**486.15**	**549.98**	**301.56**	**282.37**	**229.15**	**833.81**	**2,881.65**

Appendix H - Revised 2022/23 Full Capital Programme

Directorate & Capital Programme	2022/23 Original (KD5353)	2021/22 Movements	2021/22 Slippage	Budgets Utilised in 2021/22 (Acceleration)	Net Slippage (2021/22)	Slippage Reprofiled	2022/23 Revised Budget
	£m	£m	£m	£m	£m	£m	£m
RESOURCES							
Community Hubs	0.13	0.00	0.16	0.00	0.16	0.00	0.29
IT Investment	15.40	(0.37)	2.06	(0.00)	2.06	0.00	17.08
Libraries	0.07	0.00	0.01	0.00	0.01	0.00	0.08
Total Resources	**15.59**	**(0.37)**	**2.23**	**(0.00)**	**2.23**	**0.00**	**17.45**
PEOPLE							
Mental Health and Wellbeing Centre	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contribution to Property (Vulnerable Family)	0.00	0.00	0.15	0.00	0.15	0.00	0.15
Community Safety	0.15	0.00	0.11	0.00	0.11	0.00	0.26
Extensions to Foster Carers' Homes	0.38	0.00	0.00	0.00	0.00	0.00	0.38
Schools' Future Programme	11.20	(11.20)	0.00	0.00	0.00	0.00	0.00
School Expansions	0.00	1.75	0.00	0.00	0.00	0.00	1.75
Strategic Schools Places Programme	8.03	4.33	2.86	(0.02)	2.85	0.00	15.21
Schools Maintenance	12.09	2.90	2.18	(0.58)	1.60	0.00	16.59
Total People	**31.85**	**(2.22)**	**5.30**	**(0.59)**	**4.71**	**0.00**	**34.34**
PLACE							
Environment & Operations:							
Alley Gating	0.08	0.00	0.02	0.00	0.02	0.00	0.10
Flood Alleviation	0.41	0.00	0.10	0.00	0.10	0.00	0.51
Healthy Streets	9.94	0.00	0.53	(0.01)	0.52	0.00	10.46

Highways & Street Scene	8.71	0.00	0.41	(0.01)	0.40	0.00	9.11
Vehicle Replacement Programme	4.59	0.00	0.88	0.00	0.88	0.00	5.48
Growth of Trade Waste Service	0.50	0.00	0.00	0.00	0.00	0.00	0.50
Workshops for External Commercialisation	0.25	0.00	0.00	0.00	0.00	0.00	0.25
Edmonton Cemetery	0.80	0.00	0.00	(0.16)	(0.16)	0.00	0.64
Southgate Cemetery	0.00	0.00	0.01	0.00	0.01	0.00	0.01
Sloemans Farm Burial	0.17	0.00	0.07	0.00	0.07	0.00	0.24
Tottenham Park Cemetery	0.51	0.00	0.00	(0.00)	(0.00)	0.00	0.50
Tennis Courts Works at Broomfield Park	0.00	0.00	0.20	0.00	0.20	0.00	0.20
Traffic & Transportation	0.70	0.00	0.24	0.00	0.24	0.00	0.94
Environment & Operations Total	**26.66**	**0.00**	**2.45**	**(0.18)**	**2.27**	**0.00**	**28.93**
Property & Economy:							
Corporate Condition Programme	4.83	0.00	0.82	(0.20)	0.62	0.00	5.44
Corporate Property Investment Programme	3.43	0.00	0.13	0.00	0.13	0.00	3.55
Build the Change	13.83	0.08	0.53	0.00	0.53	0.00	14.43
Electric Quarter	0.89	0.00	0.57	0.00	0.57	0.00	1.46
Energy Decarbonisation (RE:FIT)	0.21	0.00	1.07	0.00	1.07	0.00	1.27
Forty Hall	0.00	0.00	0.01	0.00	0.01	0.00	0.01
Genotin Road (Metaswitch)	0.00	0.00	0.00	(0.77)	(0.77)	0.00	(0.77)
Montagu Industrial Estate	6.50	0.00	0.02	0.00	0.02	0.00	6.52
Town Centre Regeneration	1.96	0.12	0.55	0.00	0.55	0.00	2.63
Land Investment	7.50	0.00	0.00	0.00	0.00	0.00	7.50
Dugdale Coffee Shop	1.58	(0.08)	0.00	0.00	0.00	0.00	1.50
Property & Economy Total	**40.72**	**0.12**	**3.69**	**(0.98)**	**2.71**	**0.00**	**43.55**
Housing & Regeneration:							
Housing Adaptations & Assistance (DFG)	2.90	0.00	0.00	(0.48)	(0.48)	0.00	2.42
Vacant Property Review	0.30	0.00	0.20	0.00	0.20	0.00	0.50

Housing & Regeneration Total	**3.20**	**0.00**	**0.20**	**(0.48)**	**(0.28)**	**0.00**	**2.92**
Meridian Water:							
Meridian One	0.00	12.62	0.98	(5.77)	(4.79)	4.79	12.62
Meridian Two	0.00	2.63	0.47	0.00	0.47	(0.47)	2.63
Meridian Three	0.11	0.10	0.16	0.00	0.16	(0.16)	0.21
Meridian Four	19.97	(0.00)	0.00	(0.04)	(0.04)	0.04	19.97
Meridian Three and Meridian Four (50/50)	1.00	0.00	0.09	0.00	0.09	(0.09)	1.00
Meridian Water HIF	50.22	32.92	1.56	(0.16)	1.40	(1.40)	83.14
Meridian Water Scheme-wide	76.40	(38.97)	7.23	(0.71)	6.52	(6.52)	37.42
Meridian Water Total	**147.70**	**9.30**	**10.49**	**(6.68)**	**3.81**	**(3.81)**	**157.00**
Total Place exc. HRA	**218.28**	**9.42**	**16.83**	**(8.31)**	**8.52**	**(3.81)**	**232.40**
Total General Fund Excluding Companies	**265.72**	**6.83**	**24.36**	**(8.91)**	**15.46**	**(3.81)**	**284.19**
COMPANIES							
Energetik	21.20	0.00	0.49	0.00	0.49	0.00	21.69
Housing Gateway Ltd	36.65	0.00	9.62	(0.00)	9.62	0.00	46.27
Total Companies	**57.85**	**0.00**	**10.11**	**(0.00)**	**10.11**	**0.00**	**67.96**
Total General Fund Inc. Companies	**323.57**	**6.83**	**34.48**	**(8.91)**	**25.57**	**(3.81)**	**352.16**
Housing Revenue Account:							
Development Programme	54.43	0.00	1.76	(0.34)	1.42	0.00	55.85
Development Programme: Bury Street	9.64	0.00	1.02	0.00	1.02	0.00	10.66
Development Programme: Electric Quarter	1.29	0.00	0.00	(0.03)	(0.03)	0.00	1.26
Development Programme - Joyce & Snells	6.76	0.00	0.00	(0.80)	(0.80)	0.00	5.96
Estate Regeneration: Ladderswood	0.25	0.00	0.00	(0.02)	(0.02)	0.00	0.23
Estate Regeneration: Alma Towers	5.68	0.00	0.00	0.00	0.00	0.00	5.68
Estate Regeneration: New Avenue	0.31	0.00	0.05	(0.00)	0.05	0.00	0.36
Estate Regeneration: Small Sites	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Estate Regeneration	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Asset-Led Works	9.85	0.00	0.87	(0.31)	0.57	0.00	10.41
Demand-Led Works	2.35	0.00	0.09	(0.08)	0.01	0.00	2.36
Fire-Led Works	26.27	0.00	1.93	(1.25)	0.68	0.00	26.96
Stock-Condition-Led Works	16.10	0.00	1.24	(3.07)	(1.83)	0.00	14.28
Total HRA	**132.92**	**0.00**	**6.96**	**(5.88)**	**1.07**	**0.00**	**133.99**
Total Place inc. HRA	**351.20**	**9.42**	**23.79**	**(14.20)**	**9.59**	**(3.81)**	**366.40**
Total Capital Programme	**456.49**	**6.83**	**41.43**	**(14.79)**	**26.64**	**(3.81)**	**486.15**

London Borough of Enfield

Cabinet

6th July 2022

Subject:	**Revenue Outturn: General Fund and Dedicated Schools Grant 2021/22**
Cabinet Member:	**Cllr. Tim Leaver, Cabinet Member for Finance & Procurement**
Executive Director:	**Fay Hammond, Executive Director Resources**
Key Decision:	**5465**

Purpose of Report

1. The report explains how the Council's actual expenditure compares to the original budgeted position for 2021/22, this is called the "outturn". Financial resilience is a key priority for Enfield and this report 2021/22, the report demonstrates that, in the context of Covid-19 pandemic, the Council has maintained progress on the journey of establishing a robust and resilient financial position.

Executive Summary

2. The General Fund revenue outturn position was a £2.504m favourable variance. In addition, the £3m corporate contingency was not required nor was the planned £1.927m use of reserves. This has meant that £5.504m will be added to the Council's reserves and strengthen the Council's financial position going into 2022/23.

3. The Covid-19 impact is reported separately and totalled £42.356m and has been funded by Government grants. The impact of Covid-19 is anticipated to continue into 2022/23 and beyond. Therefore, the Covid-19 reserve has been strengthened by increasing the total to £15m to provide further resilience into 2023/24.

4. The key areas of pressure continue to be felt in the Council's demand driven services such as:

    i. Adult Social Care, specifically Older People and people with physical disabilities services,

    ii. Special Education Needs transport,

    iii. Homelessness services, specifically the provision of Temporary Accommodation.

5. The outturn reflects an improved position on that reported at the quarter 3 report with the key changes being due to reaching an agreement on the outstanding Section 117 debt with the NHS which has led to the release of a £0.5m provision back into the Adult Social Care budget and Children’s and Families, delays in recruitment, several successful applications for external grant funding, continuous revision of requirement for the support hours, and young people moving to their own accommodation or more cost-effective placements have all lead to positive movement in the outturn position.

6. Despite the favourable position there remain amber and red rated savings i.e. not achieved or fully achieved in 2021/22. Where these were identified in previous quarterly reports and no longer considered achievable they have been addressed in the Medium Financial Plan. Where there have been delays or work continues to achieve them, they will be monitored as part of the 2022/23 budget and reported in the quarterly reports.

7. Other than the Collection Fund reserve, the Council’s earmarked reserves have been strengthened.

8. The Dedicated Schools Grant outturn position is a £4.6m overspend. This will increase the accumulated deficit carried forward to £12.6m.

9. The main pressures are within the High Needs Block and relate to the development of additional in borough provision, an increase of the number of pupils with Education, Health and Care plans (EHCPs) in mainstream schools, the development of early intervention strategies and from September 2021, increased forecasts in out of borough placements.

10. The authority’s ongoing and increasing DSG deficit position is a general London and national issue resulting from additional demand for high needs provision which is increasing at a higher rate than the additional funding being provided by Government. The Department for Education are carrying out a review of SEND services and the outcomes have been delayed due to other pressures during the Covid-19 pandemic.

Proposals

11. Cabinet is recommended to;

12. Note for 2021/22 financial year the General Fund revenue outturn position of £2.504m underspend, and the Dedicated Schools Grant (DSG) revenue overspend of £4.570m.

13. Note the balanced position and reserves position as at outturn. The £3m contingency is no longer required to achieve the General Fund forecast outturn and the planned drawdown from reserves of £1.927m will no longer be required, and £5.504m will be added to the Council’s reserves.

14. Note the Covid-19 impact on the General Fund of £42.356m which is expected to be funded by Government grants.

15. Note the progress made on the journey to setting a robust and resilient budget.

16. Request Executive Directors continue to work with Cabinet Members to robustly manage the underlying budget position and implement savings, whilst managing, mitigating and minimising the Covid-19 financial impact.

17. It is recommended that Cabinet Members note the forecast level of reserves and implications for 2021/22 and challenging financial position over the life of the MTFP.

18. Note the emerging financial risks associated with the unprecedented inflationary pressures now facing all Councils for 2022/23.

Reason for Proposals

19. To ensure that members are aware of the forecast outturn position, including the level of reserves for the authority, including all major variances which are contributing to the outturn position and the mitigating actions being taken and proposed to manage the ongoing financial position.

Relevance to the Council's Corporate Plan

20. The General Fund and DSG Outturn Report sets out how the Council has best used its limited resources to deliver the Council's objectives in 2021/22. These objectives are:

    i. Good homes in well-connected neighbourhoods

    ii. Sustain strong and healthy communities

    iii. Build our local economy to create a thriving place

Background

21. On 2nd March 2021, the 2021/22 budget was set by Council. New savings of £7.7m and new income generation plans of £1.9m were agreed for 2021/22. Savings and income proposals agreed from previous years to be delivered in 2021/22 totalled £3.4m. As part of the aim to continue to place the budget in a more resilient position, in 2021/22 £29.4m of growth was included to reflect the demographic, inflationary, investment and capital financing needs.

22. 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 rate income, to a limited extent fees and charges and reserves. Note, that the agreed original budget includes a prudent planned £3m contingency that for unforeseen inflationary and demographic pressures. The financial position in considered quarterly at Cabinet and by the Finance and Scrutiny Panel.

23. For the last two years these reports have separately identified how Covid-19 has impacted on Council costs and reductions in income. During the year £42m of Covid-19 costs and lost fees and charges income were funded by one-off government grants.

24. This report is set out as follows:

    i. Overview of the general fund year end position

    ii. A review of the underlying budget pressures on the budget by Directorate (excluding the impact of Covid-19)

iii. A review of the Covid-19 budget pressures by Directorate
iv. Summary of the Collection Fund for Council Tax and Business rates
v. A review of savings and income delivered in 2021/22
vi. A summary of the Dedicated Schools Grant (DSG) financial position
vii. Statement of Reserves as at the end of the 2021/22 financial year
viii. Consideration of the medium term financial implications

Main Considerations for the Council

25. **General Fund Outturn**

26. The General Fund Outturn including the impact of Covid-19, Government support and the Council's response is a favourable variance of £2.504m, compared to the position reported in Quarter 3 of £0.129m (adverse). It should be noted, that as per Quarter 3 that this does not require the full use of the £3.0m corporate contingency to be achieved and therefore, the planned use of reserves of £1.927m to support the overall budget as set out in the Budget Report 2021/22 is no longer required and £5.504m can be added to the Council's reserves.

27. The key changes from Quarter 3 are due to reaching an agreement on the outstanding Section 117 debt with the NHS which has led to the release of a £0.5m provision back into the Adult Social Care budget and Children's and Families, delays in recruitment, several successful applications for external grant funding, continuous revision of requirement for the support hours, and young people moving to their own accommodation or more cost-effective placements have all lead to positive movement in the outturn position.

28. Executive Directors continue to work with Cabinet Members to robustly manage the underlying budget position and implement savings, whilst managing, mitigating and minimising the Covid-19 financial impact. The impact of Covid-19 on expenditure and loss of income is fully funded from Government grants in 2021/22 but these pressures are expected to continue into 2022/23 and will be addressed through the planned use of the Covid-19 reserve set aside from Council resources. This is set out in Appendix B; the report is set out as follows:

    i. Paragraphs 40 to 94 provide the underlying outturn position in the General Fund after £1.133m use of flexible capital are applied.

    ii. Paragraphs 95 to 123 provides an update on the Covid-19 financial impact of £42.356m on the General Fund. It should be noted that this figure is the gross expenditure regardless of funding received. This includes for example the NHS hospital discharge expenditure, Infection control grant, new grants allocated this year and balances carried forward from 2020/21. A further £1.1m of Covid-19 impact is highlighted in the HRA outturn and is also funded by the Government Grants.

29. The budget includes a contingency of £3.0m which was set to manage unforeseen circumstances, however given the latest forecast position this will not be fully required. The 2022/23 budget setting process reflects

many of the 2021/22 budget pressures identified. However, the approach of utilising Pressure Challenge Boards to review the most significant pressure areas identified in 2021/22 will continue in order to provide corporate challenge as well as generating additional options to mitigate future pressures.

30. Each of the departments has generated a list of the key variances which are contributing to the outturn figures and are not resulting from the pandemic. Cabinet Members and Executive Directors are expected to manage their budgets in year and contain any forecast adverse variance by implementing offsetting savings measures.

31. The Council continues to respond to the Covid-19 crisis ensuring that the community is supported as effectively as possible in very challenging circumstances. This continues to have a financial impact but as experienced in 2020/21 and reported in the outturn, the 2021/22 outturn impact of £42.356m will be funded by Government grants.

32. There are range of Government Grants and these are set out in full in Appendix B of the report. This is £10.5m general support grant which has supplemented the Council's response. At the same time the Government extended the support to help manage the loss of sales and fees and charges income for the first quarter of the year. Alongside these, the Government has made further specific ring-fenced funding available and these total £28.5m. This other funding includes the Contain Outbreak Management Fund, NHS discharge programme funding from the NHS, infection control, Local Support grant, Community Testing programme and Practical Support grant.

33. The £42.356m financial pressures the Council is facing as a result of the Covid-19 pandemic have been reported collectively and are not included in the department forecast positions. These pressures are covered in paragraphs 95 to 123 and detailed in Appendix G. It should be noted that these reflect gross expenditure incurred regardless of the funding source, e.g. the cost of hospital discharge is reimbursed by the NHS and both the expenditure and income are now reported gross.

34. The risk remains that the Covid-19 pressures persist beyond 2021/22 and continue into 2022/23 and indeed beyond. These are all under continuous review and initially £6.3m has been built in to the Medium Term Plan initially as a one off but potentially as ongoing cost to be funded by a specific £10m Covid-19 reserve set up at the end of 2020/21. However, give the continued pressures and longer term view, a further £5m has been added to the reserve at outturn and these will be reviewed and update provided in the quarter 1 Revenue monitoring report.

35. Whilst there is a cumulative 2021/22 Collection Fund deficit of £17.9m, the majority of this is funded by NNDR relief grant (£12.4m) and Taxation Income Guarantee grant (£1.8m), both held in reserve for this purpose (and both a result of statutory amendments to Collection Fund following Covid-19). The remaining £3.8m will be funded via the Collection Fund Equalisation Reserve.

36. The Dedicated Schools Grant has an outturn deficit position £4.570m which is lower than the £5.223m projected at Q3. With the £8.048m deficit brought forward from 2020/21, the cumulative forecast deficit at year end is

£12.618m and will be the first call on the 2022/23 grant allocation and therefore reduce the funding available for next year's allocation.

37. The report provides an update on the 2021/22 outturn position for the level of reserves.

38. The Council remains in a financially challenging position for 2022/23. Due to the work ensuring financial resilience and sustainability the underlying budget is in more robust and risk reserves have increased. However, there is continuing significant risk and uncertainty due to the legacy impact of the Covid-19 pandemic and the more recent unprecedented inflationary economic context. The Covid-19 financial implications are under continuous review and £6.3m has needed to be built into the Medium Term Plan initially as a one off but potentially as ongoing cost. However, in addition to the ongoing impact of the pandemic, new challenges have emerged since the quarter 3 report, namely the cost of living crisis and the rapidly increasing inflation that the economy is experiencing. These will bear further pressure on the Council's finance. The quarter 1 revenue forecast is expected to reflect these pressures and the Medium Term Financial Plan will also need to be updated to reflect the impact in 2023/24 and beyond.

39. This report also provides information on the main budget variances and their causes that are affecting the Council across all departments that are not as a result of Covid-19 and these are covered in paragraphs 31 to 92. Although a full budget monitor is carried out each month, variations in this report are limited to variances of at least £50,000 whether adverse or favourable, to provide a greater strategic focus. This report sets out the overall General Fund Revenue and the Dedicated Schools Grant (DSG) forecast outturn for 2021/22, with details of variations provided in Appendices C to F (General Fund) and Appendix K (DSG). The variances detailed in each department are those which the Council would be experiencing without the pandemic, any variances resulting from Covid-19 are detailed in Appendix G. The report also provides a monitor of reserves and balances, which are set out in detail in Appendix L. Use of capital receipts to fund transformation expenditure is summarised in Appendix H.

40. The year end budget position is set out in Table 1 below. It provides a comparison between the latest budget and the actual position. This is the total forecast position for the Council, including the effects of Covid-19. Table 2 sets out the Covid-19 associated pressures the Council is experiencing by department.

41. **Table 1: General Fund Departmental Outturn Variances 2021/22**

Department	Net Budget	Total Net Outturn Variance (exc. Covid-19 impact)	Flexible use of Capital Receipts	Covid-19 Total Impact (see Table 2)	Total Net Variance incl. Covid-19	Covid-19 Funding / Collection Fund	Net Variance excl. Covid-19
Chief Exec	9.895	(0.079)	(0.061)	1.025	0.885	(1.025)	(0.140)
Adult Social Care and Public Health	79.062	1.038	0.000	10.815	11.853	(10.815)	1.038
Children & Families	44.469	(0.956)	(0.189)	3.691	2.546	(3.691)	(1.145)
Education	4.775	(0.293)	(0.057)	0.360	0.010	(0.360)	(0.350)
Place	32.413	(2.405)	0.000	16.969	14.564	(16.969)	(2.405)
Resources	31.770	1.815	(0.826)	9.420	10.409	(9.420)	0.989
Service Net Costs	**202.384**	**(0.880)**	**(1.133)**	**42.280**	**40.267**	**(42.280)**	**(2.013)**
Corporate Expenses	40.926	(1.194)	0.000	0.076	(1.118)	(0.076)	(1.194)
Minimum Revenue Provision	16.488	0.703	0.000	0.000	0.703	0.000	0.703
Bad Debt Provisions	0.791	0.000	0.000	0.000	0.000	0.000	0.000
Net Expenditure	**260.589**	**(1.371)**	**(1.133)**	**42.356**	**39.852**	**(42.356)**	**(2.504)**
Expenditure financed by:							
Business Rates	(94.241)	0.000	0.000	0.000	0.000	0.000	0.000
Council Tax	(133.108)	0.000	0.000	0.000	0.000	0.000	0.000
Other non-ring-fenced Government Grants	(31.125)	0.000	0.000	0.000	0.000	0.000	0.000
Reserves	(5.115)	0.000	0.000	0.000	0.000	0.000	0.000
General Fund Corporate Financing	**(3.000)**	**(1.371)**	**(1.133)**	**42.356**	**39.852**	**(42.356)**	**(2.504)**
Contingency	3.000	(3.000)	0.000	0.000	(3.000)	0.000	(3.000)
Risk Reserve	0.000	4.889	0.000	0.000	4.889	0.000	5.504

Fin[1]al Outturn Position	**0.000**	**0.518**	**(1.133)**	**42.356**	**41.741**	**(42.356)**	**0.000**

[1] Numbers shown in brackets in Tables 1 and 2 ( ) are income or favourable variances.

Table 2: Summary of Covid-19 Impact by Department Outturn 2021/22

Department	Net Budget	Covid-19 Additional Expenditure £m	Covid-19 Loss of Income £m	Covid-19 Impact on Savings Programme £m	Covid-19 Total Impact £m
Chief Exec	9.895	1.025	0.000	0.000	1.025
Adult Social Care and Public Health	79.062	10.815	0.00	0.00	10.815
Children & Families	44.469	3.691	0.000	0.000	3.691
Education	4.775	0.360	0.000	0.000	0.360
Place	32.413	9.747	4.219	3.003	16.969
Resources	31.770	8.542	0.878	0.000	9.420
Service Net Costs	**202.384**	**34.180**	**5.097**	**3.003**	**42.280**
Corporate Expenses	57.414	0.076	0.000	0.000	0.076
Minimum Revenue Provision	40.926	0.000	0.000	0.000	0.000
Bad Debt Provisions	16.488	0.000	0.000	0.000	0.000
Contingency	0.791	0.000	0.000	0.000	0.000
Net Expenditure	**263.589**	**34.256**	**5.097**	**3.003**	**42.356**
Expenditure financed by:					0.000
Business Rates	(94.241)	0.000	0.000	0.000	0.000
Council Tax	(133.108)	0.000	0.000	0.000	0.000
Other non-ring-fenced Government Grants	(31.125)	0.000	0.000		0.000
Reserves	(5.115)	0.000	0.000	0.000	0.000
General Fund Corporate Financing	**0.000**	**34.256**	**5.097**	**3.003**	**42.356**

Budgets shown in Tables 1 and 2 are controllable departmental budgets excluding capital and asset impairment charges, which are not directly controlled by departments.

42. Management actions are ongoing to continue to address all budget pressures, including those related to Covid-19. Management action taken to reduce costs includes reconvening the Pressures Challenge Board to review the most significant pressures being reported with the first two sessions beginning focused on Homelessness and SEN Transport. The purpose of the sessions is to identify any further solutions to reduce the overspend in 2021/22 but also to identify whether there will be an ongoing pressure that will need to be considered in the 2022/23 budget setting process.

43. This report provides further information on the budget position as follows:

- Summary narrative for each service area and supported by Appendices C to F providing additional data and analysis
- Monitoring information on the progress towards meeting agreed savings and income generation
- Update on the Dedicated Schools Grant (ring-fenced grant to support schools and education related spend)
- The financial management key performance indicators set out in Appendix A.

44. **Departmental Monitoring Information – Budget Pressures and Mitigating Actions (net variance, excluding Covid-19)**

45. **Chief Executive's (**Appendix C)

46. The Chief Executive's department is reporting a favourable of variance of £0.140m compared to the overspend of £0.093m as at quarter 3, against a budget of £9.895m.

47. **Use of Capital Receipts:**

48. The flexible use of capital receipts forecast has been applied to the Communications role as detailed in the 2021/22 Budget Report and Invest to Save items, put forward as part of the Medium Term Financial Strategy to achieve future savings as detailed in Appendix H.

49. Further details of the Chief Executive department's outturn variations are provided in Appendix C.

50. **People** (Appendix D)

51. The department's forecast outturn is a £0.5m favourable variance against the budget of £128.3m. This is a £1.7m improvement on the quarter 3 forecasts. The main variations are as follows:

52. **Adult Social Care (ASC)**

53. The Adult Social Care service outturn is an adverse variance of £1.038m, a reduction of £0.6m from Q3 forecasts.

54. This variation reflects the increase in demand in community based and Residential services for Older People, offset by an underspend against in-house Learning Disability Services as a result of delays in recruitment and service users returning to day services following the covid pandemic and a reduction in Mental Health placement costs.

55. In addition, agreement has been reached with the NHS over outstanding debt of Section 117 income which has allowed the release of a £0.5m provision held in the accounts back to revenue.

56. **Public Health**

57. The Public Health grant in 2021/22 is £17.53m, this reflects an increase in the grant of grant of 1.4%, however, 0.7% of this is for PrEP (pre-exposure prophylaxis) a medicine people to prevent getting HIV. The inflation increase is therefore 0.7%. Over 85% of spend in Public Health is for services contracted to the NHS.

58. The outturn position for Public Health is an underspend against in-year budget of £1.102m due to reductions in spend against demand led services and application of Covid grant funding for infection control and pandemic data analytics due to Covid. The Public Health Reserve Balance at 31st March 2022 is £2.047m which will now be required to mitigate pressures facing the service in future years, particularly the impact of increases in demand led sexual health services post pandemic.

Education, Children and Families Services

59. There are only a limited number of services in Education which are funded from the Council's General Fund which has a net budget of £4.775m.

60. The cost of former employees on enhanced pension has a £0.251m favourable outturn variance and supports its inclusion as a saving for the 2022/23 MTFP. In year exit costs resulting from restructures have been fully funded by reserves so the pressure forecast at Q3 has now been ameliorated and school improvement services have now achieved a small surplus of £0.003m. The Education Psychology Service has achieved a £0.079m underspend which has resulted from removal of DSG recharges, vacancies due to recruitment issues and general minor underspends across the service. Other minor variances across the service total an underspend of £0.017m which contributes to the overall underspend for Education £0.350m.

61. Children and Families outturn position is a £1.145m underspend, with a significant favourable movement of £0.836m from Quarter 3. In addition, there was a Covid-19 cost pressure of £3.691m across the services, mainly within Children in Need and Looked After Children budgets, which was fully balanced with the application of the Covid-19 government grant.

62. The variance to Quarter 3 is due to delays in recruitment creating underspend, several successful applications for external grant funding, continuous revision of requirement for the support hours, and young people moving to their own accommodation or more cost-effective placements.

63. The Children in Need services outturn position is a £0.446m favourable variance. This is predominantly due to underspend of £0.194m in Prevention of Care Section 17 budget due to a reduced level of demand. The Child Protection and Assessment teams have unprecedented level of vacancies and staff turnover due to Covid-19 pressures. This resulted in an underspend of £0.203m. The service is taking steps to improve recruitment and retention of directly employed staff by matching incentives offered by

other local boroughs and increasing the number social work apprenticeships.

64. The Looked After Children service is £0.912m underspent. The largest favourable variance is a £0.496m underspend in Former Unaccompanied Asylum-seeking Children due to maximising benefits for care leavers and young people moving to their own accommodation. The impact of Court delays in granting Special Guardianship Orders created a favourable movement of £0.200m. Adoption has a favourable variance of £0.126m due to an underspend in allowances, external childcare placements budget is underspent by £0.242m due to Covid-19 pressures being funded by the government grant. Leaving Care is £0.153m underspent due to young people moving to their own housing and fully utilising the emergency support fund. In-house Fostering outturn position is £0.102m under the budget due to underspend in allowances. However, a cost of three complex care packages created a £0.512m pressure on the support cost budget.

65. The £0.393m overspend in the Joint Service for Disabled Children is predominantly due to an increased demand in overnight breaks to avoid family breakdowns. Some children and young people with complex needs require intensive support, such as 24/7 care at home.

66. The favourable variance of £0.186m in Young People & Community Safety is due to an underspend of £0.131m in Community Safety, resulting from vacancies and a successful external funding application that reduced spend on projects from general fund.

67. The edge of care service has been very successful in working with young people who are facing family breakdowns by preventing young people referred to the service from coming into care. The social work domestic abuse team provides wrap-around services to families and is successfully supporting parents to recognise, respond, and reduce risks and keeping children safely at home with their families.

68. **Use of Capital Receipts:**

69. The planned use of capital receipts included £0.133m of funding for the Nexus project, along with other initiatives, such as ‘Break the Cycle’ invest to save scheme to achieve savings in future years, and Early Help interventions.

70. **Place** (Appendix E)

71. The Place department is reporting a forecasted favourable variance of £2.405m against a net budget of £32.412m. However, the notable pressures that were reported in the quarterly updates notably in Homelessness (£1.3m) and Passenger Transport (£0.628m) remain areas of risk. The Homelessness and Passenger Transport variances were the focus of the two Pressure Challenge Boards that were held to review the current actions plans and explore further options to reduce or mitigate these pressures. The outcomes of which are continuing to improve the previously reported pressures and both areas have seen 2022/23 requirements reflected in the MTFP.

72. The pressure in Culture service was partly addressed through the MTFP for 2021/22 and the service has continued to seek options for savings and ways to mitigate the pressure. The pressure has further reduced as at

outturn and is now £0.155m favourable, compared to the £0.100m adverse variance in quarter 3. This has been achieved through underspends in the Dugdale budget and Forty Hall income.

73. The Homelessness Service continues to manage challenging demand pressures and the underlying outturn variation to budget is £1.281m adverse. This is due to the number of tenants in Emergency Accommodation (EA) throughout the year being far higher than anticipated when the budgets were produced, the expectation was that there should be circa 2,750 tenants at the beginning of April 2021 however there were actually 3,442 and by the end of March 2022 there were 3,144 tenants (244 more than planned). Though it should be noted that this is now less than there was pre-pandemic.

74. The variance in Parking Enforcement is forecast to be £2.764m, as a result of putting in place traffic enforcement and parking control measures. The parking account is a ring-fenced account which is governed by Section 55 of the Road Traffic Regulations Act which specifies the use of any income in excess of the parking operational costs; this will be utilised to contribute towards the £10.250m of concessionary travel costs incurred.

75. Meanwhile use income from Meridian Water was a £1.154m favourable variance. Additional meanwhile use income. The underlying variance is £1.154m, however of this £0.483m has been transferred to reserves to address a one off pressure in 2022/23, leaving a net favourable variance of £0.671m.

76. Development managements outturn was a £0.535m adverse variance which was predominantly because of a shortfall in the Pre-Planning Applications (PPA) and other services income.

77. There are a number of other minor variances across the department that are all helping to mitigate the pressures, which are noted in Appendix E.

78. **Use of Capital Receipts:**

79. The planned use of capital receipts included £0.180m to establish Millfield House and theatre as an independent cultural venue which did not proceed in 2021/22. Two invest to save initiatives were included, with a new Commercial manager being created in Planning but now starting in 2022/23 and a scheme to improve the recycling rates from flats. The later project has required additional preparation and consultation which has mean it will now be implemented in 2022/23.

80. Further details are provided in Appendix E.

81. **Resources (Appendix F)**

82. The Resources Department is reporting a net variance of £0.989m after the application of capital receipts against a net budget of £31.770m. This represents a slightly improved position on the £0.927m forecast at quarter 3.

83. Digital services have experienced challenges in recruitment which has meant a greater reliance on temporary staff which cost more than if the service could permanently recruit. Additional resources have also been required in the security service which reflects the increase risk of cyber threats.

84. An overspend of £1.3m is reported which is predominantly due to the need for additional security related expenditure on applications, compliancy and testing and dual running costs of the CRM/CMS system until the existing system is decommissioned at the end of the financial year.

85. Exchequer Services are reporting a favourable variance of £0.4m having achieved savings in staffing, operational costs, recharges to the pension fund and a review of historic transactions resulting in the recovery of some overpayments creating a one off benefit for 2021/22.

86. The Financial Assessment service which was previously reporting a net nil variance in quarter 3 has achieved a saving of £0.1m having identified additional grant income attributable to the service.

87. The Customer Operations team have delivered a positive £0.2m variance as a result of vacancies in the Customer Service team.

88. The Income Collection team are experiencing increased customer demand requiring additional resources to manage the workload, as well as additional resource put into support Housing Benefit sign up to assist in increasing emergency accommodation client income, alongside savings associated with the payment programme that are unlikely to be delivered this year are all contributing to a £0.2m adverse variance.

89. **Use of Capital Receipts:**

90. The forecast net cost of the Transformation Team is by its nature transformation project costs and are planned as described in the Budget Report 2021/22 to be funded by the flexible use of capital receipts.

91. Further details of Resources outturn variations are provided in Appendix F.

92. **Corporate (to be finalised)**

93. As reported in previous quarterly reports the £3m corporate contingency is not required to balance any service adverse variances.

94. The Concessionary fares expenditure was £9.375m, based on London Councils revised settlement agreement which is a reduction of £0.335m from their original projection. Following a remodelling exercise of expected travel usage and journey lengths and completing negotiations with the transport operators, London Councils have revised the settlement agreement resulting in an in-year improved position.

95. The Minimum Revenue Provision is £0.7m more than budgeted for, reflecting the increased provision to repay debt incurred in respect of capital expenditure financed by borrowing or other long term credit arrangements.

Covid-19 Impact (Appendix G)

96. **Chief Executive's: net budget is £9.9m; the total additional costs of £1.0m (10%)**

97. The focus of Covid-19 impact has shifted in the Chief Executive's department from loss of income to expenditure in 2021/22. The more notable areas are additional legal cover required to deal with the increase in Children's social care cases and the additional cost incurred related to

the by elections held in 2021/22. Though it should be noted that this was covered by the Local Elections grant.

98. **People: Adult Social Care (ASC) and Public Health – net budget is £79.1m; the total additional costs of £10.8m (Gross i.e. includes NHS Hospital discharge costs), £9.0m (Net) 11%**

99. The impact on Adult Social Care (ASC) continues to be additional cost. The current forecasted impact directly in the department is £1.524m. With an increased pressure in Community Based and Residential services and significant cost pressures are judged to be additional staffing costs of £0.2m for additional staffing across ASC services.

100. Additional costs of £0.4m are resulted from the cancelation of routine operations e.g., hips, knees and the long term impact this may have a care cost. Placement breakdowns in Learning Disability services are also forecast to cost an additional £0.4m.

101. Outside safe areas in care facilities were created at a cost of £0.2m, funded from the Contain Outbreak Management Fund grant.

102. The NHS Hospital discharge programme has been extended and cost a further £1.8m though this is recovered from the additional Government funding that has been allocated to the NHS.

103. There have been further tranches of the Infection Control grant, the Rapid testing grant and a Work-Force Recruitment and Retention grant plus additional support to deal with the impact of Omicron. The total grants allocated are now £9.041m which have been passported on to care providers in line with the grant conditions.

104. **People: Education – net budget is £4.8m; the total additional costs are £0.360m (7.8%)**

105. These costs include additional support staff resources required in the SEND team to manage and deal with the backlog of cases resulting from the pandemic. In order to support Covid-19 recovery in the boroughs Schools; a pilot of after school provision for supervised independent study has taken place in four of the borough's secondary schools, costing circa £48k and additional teaching assistants in primary schools have been employed at a cost of £0.300m.

106. **People: Children & Families – net budget is £44.5m; the total additional costs of £3.691 (8.3%)**

107. The most significant cost relates to £2.354m pressure in care placements, due to increase in number of court proceedings, block booking of care and the need for support packages into homes to safeguard particularly but not exclusively children with SEND and/or severe emotional and mental health. The need for additional staffing resources continues, with £0.945m for addition staff predominantly source via agencies, a further £0.115m required to recruit and retain social workers and £0.02m required to provide additional short-term capacity to support safeguarding and quality assurance. Various items are funded from the Contain Outbreak Management Fund and included increase in short breaks, outside safe areas to increase contact facilities, and PPE.

108. **Place – net budget is £32.4m; the total additional costs of £16.970m gross (52%) – includes income losses due to Covid-19**

109. Strategic Property Services costs include a £0.176m loss of income due to Covid-19 from areas such staff car parking fees and filming income.

110. £1.053m of expenditure will funded by the Welcome Back Grant/Reopening the High Street Safely grant and the Additional Restrictions Grant.

111. Temporary additional resources of £0.093m have been required in the Planning service to implement workload recovery and backlog management plan in response to the pandemic.

112. Loss of income of £3.634m in the Environment & Operational Services directorate (i.e., Parking, Highways, Traffic and Transport, Commercial waste, Passenger Transport, Regulatory Services, waste services, leisure services and parks activities and engagement).

113. The most substantial loss of income continues to be experienced in Parking income, the restrictions and National Lockdowns has meant less travel undertaken and less use of car parks, resulting in a loss of £2.496m.

114. Operational services such as Fleet, Waste Operations, Street Scene, Parks Operations, have all incurred additional expenditure during the pandemic at a cost of £2.266m.

115. The SEN Transport service incurred additional cost in adjusting routes and passenger usage to enable social distancing and prevent the spread of Covid-19 to vulnerable people.

116. The total cost for Community Mass Testing Programme & Mobile Testing Units, Covid Marshals and Locally Supported contact tracing and Mortuary is circa £3.008m.

117. The Covid-19 related cost in the Housing is £3m, as the service continues the housing and support to protect rough sleepers and impacting on the services ability to deliver the savings programme.

118. **Resources: net budget is £31.8m; the total estimated additional costs of £9.517m (29%)**

119. The most significant impact identified in Resources services relate to additional IT requirements of £0.324m, £0.547m additional demand in the Financial Assessments Team and £0.672m in Income Collection. Additional expenditure was incurred to meet the demand in Customer operations which is being funded from the Contain Outbreak Management Fund/Clinically extremely vulnerable.

120. The increase in the number of discretionary housing payments resulting from Covid-19 was £0.414m.

121. There is a loss of income across services in the department of £0.878m with the most significant being in school catering which continues from last year though not at the same extent.

122. The outturn also includes expenditure of £4.432m funded via the Winter Grant/Local Support/ Household Support scheme, self-isolation payments of £0.962m which are also funded from a specific government grant and £0.998m for the Practical Support for those self-isolating.

123. **Corporate**

124. In 2020/21 a contribution to the London provision of coroners and mortuary services cost an additional £1.4m. There has not been a further call in 2021/22 and the provision has been removed to reflect this and unspent funds from 2020/21 have been returned which will support the Council Covid-19 resources for 2021/22, it is proposed that this is earmarked for future Covid-19 pressures and transferred to the Covid-19 reserve.

125. **Collection Fund**

126. The Collection Fund deficit, which has been driven by Covid-19 is forecast to be offset by the use of the Collection Fund Equalisation Reserve, as the ongoing pressure is spread over 3 years (in line with statutory requirements). The majority of the impact will be funded by the Taxation Income Guarantee and the COVID Relief Grants provided by Central Government, as outlined in paragraph 35.

127. Further details of Covid-19 variances are provided in Appendix G.

128. **Flexible Use of Capital Receipts (Appendix H)**

129. With effect from 2016/17 the Government provided a general capitalisation directive to all councils, giving them the option to utilise capital receipts for revenue purposes. These receipts can be used 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 or demand for services in future years for any of the public sector delivery partners. The Government has continued to extend this flexibility and provide specific guidance covering purpose and transparency in the use of this.

130. The Council is mindful of over reliance on, and the sustainability of, this one-off funding. In the medium to long term, alternative funding will need to be identified to fund any further projects, as capital receipts may not be available. As set out in earmarked reserves below, it should be noted that the “Invest to Save” transformation reserve remains for future projects.

131. The impact of using capital receipts to fund revenue transformation projects is that these receipts are not available to fund the council’s capital programme and, therefore, increase the council’s borrowing requirements.

132. The Budget Report 2021/22 set out the plan for use of capital receipts this financial year. However, since the Budget report several new Invest to Save schemes have been approved and reflected in this report. The total forecasted call on capital receipts as at outturn is £1.133m as described in Appendix H.

133. **Achievement of Savings (Appendix I and Appendix J)**

134. 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

135. The savings include those that are new for 2021/22 plus the full year effect of previous decisions.

136. Of the £13m departmental savings, £7.9m was fully delivered at this stage.

137. However, £2.3m and £2.7m are amber or red risk status. These risk ratings are reflected in the forecast outturns for each department and predominantly relate to pressures and delays caused by the pandemic. The actions taken to address the amber and red risk savings are set out below:

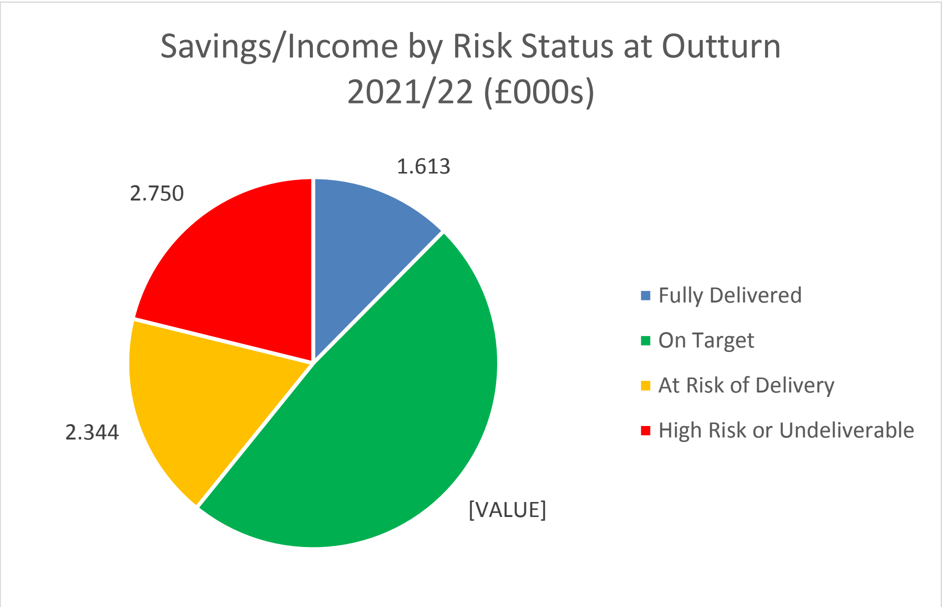
    i. Those identified at the time of the Budget Report 2022/23 and where agreed they are no longer achievable have been addressed through the MTFP e.g. Temporary accommodation.

    ii. Some have been partly achieved and then addressed through the MTFP e.g. Economic Development

    iii. Where there have been delays the savings will delivered in 2022/23 e.g. Highways services.

    iv. Those remaining will continue to be regularly reviewed and reported through the quarterly revenue reports.

138. Chart 2: Savings/Income Risk Status 2021/22



139. Further details for each department are summarised in the charts and tables in Appendix I and Appendix J.

140. **Dedicated Schools Grant (DSG) (Appendix K)**

141. For 2021/22 Enfield received a final, gross Dedicated Schools Grant allocation of £370.882m (as at March 2022) and the funding is allocated across four blocks; £283.399m for the Schools Block, £2.537m for the Central Schools Services Block, £24,483m for the Early Years Block and £60.463m for the High Needs Block.

142. In 2020/21 there was a bought forward DSG deficit of £4.482m but due to ongoing High Needs pressures there was a net in year overspend of £3.567m resulting in a cumulative outturn deficit of £8.048m which was bought forward to 2021/22.

143. There continues to be cost pressures in supporting and providing suitable placements for SEN pupils but wherever possible pupils are now placed in borough. There is a SEN expansion programme in place which continues to increase in borough provision through expansion of current provision and the development of additional units and satellite provisions. Over time this will enable more pupils to be placed in borough and reduce the number of pupils placed out of borough in costly independent provision.

144. At outturn, there is an in year overspend of £4.570m which is lower than the £5.223m projected at Q3. The cumulative deficit is £12.618m. The main pressures are within the High Needs Block and relate to the development of additional in borough provision, an increase of the number of pupils with Education, Health and Care plans (EHCPs) in mainstream schools, the development of early intervention strategies and from September 2021, increased forecasts in out of borough placements.

145. The authority's ongoing and increasing DSG deficit position is a general London and national issue resulting from additional demand for high needs provision which is increasing at a higher rate than the additional funding being provided by Government. The Department for Education are carrying out a review of SEND services and the outcomes have been delayed due to other pressures during the Covid-19 pandemic.

146. **Earmarked Reserves (Appendix L) - section to be updated**

147. The table below summarises the changes between the balances reported in the outturn report and what is the provisional final outturn, as well as providing the outturn position for 2021/22:

	2020/21 Outturn Balance £m	**2021/22 Outturn Balance £m**
Risk Reserve	(21.006)	(22.106)
Covid-19 Risk Reserve 2021/22	(10.000)	(15.000)
Balance Sheet Management	(3.040)	(3.040)
Collection Fund Equalisation Reserve	(24.396)	(20.596)
Housing Benefit Smoothing Reserve	(9.566)	(4.480)
Adult Social Care Smoothing Reserve	(3.697)	(3.687)
NLWA Reserve	(1.349)	(0.628)
MTFP Smoothing Reserves	**(52.481)**	**(47.441)**
Capital Financing	(23.428)	(23.428)
Service Specific	(11.161)	(15.108)
Property	(2.101)	(1.372)
Grants & Other Contributions	(15.242)	(12.662)

Sub-total GF Usable Reserves	**(125.419)**	**(122.117)**
Insurance	(7.022)	(7.022)
General Fund Balance	(13.950)	(13.950)
GF Earmarked Reserves	**(146.390)**	**(143.088)**
HRA Earmarked Reserves	(25.311)	(8.878)
Schools	0.242	0.387
Total Reserves & Balances	**(171.281)**	**(151.579)**

148. It is important to recognise that the reserves overall are limited, especially against a backdrop of challenging savings targets, the ongoing impact of the pandemic and new inflationary pressures emerging in the last few months. The importance of maintaining a tight control on spend, delivering on existing savings plans and recovering lost income positions due to Covid-19 cannot be understated.

149. The Risk reserve had significantly reduced over the past few years but the final outturn has meant that the Council has been able to further strengthen the risk reserve at the end of 2021/22. The balance is to be £22.1m at year end, reflecting that the favourable outturn and no longer needing to draw down on reserves to balance the budget. The risk reserve will include the inflationary risks that cannot be contained in 2022/23.

150. Given the ongoing financial uncertainty created by the pandemic a specific Covid-19 reserve was created and whilst this has not been required in 2021/22 it is anticipated that balance will be required in 2022/23 and beyond. The budget report for 2022/23 set out circa £7m that will be required in 2022/23, therefore it is considered prudent to further bolster the reserve to provide resilience for 2023/24 and beyond by increasing the reserve to £15m.

151. The General Fund Balances remain at £13.950m (on a net budget of £263m, i.e., 5.3%; and borrowing of £1,028.8m). 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. The appropriate level of General Fund balances will need to be reviewed over the course of 2022/23 considering the new inflationary risks and uncertainty brought about by Covid-19.

152. The £47m Smoothing Reserves relate to Council Tax (£133m) /Business Rates (£94m), Housing Benefits (£260m claim per year), Adult Social Care and the North London Waste Authority levy and provide resilience in the budget to manage annual fluctuations.

153. The £23.4m of Capital and Minimum Revenue Provision reserves are committed for the next five years to smooth any increased budget requirement.

154. **Medium Term Financial Impact**

155. The Council remains in a financially challenged position. There is ongoing significant risk and uncertainty due to the legacy impact of the Covid-19 pandemic, unprecedented new inflationary pressures, cost of living crisis and demographic pressures exceeding government grant levels. These

are set out in more detail below and will need to be considered as part of the medium term financial plan in the Autumn.

- The ongoing anticipated impact of Covid-19 on Council Tax and Business Rate debt;
- The unknown impact of Covid-19 on Adult Social Care costs, in particular, delayed operations and long Covid-19 and undetermined suppressed need such as mental health.
- One of the most significant areas of risk is the ongoing impact on Emergency Accommodation costs arising from the economic impact of Covid-19 and suppressed need.
- The risk of increasing number of children in need as families bear the sustained economic impact of Covid-19 and increased need for respite packages for families with children with disabilities.
- Despite seeing an improving position in some service, uncertainty remains on the ongoing impact of Covid-19 and cost of living on Council fees and charges income.
- Changes in working patterns and lifestyle impacting on car park income, waste services.

156. These anticipated Covid-19 financial pressures are likely to impact over the medium term, however, there is no precedent to base the forecast impact and therefore, the picture remains uncertain. In addition, the ongoing uncertainty over the medium-term funding of local government and no government funding for the legacy costs and lost income arising due to Covid-19 exacerbates this position. In this context, the action taken in 2020/21 and 2021/22 resulting strengthened reserves will ensure Enfield is better placed to face these challenges.

157. New financial challenges will face the Council in 2022/23 such as the cost of living crisis and the rapidly increasing inflationary pressures. These will impact of the Council’s contract costs and services are already experiencing increase in costs of fuel and energy prices. Should the agreed pay award exceed 2%, this will result in additional ongoing cost pressure. The current estimates indicate that these cost pressures will exceed the £3m contingency held in the budget for unforeseen inflationary and demographic pressures and that additional in year action will be required to address this.

158. Full details of the of the 2022/23 budget and MTFP 2022/23 to 20265/27 can be found in the Budget Report 2022/23 and Medium-Term Financial Plan 2022/23 to 2026/27 report (KD5352) which went to Cabinet on the 24th February 2022.

159. **Safeguarding Implications**

160. There are no specific safeguarding implications arising out of these recommendations, other than to note the financial impact of safeguarding children and adults in the borough.

161. **Public Health Implications**

162. The Council moved swiftly to safeguard the health of its residents and staff during a period of threat unprecedented in living memory. As previously

reported the financial implications of this have been harsh and have reached into every department in the Council. As the council is fundamental to the health of Enfield residents it needs to achieve financial balance.

163. This report notes the work that the Council is and has already undertaken and therefore in and of itself does not have public health implications. However, both the Office for Budget Responsibility (OBR) and the Institute for Financial Services (IFS) have both reported on the negative health effects of the 2008 financial crisis. In order to mitigate the effects of this current crisis the council will need to attain financial balance, consider what the 'new normal' might be and how this might be achieved whilst optimising resident's health.

164. **Equalities Impact of the Proposal**

165. The Council is committed to Fairness for All to apply throughout all work and decisions made. The Council serves the whole borough fairly, tackling inequality through the provision of excellent services for all, targeted to meet the needs of each area. The Council will listen to and understand the needs of all its communities.

166. Financial reporting and planning are important in ensuring resources are used to deliver equitable services to all members of the community.

167. **Environmental and Climate Change Considerations**

168. None in the context of this report.

169. **Risks that may arise if the proposed decision and related work is not taken**

170. None in the context of this report.

171. **Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks**

172. The budget risks identified in 2021/22 will continue to be monitored through 2022/23 through Pressure Challenge Boards. Detailed revenue monitoring reports will be provided regularly to Cabinet. Departments will take action to minimise budget pressures and align departmental spend to budgets.

173. **Financial Implications**

174. Financial implications are implicit in the body of the report.

Legal Implications

175. 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.

176. **Workforce Implications**

177. None in the context of this report.

178. **Property Implications**

179. None in the context of this report.

180. **Other Implications**

181. None in the context of this report.

182. **Options Considered**

183. Not relevant in the context of this report.

184. **Conclusions**

185. Despite the year end positive financial position at the end of 2021/22, the Council has not lost sight of the fact that it continues to face its most significant financial challenges. The work undertaken in previous years to create a robust and sustainable budget has placed the Council in a stronger position to meet this challenge.

186. The Covid-19 impact continues to be monitored and in 2021/22 Government funding was sufficient to meet the Covid-19 impact. These are all under continuous review and £6.3m has needed to be built into the Medium Term Plan initially as a one off but potentially as ongoing cost.

187. In addition to the continuing challenge of the pandemic, new challenges have emerged since the quarter 3 report, namely the cost of living crisis with increasing inflationary pressures impacting our residents and the services the Council provides. Though contained in 2021/22 because the impact was only seen towards the end of the year, the increasing pressure anticipated in 2022/23 is significant and will increase the pressure already felt on the Council tight resources.

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Appendices

Appendix A: Financial Resilience Key Performance Indicators

Appendix B: Forecasted Financial Position as at Quarter 1

Appendix C: Chief Executive's Variances

Appendix D: People Variances

Appendix E: Place Variances

Appendix F: Resources Variances

Appendix G: Covid-19 Variances

Appendix H: Flexible Use of Capital Receipts

Appendix I: Achievement of Savings

Appendix J: Savings & Income Monitor

Appendix K: Designated Schools' Grant Variances

Appendix L: Reserves and Balances

Appendix M: Contain Outbreak Management Fund

Background Papers

The following documents have been relied on in the preparation of this report:

- Revenue Outturn 2020/21 – KD5325
- Initial Assessment Report of the Financial Impact of Covid-19
- 2021/22 Budget & Medium-Term Financial Plan 2021-22 to 2025-26 - KD5213
- Medium Term Financial Plan 2022/23 to 2026/27 and Early Savings Proposals (KD5337)
- Revenue Monitoring 2021/22: Quarter 1 (June 2021) – KD5334
- Revenue Monitoring 2021/22: Quarter 2 (September 2021) – KD5338
- Revenue Monitoring 2021/22: Quarter 3 (December 2021) – KD5351

Appendix A

Financial Resilience Key Performance Indicators

A summary overview of financial performance is outlined below in Table 4. This dashboard summary captures the key messages across the Council's main financial areas:

1. Income and expenditure;
2. Balance sheet (liquidity, debtor/creditor management, investments and use of balances); and
3. Cash flow forecasting and management.

Table 3: Summary performance overview

Financial Indicator	Status	Key Highlights
Income & Expenditure Position – General Fund year end forecast variances	✔	The outturn is a £2.504m favourable variance before the utilisation of the £3m contingency.
Progress to Achieving Savings MTFP (current year)	⚠	Savings monitoring has identified a total of £2.750m considered a high risk rated/ undeliverable and a further £2.344m that are at risk of delivery. These are reflected in the reported outturn position.
Income & Expenditure Position – DSG	⚠	The DSG outturn is a £4.6m overspend at year-end outturn against budget. Therefore, the cumulative deficit is forecast to be £12.6m and will be the first call on the 2022/23 grant allocation.
Cash Investments; Borrowing & Cash Flow	✔	The current profile of cash investments continues to be in accordance with the Council's approved strategy for prioritising security of funds over rate of return.
Balance Sheet - General Fund balances year end projections	✔	The outturn for General Fund balances is in line with expectations set out in the Council's Medium Term Financial Plan.

Appendix B

Financial Position as at Outturn

	£m	**£m**
Covid-19 impact (2021/22)	42.356	
Covid-19 impact (2022/23)*	0.709	
Covid-19 HRA Impact (2021/22)	1.051	
		44.116
Funding		
Covid-19 Support Grant 2021/22	10.534	
Covid-19 Support Grant c/f 2020/21	4.288	
Sales, Fees & Charges support (estimate)	1.528	
Contain Outbreak Management 2021/22	2.718	
Contain Outbreak Management c/f 2020/21	3.96	
Test, Track & Trace c/f 2020/21	1.195	
Community Testing Programme	1.837	
ARG	1.111	
Infection Control & Rapid Testing Tranche 1, 2 and 3	4.726	
ASC Workforce Recruitment and Retention – Round 1&2	2.503	
NHS Hospital Discharge funding	1.813	
Community Vaccines	0.004	
Local Elections Grant	0.104	
Self-Isolation Payment admin	0.963	
Winter Grant scheme/Local Support Grant/Household Support Grant	4.379	
Protect & Vaccinate	0.175	
Omicron Business Support	1.226	
New Burdens	0.054	
Practical Support Grant	0.998	
Total Funding		44.116
Gap After Funding		**0.000**

Appendix C

Chief Executive	**Net Budget (£m)**	**Gross Forecast Variance (£m)**	**Flexible Use of Capital Receipts (£m)**	**Net Forecast Variance Q4 (£m)**
Strategy, Partnership, Engagement and Consultation The gross variance relates to an Invest to save project to be funded via the flexible use of capital receipts and further posts being held vacant following the implementation of a restructure.	1.642	(0.205)	(0.020)	(0.225)
Communications The gross variance relates to an Invest to Save project to be funded via the flexible use of capital receipts and part year reduction in costs relating to maternity leave.	0.601	(0.051)	(0.041)	(0.092)
Electoral Services The variance is due to spend on the by-election in May and July, plus unclaimable expenditure incurred on the GLA elections. The increase since quarter 3 is due to costs associated with annual canvassing and household notification letters.	1.239	0.624	0.000	0.624
Human Resources & Organisational Development HR staff savings have been achieved due to having vacant posts and early retirement costs being funded corporately. There were further favourable variances from reduced OD expenditure due to the inability to deliver to the originally planned training schedule due to the pandemic.	2.065	(0.221)	0.000	(0.221)
Registrars The variance is due to an increase in income levels due to the backlog in providing services during the pandemic and savings from the effective	(0.172)	(0.120)	0.000	(0.120)

use of resources.				
Other variances	4.520	(0.106)	0.000	(0.106)
Chief Executive Total	**9.895**	**(0.079)**	**(0.061)**	**(0.140)**

Return to Chief Executive Narrative

Appendix D

People	Net Budget (£m)	Gross Variance (£m)	Flexible Use of Capital Receipts (£m)	Net Variance Q4 (£m)
Adult Social Care				
Strategy & Resources These services include grants to voluntary organisations, service development Safeguarding Adults and Safeguarding Adults, deprivation of liberty safeguards (dols) as well as brokerage, contract monitoring and Safe & Connected. With an increasing number of DOLs year on year, there have been increased safeguarding costs in year but this have been contained within the over S&R Budget. The successful agreement with the NHS on Section 117 debt has meant a provision of £0.536m has been released back to revenue.	7.189	(0.003)	0.000	(0.519)
Mental Health The outturn position is a small overspend due to a reduction in care purchasing offset by provision for additional health recharges in respect of jointly funded care packages.	6.409	0.026	0.000	0.026
Learning Disabilities The outturn position reflects a reduction against Q3 forecasts due to additional backdated CHC funding agreed in March 2022 and savings against in-house day services as a result of delays in recruitment and clients returning to services following Covid.	27.975	(0.360)	0.000	(0.360)

Older People and Physical Disabilities (the Customer Pathway) This service includes the in house residential and nursing home. There has been an increase in demand across the service during the year, particularly within community-based services, following a lower number of clients last year due to Covid-19. The outturn position is a higher than anticipated overspend due to increased residential and nursing placements in the final quarter of the financial year.	42.045	1.892	0.000	1.892
Other Minor variances	0.000	0.000	0.000	0.000
Adult Social Care Sub Total	**83.618**	**1.555**	**(0.000)**	**1.575**
Public Health Grant The Departmental forecast also includes the ring-fenced Public Health Grant. The Public Health grant in 2021/22 is £17.53m, this reflects an increase in the grant of grant of 1.4%, however, 0.7% of this is for PrEP (pre-exposure prophylaxis) a medicine people to prevent getting HIV. The inflation increase is therefore 0.7%. Over 85% of spend in Public Health is for services contracted to the NHS. The outturn position for Public Health is an underspend against in-year budget of £1.102m due to reductions in spend against demand led services due to Covid. The Public Health Reserve Balance at 31st March 2022 is £2.047m which will now be required to mitigate pressures facing the service in future years, particularly the impact of increases in demand led sexual health services post pandemic.	(4.556)	0.000	0.000	0.000
Public Health Sub Total	**(4.556)**	**0.000**	**0.000**	**0.000**
Adult Social Care & Public Health	**79.062**	**1.646**	**(0.000)**	**1.646**

Education				
Enhanced Pension costs These are the cost of former employees on enhanced pension and outturn variance is £0.230m favourable.	2.018	(0.251)	0.000	(0.251)
Exit costs from restructure in Education services Early Retirement Costs were funded centrally which enabled school improvement services to achieve a balanced outturn position	0.347	(0.003)	(0.000)	(0.003)
Education Psychology Service The favourable variance was due to difficulties in recruiting to vacant posts and other minor variances across the service.	0.550	(0.079)	0.000	(0.079)
Other variances Miscellaneous minor over and underspends	1.860	0.040	(0.057)	(0.017)
Education Sub Total	**4.775**	**(0.293)**	**(0.057)**	**(0.350)**
Children and Families				
Children In Need This is predominantly because of £0.194m underspend in Section 17 budget and £0.203m underspend in the Child Protection and Vulnerable Children team due to Covid-19 pressures in recruitment leading to agency staff covering vacant posts, funded by the Covid-19 grant.	9.319	(0.446)	0.000	(0.446)

Looked After Children The largest favourable variance is a £0.496m underspend in Former Unaccompanied Asylum-seeking Children due to maximising benefits for care leavers and young people moving to their own accommodation. The impact of Court delays in granting Special Guardianship Orders created a favourable movement of £0.200m. Adoption allowances underspent by £0.126m, external childcare placements budget is underspent by £0.242m, and Leaving Care is £0.153m underspent. In-house Fostering outturn position is £0.102m under the budget. However, a cost of three complex care packages created a £0.512m pressure on the support cost budget.	25.430	(0.877)	(0.037)	(0.912)
Young People & Community Safety The favourable variance of £0.186m is due to an underspend of £0.131m in Community Safety, resulting from vacancies and a successful external funding application that reduced spend on projects from general fund.	3.668	(0.052)	(0.132)	(0.186)
Joint Service for Disabled Children The overspend is predominantly due to an increased demand in overnight breaks, commissioning and increase in Direct Payments rate.	3.185	0.413	(0.020)	0.393
Other Variances Although the cost of translations created a pressure of £0.088m, this is mitigated by a favourable variance in the Centre of Excellence and Legal Disbursements budget, creating a favourable outturn variance of £0.026m.	3.067	(0.026)	0.000	(0.026)
Children and Families Services Sub Total	**44.669**	**(0.988)**	**(0.189)**	**(1.177)**

Return to People Narrative

Place	Net Budget (£m)	Gross Forecast Variance (£m)	Flexible Use of Capital Receipts (£m)	Net Forecast Variance Q4 (£m)
Development Management Shortfall of £0.535m in Pre Planning Application and Building Control income and additional cost incurred in planning appeals. This is partly offset by favourable variance in reported in Land charges income.	(0.168)	0.659	(0.000)	0.659
Strategic Planning & Design The £0.084m adverse variance is due the loss of income from S106 and Planning Feasibility Studies.	1.166	0.084	0.000	0.084
Culture Services £0.155m favourable variance is as a result of the net impact of: cost pressures resulting from the reopening of Millfield Theatre, which has been mitigated through additional rental income from the Dugdale vaccination centre and Forty Hall income.	0.732	(0.155)	0.000	(0.155)
Economic Development £0.091m forecasted overspend, due to salary overspend which is partly offset through grant funding.	0.213	0.091	0.000	0.091
Highways The £0.104m variance is due a saving proposal still to be delivered, along with essential safety works undertaken and trees storm damage.	1.300	0.104	0.000	0.104

Place	Net Budget (£m)	Gross Forecast Variance (£m)	Flexible Use of Capital Receipts (£m)	Net Forecast Variance Q4 (£m)
Street Lighting £0.585m favourable variance, this is a result of an accrued saving from April 2019 to June 2021, and other operational under spends.	2.961	(0.585)	0.000	(0.585)
Traffic & Transportation The forecast variance is due to additional Traffic Order income.	(0.700)	(0.499)	0.000	(0.499)
Parking Services The forecasted variance is a result of putting in place additional traffic enforcement and parking control measures.	(5.952)	(2.721)	0.000	(2.721)
Regulatory Services Favourable variance mainly due to income from the FPNs Enforcement and pest control.	2.026	(0.350)	0.000	(0.350)
Health & Safety team Due to underspends in salary costs and increased income	0.550	(0.129)	0.000	(0.129)
Cemeteries Technical adjustment to treatment of stock for Edmonton cemetery extension.	(1.750)	0.375	0.000	0.375
Waste Services The variance is due to increased take up of the garden waste service	7.971	(0.213)	0.000	(0.213)

Place	Net Budget (£m)	Gross Forecast Variance (£m)	Flexible Use of Capital Receipts (£m)	Net Forecast Variance Q4 (£m)
and dry recycling underspend.				
Commercial Waste The underlying positive outturn is due to surpluses in the schedule 2 and housing trade waste services.	(0.976)	(0.166)	0.000	(0.166)
Street Scene The £0.210m relates to the provision of additional street cleansing (across the Borough), including weekends and early retirement exit costs.	5.329	0.210	0.000	0.210
Parks Operations/Activities & Engagement This is due to forecasted improved income from allotments, events and sport pitch bookings.	2.832	0.027	0.000	0.027
Fleet Services Salary and operational underspends	(0.680)	(0.167)	0.000	(0.167)
Passenger Transport Service The over spend is mainly due to: 1) Increase in passenger numbers – from 1,096 in March 2021 to 1,182 in March 2022 (8%) and 19% compared to the March 2019 passenger numbers. 2) Increase in passenger number of single occupancy routes from 36 routes in March 2021 to 82 in March 2022 - with an average cost of	9.165	0.628	0.000	0.628

Place	Net Budget (£m)	Gross Forecast Variance (£m)	Flexible Use of Capital Receipts (£m)	Net Forecast Variance Q4 (£m)
about £31k per annum, compared to buses and taxi routes of £13k average cost per annum. Some of the reasons are 1) Schooling available for more complex cases 2) Behavioural issues getting worse as they get older 3) Increased number of sites, e.g., West Lea has 5-6 more sites				
Construction Maintenance Facility Management (CMFM) The overspend is due to shortfall in staffing recharges.	3.766	0.025	0.000	0.025
R&M (Repairs and Maintenance) The overspend is due to the uplift applied to the capital di minimis threshold increased from £0.01m to £0.05m resulting in costs no longer being funded from the capital budget	0.000	0.365	0.000	0.365
Meridian Water Additional meanwhile use income. The underlying variance is £1.154m, however of this £0.483m has been transferred to reserves to address a one off pressure in 2022/23, leaving a net favourable variance of £0.671m.	(1.200)	(0.671)	0.000	(0.671)
Strategic Property Services The favourable variance of £0.652m is due to increased rental receipts from the Montagu Industrial Estates, staffing under spend and various backdated rental income adjustments.	(1.198)	(0.652)	0.000	(0.652)

Place	Net Budget (£m)	Gross Forecast Variance (£m)	Flexible Use of Capital Receipts (£m)	Net Forecast Variance Q4 (£m)
Housing Homelessness - £1.3m overspend. This is due to the number of tenants in Emergency Accommodation throughout the year being far higher than anticipated when the budgets were produced. The expectation was that there should be circa 2,750 tenants at the beginning of April 2021 however there were actually 3,442. By the end of March 2022 there were 3,144 tenants (244 more than planned). Though it should be noted that this is now less than there was pre-pandemic.	4.563	1.281	0.000	1.281
No Recourse to Public Funds (NRPF) NRPF is £0.059m underspent due to less families than expected needing to use the service.	1.205	(0.059)	0.000	(0.059)
Other minor variances	1.258	0.110	0.000	0.110
Place Department Total	**32.413**	**(2.405)**	**0.000**	**(2.405)**

Return to Place Narrative

Resources	**Net Budget (£m)**	**Gross Forecast Variance (£m)**	**Flexible Use of Capital Receipts (£m)**	**Net Forecast Variance Q4 (£m)**
Digital Services The service has experienced challenges in recruitment which has meant a greater reliance on temporary staff which cost more than if the service could permanently recruit.. Additional resources have also been required in the security service which reflects the increase risk of cyber threats. An overspend of £1.3m is forecast which is due to additional security related expenditure on applications, compliancy and testing and dual running costs of the CRM/CMS system until the existing system was decommissioned at the end of the financial year	13.476	1.284	0	1.284
Customer Experience Exchequer Services are reporting a favourable variance of £0.4m which is an increase of £0.1m since quarter 3. Savings in staffing, operational costs and recharges to the pension fund have been achieved. There has also been additional one-off savings following a review of historic transactions which have resulted in refunds due to the council. The Income Collection team are experiencing increased customer demand requiring additional resources to manage the workload, as well as additional resource put into support the Housing Benefit sign up to assist in increasing emergency accommodation client income, alongside savings associated with the payment programme that are unlikely to be delivered this year are all contributing to a £0.2m adverse variance.	10.778	(0.537)	0.000	(0.537)

Vacancies in the Customer Service & Financial Assessment teams are contributing to a forecast £0.3m underspend where staff have been redirected to support Covid related activities. Whilst strong income generation in the visa verification service is leading to a favourable forecast this is offset by a shortfall in income across the remainder of the library service due to the pandemic.				
Transformation The forecast overspend is transformation project costs and are planned as described in the Budget Report 2021/22 to be funded by the Flexible use of capital receipts.	0.053	0.826	(0.826)	0.000
Other variances	7.463	0.242	0.000	0.242
Resources Department Total	**31.770**	**1.815**	**(0.826)**	**0.989**

Return to Resources Narrative

Appendix G

Covid-19 Impact	Additional Expenditure	Loss of income	Impact on Savings
	£m	£m	£m
Chief Executive			
CEX: Life After Loss Project with CAB	0.070	0.000	0.000
CEX: Additional legal costs to cover rising C&F case work	0.603	0.000	0.000
CEX: Communications Officer	0.043	0.000	0.000
CEX: Communications & Marketing	0.094	0.000	0.000
CEX: Additional Elections cost	0.104	0.000	0.000
CEX: Registrar’s capacity	0.030	0.000	0.000
CEX: Emergency Planning	0.082	0.000	0.000
Chief Executive Total	**1.025**	**0.000**	**0.000**
People			
Adult Social Care			
ASC: Additional Social Workers/agency staff-MH	0.067	0.000	0.000
ASC: Additional Social Workers/agency staff-OP/PD Social workers and OTs	0.037	0.000	0.000

ASC: Additional Social Workers/agency staff-Enablement staff DTA	0.026	0.000	0.000
ASC: Additional Social Workers/agency staff-LD	0.021	0.000	0.000
Specialist nursing care to providers LD/MH	0.075	0.000	0.000
Additional payments to carers to cover self-isolating	0.010	0.000	0.000
ASC: Expenditure on P-cards: food, supplies, care of pets, transport.	0.022	0.000	0.000
ASC: Additional long term care purchasing costs as a result of cancelation of routine operations, hip, knee etc	0.408	0.000	0.000
ASC: Learning Disability Service – Placement breakdown	0.355	0.000	0.000
ASC: Hospital Discharge	1.813	0.000	0.000
ASC: Infection Control Phase 1 – Care Homes & Community Providers	0.670	0.000	0.000
ASC: Rapid Testing Phase 1 - Care Homes & Community Providers	0.698	0.000	0.000
ASC: Infection Control Phase 1 – LA Discretionary Amount	0.287	0.000	0.000
ASC: Infection Control Phase 2 – Care Homes & Community Providers	0.478	0.000	0.000
ASC: Rapid Testing Phase 2 – Care Homes & Community Providers	0.533	0.000	0.000
ASC: Infection Control Phase 2 - LA Discretionary Amount	0.205	0.000	0.000

ASC : Infection Control Phase 3 - Care Homes & Community Providers	0.873	0.000	0.000
ASC : Rapid Testing Phase 3 – Care Homes & Community Providers	0.608	0.000	0.000
ASC : Infection Control Phase 3 – LA Discretionary Amount	0.374	0.000	0.000
ASC : Social Care Workforce Recruitment & Retention – Round 1	0.879	0.000	0.000
ASC : Social Care Workforce Recruitment & Retention – Round 2	1.623	0.000	0.000
ASC – Omicron Support	0.000	0.000	0.000
ASC: Outside Safe areas	0.196	0.000	0.000
	10.258	**0**	**0**
Public Health			
Public Health: Funding for Food Forum	0.005	0.000	0.000
Public Health: Community Food Co-ordinator	0.042	0.000	0.000
Public Health: Community food project grants, promotion of Healthy Start schemes, Time to Spare platform	0.033	0.000	0.000
Public Health: Vaccination Bus	0.158	0.000	0.000
Public Health: Outreach support for rough sleepers, people living in encampments, Gypsy Roma and Traveller community.	0.006	0.000	0.000
Public Health: Edmonton Community Partnership - engagement with Eastern European communities to increase uptake of Covid vaccine	0.020	0.000	0.000
Public Health: Caribbean & African Health Network - Young People Vaccination sprint 2-19 July 2021	0.030	0.000	0.000

Public Health: 2021/22 London COVID-19 response contribution	0.011	0.000	0.000
Public Health: Vaccination Communications	0.013	0.000	0.000
Public Health: Find & Treat - Inclusion Health Testing & Contact Tracing	0.002	0.000	0.000
Public Health: Testing	0.003	0.000	0.000
Public Health: Community Vaccines	0.004	0.000	0.000
Public Health: Infection control and data analytics	0.228	0.000	0.000
ASC and Public Health Total	**10.815**	**0.000**	**0.000**
Children & Families			
C&F: Care placements, support packages into homes to safeguard children particularly but not exclusively children with SEND and/or severe emotional and mental health needs	2.185	0.000	0.000
C&F: Additional staffing resources	1.061	0.000	0.000
C&F: Block booking placements	0.064	0.000	0.000
C&F: PPE for Children's Services (including Leaving care)	0.021	0.000	0.000
C&F: Other Children's related expenditure.	0.044	0.000	0.000
C&F: Increased support for care leavers, increased allowances and cost of accommodation.	0.021	0.000	0.000
C&F: Increased in Short Breaks (JSDC)	0.100	0.000	0.000
C&F: Play equipment (JSDC)	0.010	0.000	0.000

C&F: Our voice parent forum (JSDC)	0.010	0.000	0.000
C&F: Additional home care for children with complex medical needs (JSDC)	0.030	0.000	0.000
C&F: Outside safe areas to increase contact facilities	0.027	0.000	0.000
C&F: Youth Services	0.011	0.000	0.000
C&F: Delays in final hearings due to backlog at Courts	0.105	0.000	0.000
C&F: Covid-19 Reward Payments (JSDC)	0.003	0.000	0.000
Children & Families Total	**3.691**	**0.000**	**0.000**
Education			
Education: SEND support staff	0.012	0.000	0.000
Education: after-school provision for supervised independent study and increased Teaching Assistant support	0.348	0.000	0.000
Education Total	**0.360**	**0.000**	**0.000**
Place			
Homelessness Service	0.695	0.120	3.003
Protect & Vaccinate Rough Sleepers	0.174	0.000	0.000
Development Management Planning	0.094	0.000	0.000
ARG Grant and Welcome Back Fund	1.053	0.000	0.000
Highways Services (Loss of income from advertising on Highways)	0.000	0.049	0.000

Traffic & Transportation – Signs and Communications and loss of income from TFL	0.051	0.257	0.000
Parking Services	0.001	2.496	0.000
Regulatory Services	0.021	0.072	0.000
Cemeteries	0.000	0.121	0.000
Waste Operations	0.878	0.064	0.000
Commercial Waste Services	0.000	0.033	0.000
Street Scene Services	0.326	0.000	0.000
Parks Operations and Parks Activities & Engagement	0.200	0.044	0.000
Leisure Services	0.000	0.358	0.000
Fleet Services	0.862	0.000	0.000
Passenger Transport Service (Swims)	1.098	0.090	0.000

Construction Maintenance Facility Management (CMFM)	0.000	0.050	0.000
Community Mass Testing Programme & Mobile Testing Units + Covid Marshals & Locally Supported contact tracing + Mortuary	3.008	0.000	0.000
Meridian Water Team & Meridian Water Meanwhile Use Income	0.000	0.060	0.000
Strategic Property Services	0.000	0.176	0.000
Omicron Business Support Grant	1.082	0.000	0.000
General Fund - Community Halls & Youth Centres	0.000	0.000	0.000
Culture services	0.000	0.230	0.000
Place Total	**9.747**	**4.219**	**3.003**
Resources			
Increase in demand for Discretionary Housing Payments	0.414	0.000	0.000
Winter Grant/ Local Support/ Household Support	4.432	0.000	0.000
Practical Support for those Self Isolating	0.998	0.000	0.000
New Burdens 6 grant	0.054	0.000	0.000
Customer Experience: Financial Assessments staff overtime	0.122	0.000	0.000
Customer Experience: Civica on Demand Extra staff – Benefits	0.330	0.000	0.000
Customer Experience: Additional Financial assessment staff	0.095	0.000	0.000

Customer Experience: Additional Resources in Income & Debt service post COVID recovery	0.370	0.000	0.000
Customer Experience: Inc & Debt staff time	0.003	0.000	0.000
Customer Experience: Inc & Debt agency staff	0.124	0.000	0.000
Customer Experience: Inc & Debt Civica on Demand	0.174	0.000	0.000
Digital: Additional Staff Capacity - Overtime, Changes to 4th floor/Basement layout, Adjustments to allow people with Disability to work remotely	0.061	0.000	0.000
Digital: Additional remote working devices	0.263	0.000	0.000
Customer Experience: Community Hub Lead	0.025	0.000	0.000
Customer Experience: Customer Services additional agency staff	0.207	0.000	0.000
Self-Isolation Payments	0.962	0.000	0.000
Schools Catering service income	0.000	0.456	0.000
Libraries service income	0.000	0.208	0.000
Other Resources services loss of income e.g. recharges	0.000	0.214	0.000
Resources Total	**8.542**	**0.878**	**0.000**
Corporate			

Other miscellaneous costs	0.071	0.000	0.000
Corporate Total	**0.071**	**0.000**	**0.000**
Covid-19 Total	**34.256**	**5.097**	**3.003**

Return to Covid-19 Narrative

Use of Capital Receipts in 2021/22 **Appendix H**

2021/22 Cost of Transformation Initiatives	£m	Planned Savings and Demand Reductions
People		
Children & Families	0.037	Investment in year 1 of the “Break the Cycle” initiative within Children and Families services. The start of the project has been delayed.
Children & Families	0.125	Investment in Youth Development project ‘Nexus’ and Early Help interventions.
Children & Families	0.020	SEND & Disability Outreach Worker (2 Year Fixed Term)
Education	0.008	Investment in Nexus project
Education	0.049	Invest to Save increasing in borough SEN provision
Chief Executive		
Communications	0.041	Reflects transfer of Communications post from the Transformation team to the Communications team.
Corporate Strategy	0.020	Digital Development Programme (Digital Infrastructure & Inclusion)
Resources		
Digital Services IT		
Transformation	0.825	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. This includes delivery of new operating models, structures, processes and culture driven by user needs and enabled by technology. Capital receipts are

2021/22 Cost of Transformation Initiatives	£m	Planned Savings and Demand Reductions
		used to support the funding of the following programmes: Payments, Children's Transformation, Build the Change, Customer Experience.
Total to be funded from the Flexible Use of Capital Receipts 2021/22	**1.133**	

Return to Capital Receipts Narrative

Appendix I

Achievement of Savings and Income in MTFP

Savings by Department	CEx	People	Place	Resources	Corporate	Grand Total
	£m	£m	£m	£m	£m	£m
FYE	0.000	0.000	2.485	0.440	(1.500)	1.425
New 2020/21	0.800	3.485	2.113	0.850	0.000	7.248
Savings Total	0.800	3.485	4.598	1.290	(1.500)	8.673

Income by Department	CEx	People	Place	Resources	Corporate	Grand Total
	£m	£m	£m	£m	£m	£m
FYE	0.050	0.100	1.659	0.140	0.000	1.949
New 2020/21	0.000	0.120	2.255	0.000	0.000	2.375
Income Total	0.050	0.220	3.914	0.140	0.000	4.324

Total Savings & Income by Department	CEx	People	Place	Resources	Corporate	Grand Total
	£m	£m	£m	£m	£m	£m
FYE	0.050	0.100	4.144	0.580	(1.500)	3.374
New 2020/21	0.800	3.605	4.368	0.850	0.000	9.623
Total	0.850	3.705	8.512	1.430	(1.500)	12.997

Total Savings & Income by Department by Risk Status	CEx	People	Place	Resources	Corporate	Grand Total
	£m	£m	£m	£m	£m	£m
Blue	0.000	1.900	1.363	(0.600)	(1.500)	1.613
Green	0.850	0.986	3.354	1.250	0.000	6.290
Amber	0.000	0.719	1.145	0.780	0.000	2.344
Red	0.000	0.100	2.650	0.000	0.000	2.750
Total	0.850	3.705	8.512	1.430	(1.500)	12.997

Return to Achievement of Savings Narrative

Appendix J

Savings & Income Monitor

Department	Directorate	FYE/New 2020/21	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2021/22 £'000
CEX	CEX	Full Year Effects	Income	Improve our registration offer to local residents	1.5	(50)
CEX	CEX	New Savings/Income Proposals	Saving	Staff Restructures	3.5	(800)

Department	Directorate	FYE/New 2020/21	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2021/22 £'000
People	ASC	New Savings/Income Proposals	Savings	Recommissioning & Procurement	0.0	(190)
People	ASC	New Savings/Income Proposals	Savings	Independence & Wellbeing Senior Management Restructure – Staffing	0.0	(180)
People	ASC	New Savings/Income Proposals	Savings	Learning Disabilities Care Purchasing	0.0	(325)
People	ASC	New Savings/Income Proposals	Savings	Reduced cost of DOLs (Deprivation of Liberty Safeguards)	0.0	(25)
People	Public Health	New Savings/Income Proposals	Savings	Staff Reductions in the Commissioning Team and the Smoking Cessation Team – Service Reduction	0.0	(100)

Department	Directorate	FYE/New 2020/21	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2021/22 £'000
People	C&F	New Savings/Income Proposals	Savings	Review of threshold in financial assessment of new Special Guardians	0.0	(80)
People	C&F	New Savings/Income Proposals	Savings	Care Leavers commissioning and benefit maximisation - Efficiency	0.0	(500)
People	C&F	New Savings/Income Proposals	Savings	Service Restructure – Service Reduction (excluding frontline staff)	0.0	(500)
People	ASC	New Savings/Income Proposals	Savings	Use of Technology	1.5	(40)
People	Education	New Savings/Income Proposals	Savings	Reduction in the Children Centre Service – Service Reduction	1.5	(50)
People	Education	New Savings/Income Proposals	Savings	Career Service Restructure – Service Reduction	1.5	(46)
People	Education	New Savings/Income Proposals	Savings	DSG Substitution - no impact on services	2.5	(100)
People	ASC	New Savings/Income Proposals	Savings	Staff Reduction – Service Reduction	3.5	(750)
People	C&F	New Savings/Income Proposals	Savings	Children in Care – reduction	5.0	(210)
People	ASC	New Savings/Income Proposals	Savings	Maximise use of block contracts and in-house services	7.0	(389)
People	ASC	New Savings/Income Proposals	Income	Additional income	7.5	(120)
People	ASC	Full Year Effects	Income	Increased income through fees and charges for chargeable Adult Social Care Services	10.0	(100)

Department	Directorate	FYE/New 2020/21	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2021/22 £'000
Place		Full Year Effects	Saving	Rationalisation of property estate	0.0	(640)
Place		New Savings/Income Proposals	Saving	Bring forward operational property consolidation	0.0	(390)
Place		Full Year Effects	Income	Reprofiled Holly Hill Bunding Income	0.0	600
Place		Full Year Effects	Saving	Parking Contract Renewal	0.0	(35)
Place		Full Year Effects	Saving	Additional LED street light savings	0.0	(260)
Place		Full Year Effects	Income	Waste Savings - Place element of the £2.5m over 2 years	0.0	(700)
Place		New Savings/Income Proposals	Income	Additional income from Green Waste collection as demand for service has exceeded initial projections	0.0	(250)
Place		New Savings/Income Proposals	Saving	Morson Road rent review	0.0	(200)
Place		Full Year Effects	Income	Southgate Cemetery - Mausoleum and Vaulted graves sales	0.0	149
Place		Full Year Effects	Income	Edmonton Cemetery Expansion - sales of mausolea and vaulted graves	0.0	(6)
Place		New Savings/Income Proposals	Saving	Close canteen	0.0	(18)
Place		Full Year Effects	Income	Meridian Water Meanwhile use income	0.0	387
Place		New Savings/Income Proposals	Saving	Further review of property portfolio	1.5	(80)

Department	Directorate	FYE/New 2020/21	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2021/22 £'000
Place		Full Year Effects	Saving	Insource Cleaning Contract ongoing efficiencies	1.5	(50)
Place		Full Year Effects	Income	Cemeteries Mausoleum and Vaulted graves sales - Southgate Cemetery	1.5	(60)
Place		New Savings/Income Proposals	Income	Traffic Orders	2.5	(125)
Place		New Savings/Income Proposals	Income	Parking charges	2.5	(100)
Place		Full Year Effects	Income	Genotin Road Car Park Redevelopment	2.5	(1,579)
Place		Full Year Effects	Income	Inflation uplift on external clients and receipts income	2.5	(180)
Place		New Savings/Income Proposals	Income	Enforcement efficiencies	2.5	(200)
Place		New Savings/Income Proposals	Saving	Review of property portfolio	3.0	(50)
Place		New Savings/Income Proposals	Income	Bunding Income (one off in 2021/22)	3.5	(400)
Place		New Savings/Income Proposals	Income	Additional Income due to 5% increase in Fees & Charges	3.5	(280)
Place		New Savings/Income Proposals	Income & Saving	Reduction in highways service	3.5	(250)
Place		Full Year Effects	Income	Building Control Plan Drawing Service	4.5	(30)
Place		Full Year Effects	Income	Market Rentals for Council Properties	4.5	(20)

Department	Directorate	FYE/New 2020/21	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2021/22 £'000
Place		Full Year Effects	Income	Sub-stations rent reviews	4.5	(50)
Place		New Savings/Income Proposals	Saving	CMFM reduction in agency staff	5.0	(125)
Place		Full Year Effects	Income	Increase in fee income in the planning service	5.0	(170)
Place		New Savings/Income Proposals	Saving	Reduce building maintenance	7.0	(500)
Place		New Savings/Income Proposals	Income	Planning Income - Expanding Services	7.5	(100)
Place		New Savings/Income Proposals	Income	Planning - expand services	7.5	(150)
Place		New Savings/Income Proposals	Income	Whitewebbs Lease income	10.0	(100)
Place		New Savings/Income Proposals	Saving	Reduction in Highways Services	10.0	(100)
Place		New Savings/Income Proposals	Income	Review of Parking Permit Charges	10.0	(150)
Place		New Savings/Income Proposals	Income	Economic Development Team	10.5	(400)
Place		New Savings/Income Proposals	Saving	Facilities Management Review	10.5	(400)
Place		Full Year Effects	Saving	Temporary Accommodation - Future Years	15.0	(1,500)

Department	Directorate	FYE/New 2020/21	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2021/22 £'000
Resources		Full Year Effects	Saving	Procurement saving resulting from replacing our digital customer platform	0.0	600
Resources		Full Year Effects	Saving	Payments Programme - new system allowing efficiencies in Exchequer	1.5	(60)
Resources		Full Year Effects	Saving	Rationalisation of telephony contracts	2.5	(200)
Resources		Full Year Effects	Income	Digital support to the UK immigration and visa verification service	2.5	(140)
Resources		New Savings/Income Proposals	Saving	Catering Service efficiencies	2.5	(200)
Resources		New Savings/Income Proposals	Saving	Staffing efficiencies within Resources Department	3.5	(650)
Resources		Full Year Effects	Saving	Greater automation to reduce staff resources in administering DWP notifications	5.0	(60)
Resources		Full Year Effects	Saving	Customer Service Centre demand reduction and channel shift	5.0	(100)
Resources		Full Year Effects	Saving	Application Rationalisation - ongoing reduction of other applications	5.0	(200)
Resources		Full Year Effects	Saving	Reducing costs associated with data storage	7.5	(300)
Resources		Full Year Effects	Saving	Online forms and ability to upload information required to go into back-office systems for revenues and benefits	7.5	(120)

Return to Achievement of Savings Narrative

Dedicated Schools Grant	Forecast Variance Q4 (£m)	Forecast Variance Q3 (£m)
Early Years Block	0.662	0.585
Schools and Central Services Blocks	(0.780)	(0.610)
High Needs Block The main pressures are within the High Needs Block and relate to the development of additional in borough provision, an increase of the number of pupils with Education, Health and Care plans (EHCPs) in mainstream schools and the development of early intervention strategies.	4.688	5.248
DSG Total	**4.570**	**5.223**

Return to DSG Narrative

Reserves	Balances Reported in Outturn Report £m	Provisional Outturn 31 March 2021 £m	Balance 31 March 2022 £m
General Fund			
Risk Reserve	**(20.527)**	**(21.006)**	**(22.106)**
Covid-19 Reserve 2020/21	0.000	(0.433)	0.000
Covid-19 Reserve 2021/22+	(10.000)	(10.000)	(15.000)
Balance Sheet Management	(2.000)	(3.040)	(3.040)
Collection Fund Equalisation EM reserve	(10.542)	(24.396)	(20.596)
Housing Benefit Smoothing Reserve	(9.566)	(9.566)	(4.480)
Adult Social Care Smoothing Reserve	(3.697)	(3.697)	(3.697)
North London Waste Authority Reserve	(1.349)	(1.349)	(0.628)
Medium Term Financial Planning Smoothing Reserves	**(37.154)**	**(52.481)**	**(47.441)**
MRP Equalisation	(17.138)	(18.765)	(18.765)
Interest Rate Fluctuations	(4.663)	(4.663)	(4.663)
Capital Financing Reserves	**(21.801)**	**(23.428)**	**(23.428)**
Service Specific Reserves	(11.161)	(11.161)	(15.108)

Property	(2.101)	(2.101)	(1.372)
S31 Relief Grant	#(16.554)	0.000	0.000
Covid-19 Grant	(4.288)	(4.288)	(0.706)
Other Grant Reserves	(10.842)	(10.954)	(11.955)
Grants & Other Contributions	**(15.130)**	**(15.242)**	**(12.662)**
General Fund Usable Reserves Sub Total	**(124.429)**	**(125.419)**	**(122.117)**
Insurance	(7.021)	(7.022)	(7.022)
General Fund Balance	(13.950)	(13.950)	(13.949)
Total General Fund Reserves and Balances	**(145.400)**	**(146.390)**	**(143.088)**
Schools			
Schools' Balance	0.241	0.242	0.387
Total Schools' Reserves and Balances	**0.241**	**0.242**	**0.387**
Total General Fund Reserves and Balances	**(145.159)**	**(146.148)**	**142.710**

The S31 reliefs were shown as a separate item in the Outturn report. The balance is in the Collection Fund equalisation Reserve balance for the final outturn.

^ The dedicated Schools Grant deficit balance is no longer reported in the Earmarked reserves and as per accounting regulations is shown as an unusable balance in the Council Statement of Accounts.

Return to Reserves Narrative

Contain Outbreak Management Fund Appendix M

MHCLG Category	Expenditure Breakdown	£m's
Support for vulnerable groups and targeted community interventions	Continuation of housing and support to protect rough sleepers and homeless tenants from Covid-19	3.437
	Additional Discretionary Housing Payments	0.415
	Special Education Needs transport	1.098
	Public Health: Outreach support for rough sleepers, people living in encampments, Gypsy Roma and Traveller community.	0.006
Testing	Public Health: Testing	0.224
Vaccine deployment	Public Health: Vaccination deployment	0.181
	Public Health: Vaccination Bus	0.158
Compliance and Enforcement: COVID-19 Secure Marshals or equivalents (including overtime) Compliance and Enforcement: Environmental Health Officers (EHOs) (including overtime)	Env & Ops: Covid-19 Marshalls & EHOs for outbreak control and implicated premises	0.700
Compliance and Enforcement: other activities and staff	CEX: Communications & Marketing	0.094
	CEX: Communications Officer	0.043
	Env & Ops: Locally Supported contact tracing	0.247
Clinically Extremely Vulnerable	Food forum, Community Food Co-ordinator and Community Food project	0.081
	Community Hub Lead and Customer Support staff	0.232
Other	C&F: Increased in Short Breaks (JSDC)	0.100
	C&F: Our voice parent forum (JSDC)	0.010
	C&F: Play equipment (JSDC)	0.010
	COMF Other	0.048
Other: Prevention, management of local outbreaks and data intelligence, surveillance and communications.	Outside safe areas to increase contact facilities	0.223
	PPE	0.095
	Management, Infection control and data intelligence	0.229
	Communications	0.069
Total		**7.874**

London Borough of Enfield

CABINET

Meeting Date: 6 July 2022

Subject: TREASURY MANAGEMENT OUTTURN REPORT 2021/22

Cabinet Member: **Cllr Leaver - Cabinet Member for Finance and Procurement**

Executive Director: **Fay Hammond - Executive Director Resources**

Key Decision: **5466**

Purpose of Report

1. To report the activities of the Council's Treasury Management function during the 2021/22 financial year. The key points of the report are highlighted below:

		Section
Borrowing Outstanding on 31st March 2022	£1,015.1m, this an increment of £85m from 31st March 2021 closing position of £930.1m. £75m of new PWLB borrowing was raised for this financial year 2021/22 and £35m of short term borrowing was raised from other Local Authorities.	**11 - 18**
Capital Financing Requirement (CFR) on 31 March 2022	The borrowing CFR (this represents the underlying need to borrow) stood at £1,238.3m, an increase of £82.9m from £1,155.4m as of 31st March 2021. HRA CFR increased by £28.3m and General Fund by £54.6m over the year.	**20 – 23**
Average interest on total debt outstanding and Interest paid on external borrowing	The average interest rate has reduced to 2.54% over the year. This was due to £75m new PWLB borrowing raised during the year at very low rate. The gross cost of borrowing reduced over the period by £0.9m to £24.5m.	**16 & 25**
Investments & Net Borrowing	Interest earned on investments was £57k. Investments stood at £95.6m as of 31 March 2022. Net Borrowing increased slightly by £25m to £919.5m.	**34 & 47**
Debt Re-structuring	None undertaken	**48 – 49**

		Section
Compliance with Treasury Management & Prudential Indicators	Compliant	**50 – 68**
Minimum Revenue Provision (MRP)	MRP chargeable to the General Fund (GF) for 2021/22 is £16.5m, same as budget set at the beginning of the year.	**69**

Proposal

2. Cabinet is recommended to:

i) Note and comment on the contents of the report; and

ii) Forward the 2021/22 Treasury Management Outturn report on to Council.

Reason for Proposals

3. The Local Government Act 2003 and the Local Authorities (Capital Financing and Accounting) Regulations 2003 require that regular reports be submitted to the relevant Council Committee detailing the Council's treasury management activities.

4. This report updates Members on both the borrowing and investment decisions made by the Executive Director, Resources under delegated authority in the context of prevailing economic conditions and considers the Council's Treasury Management performance. The Council can only borrow for capital investment, it cannot borrow to fund operational, day to day expenditure. The borrowing supports the Council's capital investment programmes for both Council Housing (HRA) and General Fund, the outputs from this investment are set out in separate reports.

5. The regular reporting of treasury management activities assists Members to scrutinise officer decisions and monitor progress on the implementation of its borrowing and investment strategy as approved by Full Council.

Relevance to the Council's Corporate Plan

6. Good homes in well-connected neighbourhoods

7. Build our Economy to create a thriving place

8. Sustain Strong and healthy Communities

Background

9. The Council adopted the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice (the CIPFA Code) which requires the Council to approve treasury management half yearly and annual reports.

10. The Council's Treasury Management Strategy for 2021/22 was approved at the Council meeting on the 2nd of March 2021. The Council has invested and overall borrowed substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates.

11. The Council engages Treasury Management Advisers professional expertise to support informed decision making on treasury matters.

Treasury Management Position

12. The Council started the financial year 2021/22 with net borrowing of £894.5m. This section starts by describing the position at the start of the financial year and then goes on to explain the financial position at the close of the financial year.

13. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR). This is usually higher than the actual borrowed amount because Enfield uses internal borrowing to reduce interest costs. The starting position for financial year 2021/22 is summarised in Table 1 below.

Table 1: Opening position for 2021/22 Draft - Balance Sheet Summary

	31 March 2021 Actual £m
General Fund CFR	915.3
HRA CFR	240.2
Borrowing CFR	**1,155.4**
External borrowing	930.1
Internal borrowing	**225.3**
Less: Usable reserves	(259.9)
Less: Working capital	70.2
Net investments	**(35.6)**

14. The Council's Borrowing CFR of £1,165.7m reported in 2020/21 Treasury Management Outturn as of 31st March 2021 has been revised to £1,155.4m as shown in table 1 above.

15. The treasury management position on 31st March 2022 and the change during the year is shown in Table 2 below. All the investments shown below were in Money Market Funds (categorised as cash equivalent) for this financial year.

Table 2: Treasury Management Summary

	31.3.21 Balance £m	Movement £m	31.3.22 Balance £m	31.3.22 Rate %
Long-term borrowing	930.1	50.0	980.1	2.58
Short-term borrowing	0.0	35.0	35.0	1.21
Total borrowing	**930.1**	**85.0**	**1,015.1**	**2.54**
Total investments	**(35.6)**	**(60.0)**	**(95.6)**	**0.20**
Net borrowing	**894.5**	**25.0**	**919.5**	

Main Considerations for the Council

2020/21 Borrowing Update

16. The main objective when borrowing is to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Council's long-term plans change is a secondary objective.

17. On 31st March 2022 the Council held £1,015.1m of loans, an increase of £85m to previous year closing balance and this is due to the Council's funding strategy for its capital programme. Outstanding loans on 31st March 2022 are summarised in Table 3 below and include loans that have been made to the LB Enfield's companies (further summarised in Table 6).

Table 3: Treasury Management Borrowing Summary

Type of Loan	31.3.21 Balance £m	New Borrowing £m	Repaid Borrowing £m	31.3.22 Balance £m	Average Interest %
PWLB	875.9	75.0	(22.6)	**928.3**	2.68
European Investment Bank	8.3	-	(0.3)	**8.0**	2.31
GLA	2.1	-	(0.9)	**1.2**	0.00
HNIP	21.6	-	-	**21.6**	0.18
LEEF	2.7	-	(0.7)	**2.0**	1.71
Local Authority	0.0	35.0	-	**35.0**	1.21
MEEF	15.0	-	0.0	**15.0**	1.20
SALIX	4.5	-	(0.5)	**4.0**	0.00
Total	**930.1**	**110.0**	**(25.0)**	**1,015.1**	**2.54**
Accrued Interest	*5.6*	*5.7*	*(5.6)*	***5.7***	*0.00*
Total Loans & Accrued Interest Outstanding	**935.7**	**115.7**	**(30.6)**	**1,020.7**	**2.54**

18. In keeping with these objectives, new borrowing was £110m, while £25m of existing loans matured during the period.

19. During the reported period the Council raised £75m of new PWLB loans, and £35m short-term loans were raised from other Local Authorities.

The Capital Financing Requirement (CFR)

20. The Council's underlying need to borrow for capital expenditure is termed the Capital Financing Requirement (CFR). This figure is a gauge of the Council's indebtedness. The CFR results from the capital expenditure activity of the Council. It represents the 2021/22 unfinanced capital expenditure, and prior years' net or unfinanced capital expenditure which has not yet been paid for by revenue or other resources.

21. At £1,015.1m, the Council's borrowing was within the Prudential Indicator for external borrowing, namely, that borrowing should not exceed the original estimated gross CFR for 2021/22 of £1,491m. The final borrowing CFR for 2021/22 stood at £1,238.3m.

22. On 31 March 2022, the Council has maintained an under-borrowed position of £248m. This meant that the capital borrowing need (the Capital Financing Requirement) was not fully funded with loan debt, as cash supporting the Council's reserves, balances and cash flow was used as an interim measure. Table 4 below shows the details around the Council's CFR and external borrowing as of 31 March 2022, split between the General Fund and HRA.

Table 4: Capital Financing Requirement (CFR)

Capital Financing Requirement (CFR)	**(Draft Accounts) 31 March 2021 £m**	**(Draft Accounts) 31 March 2022 £m**
General Fund	915.3	969.9
Housing Revenue Account	240.2	268.4
*Other debt liabilities	33.9	30.3
Total CFR	**1,189.3**	**1,268.6**
Less: *Other debt liabilities	33.9	30.3
Borrowing CFR	**1,155.4**	**1,238.3**
External Borrowing	930.1	1,015.1
Internal borrowing	225.3	223.2
Authorised Limit	**1,600.0**	**1,668.0**

*Total CFR includes finance leases, PFI liabilities and transferred debt that form part of the Council's total debt

23. The Council will evaluate and, where economic, pursue alternative lenders to PWLB where we identify an opportunity to reduce Enfield's cost of borrowing.

Forward Borrowing

24. During 2021/22, the Council did not arrange any forward borrowing loans. Officers are monitoring market conditions and reviewing the need to borrow for either the General Fund or Housing Revenue Account (HRA).

Other Debt Activity

25. After £3.6m repayment of prior years' Private Finance Initiative/finance leases liabilities, total debt other than borrowing stood at £30.3m for this financial year end.

Cost of Borrowing

26. The average interest rate paid on total external debt in 2021/22 was 2.54% (2.64% in 2020/21). Table 6 shows the Council's total cost of maintaining its debt portfolio, as well as how the debt cost has been recharged to the HRA and to LBE Companies. The overall cost to the General Fund was £4m due to ability of officers obtaining favourable low interest bearing project specific borrowings and not borrowing up to the forecast set for the period.

Table 5: Cost of Borrowing: Interest Payments and Receipts

	2020/21 (£m)	2021/22 (£m)
Public Works Loan Board	24.3	23.9
Local Authority	0.2	0.0
EIB	0.2	0.2
GLA	0.0	0.0
HNIP	0.0	0.0
LEEF	0.1	0.1
MEEF	0.0	0.1
Total Interest on Long Term Debt	24.8	24.3
Short term Loans	0.5	0.0
Other Costs & Commission on loans	0.1	0.2
Total Cost of Debt	**25.4**	**24.5**
Funded by:		
Housing Revenue Account	8.7	9.8
Capitalised Interest on Meridian Water	8.4	7.0
Housing Gateway Ltd (HGL)	3.0	3.1

27.

Enfield Innovations Ltd (EIL)	0.7	0.0
Energetik	0.6	0.6
General Fund	4.0	4.0
Total Cost of Debt	**25.4**	**24.5**

n
terest has increased by £1.1m over this financial year as HRA borrowing has increased by £18.2m.

28. Energetik pay a premium on their interest rate to meet the State Aid regulations set by the European Union.

29. Table 6 below shows how the interest is funded, broken down by fund. The impact on the General Fund in 2021/22 of £20.5m (made up of £16.5m MRP charge and £4m of interest payments) is therefore net off:

a) Housing Revenue Account recharge of £9.8m, which is funded by rents

b) Income generated by companies, which have separate sound business cases

c) £7.1m Capitalised interest on Meridian Water (inclusive of loan arrangement fees), which will be repaid by capital receipts, and which is anticipated to be completely repaid by 2043/44 and the difference of which will then be used to finance other aspects of the Capital Programme.

Table 6 - Breakdown of Actual Interest paid/payable for 2021/22 and beyond

	Actual	Original Budget	Revised Budget	Forecast	Forecast	Forecast	Forecast	Forecast
	2021/22	**2021/22**	**2021/22**	**2022/23**	**2023/24**	**2024/25**	**2025/26**	**2026/27**
	£'000s	**£'000s**	**£'000s**	**£'000s**	**£'000s**	**£'000s**	**£'000s**	**£'000s**
Gross Interest	24,300	32,937	27,235	32,388	40,347	45,721	48,420	50,114
Debt Fees	200	125	90	101	121	59	66	41
Total Debt Cost	**24,500**	**33,062**	**27,325**	**32,489**	**40,468**	**45,780**	**48,486**	**50,155**
Recharges:								
Meridian Water	(6,900)	(8,838)	(9,876)	(9,218)	(10,578)	(10,015)	(10,857)	(10,681)
Companies	(3,700)	(4,898)	(3,729)	(4,125)	(5,530)	(8,063)	(8,723)	(8,607)
Joyce & Snells	0	(17)	0	0	0	0	0	0
HRA	(9,800)	(10,448)	(10,019)	(12,072)	(14,622)	(16,054)	(17,164)	(17,990)
Debt Fees	(200)	(60)	(67)	(43)	(68)	(13)	(23)	(4)
Interest Charged to Gen. Fund	**4,000**	**8,801**	**3,635**	**7,031**	**9,669**	**11,634**	**11,718**	**12,873**
MRP	16,454	16,454	17,198	19,578	22,680	19,346	21,492	20,973
Total Financing Cost Charged to Gen. Fund	**20,454**	**25,255**	**20,832**	**26,609**	**32,349**	**30,980**	**33,210**	**33,846**

Debt Maturity

30. The Council has 87 loans spread over 50 years with the average maturity being 21 years. The maturity profile allows the Council to spread the risk of high interest rates when debt matures in any one year.

31. Table 7 shows the maturity structure of the Council's debt portfolio as of 31 March 2022:

Table 7: Profile of Maturing Debt

	Loans Outstanding as of 31 March 2021 (£m)	**Loans Outstanding as of 31 March 2022 (£m)**
Under 1 year	25.0	61.1
1 – 5 years	23.8	25.0
5 – 10 years	46.5	51.7
10 – 15 years	134.6	147.1
15 – 20 years	130.4	139.0
20 – 25 years	155.4	152.2
25 – 30 years	33.4	49.8
30 – 35 years	70.2	69.5
35 – 40 years	87.7	85.0
40+ years	44.3	105.0
Total	**930.1**	**1,015.1**

Treasury Investment Activity

32. Total cash balances over the year varied considerably, predominantly because of the significant peaks and troughs arising from payment profiles of business rate collections, capital expenditure, DWP payments and housing benefit payments.

33. During the year the Council's investment balance ranged between £30 million and £150million due to timing differences between income and expenditure.

34. The investment position at the year end is shown in Table 8 overleaf.

Table 8: Treasury Investments

Counterparties	31.3.21 Balance £m	Cumulative Sums Invested £m	Cumulative Sums Repaid £m	31.3.22 Balance £m
Money Market Funds				
Goldman Sachs	0.0	44.0	(19.0)	25.0
Deutsche	0.0	0.0	0.0	0.0
Aberdeen (Ignis)	0.0	125.0	(115.0)	10.0
Federated	0.0	108.8	(98.8)	10.0
CCLA	14.0	38.0	(27.0)	25.0
HSBC Liquidity	0.0	0.0	0.0	0.0
Invesco	0.0	67.0	(67.0)	0.0
Aviva Investors	0.0	74.3	(49.3)	25.0
Call Accounts				
HSBC	21.6	369.8	(390.8)	0.6
Handelsbanken	0.0	0.0	0.0	0.0
Santander	0.0	0.0	0.0	0.0
	35.6	**826.9**	**(766.9)**	**95.6**

35. The Council generated investment income of £57k on cash balances held in call accounts and money market funds during this financial year. On average the Council's cash investment portfolio had a risk weighting equivalent to A+ credit rating.

Investment Benchmarking

36. Table 9 below show the progression of risk and return metrics for Enfield Investments portfolio compared with other local authorities as extracted from Arlingclose' s quarterly investment benchmarking as of 31st March 2022:

Table 9 – Enfield Treasury Investments Benchmarking Outcome

Enfield	Credit Score	Credit Rating	Bail-in Exposure	Weighted Average Maturity (days)	Rate of Return %
31.03.2021	4.76	A+	100%	1	0.02%
31.03.2022	**4.90**	**A+**	**100%**	**1**	**0.52%**
Similar LAs	***4.38***	***AA-***	***62%***	***40***	***0.77%***
All LAs	**4.39**	**AA-**	**60%**	**14**	**0.97%**

37. Both the CIPFA Code and Government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or

yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

38. **Credit score** and **credit rating** measures the credit risk of the Council's investment portfolio. At the end of the reporting period our investment portfolio has been assigned a credit score of 4.90 based on an average long-term credit rating from Fitch as A+. it is worth noting that this is expected of our investment portfolio as all the investments are in money market funds with average maturity of 1 day for instant liquidity/easy access.

39. The credit score of money market funds is calculated from the fund's underlying investments on the previous month end date. As part of Arlingclose investment advice an average long-term credit rating from Fitch, Moody's and Standard & Poor's are converted to a number, for example AAA=1, AA+=2, etc. Higher numbers therefore indicate higher risk.

40. Before 2013, failed banks were either 'bailed out' by government or placed into administration, with losses shared amongst most investors. Since then, failing banks will be "bailed in" for losses, meaning investors can lose some or all of their investment which will be used to recapitalise the bank.

41. The Council's investment portfolio has 100% bail in exposure as all the investments were with banking institutions (money market funds (MMF)). These investments are diversified which reduces risk as the investments are with different counterparties. Enfield had £95.6m invested with six different money markets funds and each MMF subsequently invested in more than 10 institutions.

Non-Treasury Investments

42. The definition of investments in CIPFA's revised Treasury Management Code now covers all the financial assets of the Council as well as other non-financial assets which the Council holds primarily for financial return.

43. This is replicated in the Investment Guidance issued by Ministry of Housing, Communities and Local Government's (MHCLG) and Welsh Government, in which the definition of investments is further broadened to also include all such assets held partially for financial return.

44. The Council held £134.1m of such investments, both in Enfield's wholly owned companies. A list of the Council's non-treasury investments is shown overleaf in Table 10.

Table 10: Non-Treasury Investments

Loans made to LBE Companies	2020/21 Nominal Balance £m	New Borrowing £m	Repaid Borrowing £m	2021/22 Nominal Balance £m	2021/22 In-year Accounting Impairment £m	2021/22 Fair Value (FV) Accounting Balance £m
HGL	122.0	6.0	(0.6)	**127.4**	*0.0*	***127.4***
Energetik	13.0	2.5	(0.2)	**15.3**	*(5.9)*	***9.4***
Total	**135.0**	**8.5**	**(0.8)**	**142.7**	***(5.9)***	***136.8***

45. £5.9m of accounting impairment charges were applied to these investments as of 31 March 2022. The impairment charges applied to Energetik loans for 2020/21 was £4.8m.

46. No share capital was injected into the companies for 2021/22. The Council injected £5m share capital into Energetik in 2020/21 and the Council also invested £5m share capital with HGL.

Net Gross Debt

47. The Council's net gross debt increased from £928.4m to £949.8m in 2021/22 as demonstrated in Table 11. This recognises that future capital expenditure will need to be financed from external borrowing and will create pressure on the revenue budget, however this impact has been recognised in the Council's Medium Term Financial Plan.

Table 11: Net Debt

	31.03.21 Actual £m	Original Budget £m	Revised Budget £m	31.03.22 Actual £m	Actual interest £m	Estimated interest £m
Total Borrowing	**930.1**	**1,328.3**	**1,170.8**	**1,015.1**	**24.5**	**33.1**
Companies	139.6	203.7	210.9	147.3	3.7	4.9
Meridian Water	336.9	399.9	399.9	375.5	7.0	8.8
Joyce & Snells (GF)	-	1.4	-	-	-	0.1
General Fund	213.4	427.6	275.4	223.9	4.0	8.8
HRA	240.2	295.7	283.6	268.4	9.8	10.4
PFI & Finance leases	***33.9***	***40.0***	***30.3***	***30.3***	***3.6***	***3.6***
Gross Debt	**964.0**	**1,368.3**	**1,201.1**	**1,045.4**	**28.1**	**36.7**
Total treasury investments	***(35.6)***	***(25.0)***	***(35.0)***	***(95.6)***	***(0.1)***	***(0.0)***
Net Gross Debt	**928.4**	**1,343.3**	**1,166.1**	**949.8**	**-**	**-**

Debt Restructuring

48. Debt restructuring normally involves prematurely replacing existing debt (at a premium or discount) with new loans to secure net savings in interest payable or a smoother maturity profile. Restructuring can involve the conversion of fixed rate interest loans to variable rate loans and vice versa.

49. No restructuring was done during the year as the new PWLB borrowing rates and premature repayment rates made restructuring unviable. The Council will continue to actively seek opportunities to restructure debt, if viable.

Compliance with Treasury Management Indicators

50. Within the prudential indicators there are several key indicators to ensure that the Council operates its activities within well defined limits. For example, the operational borrowing limit set by the Council, determines the external debt levels which are not normally expected to be exceeded. The authorised borrowing limit represents a control on the maximum level of borrowing. This represents a limit beyond which external debt is prohibited. Only Council can approve an increase in the authorised borrowing limit.

51. Throughout 2021/22 the total loan debt was kept within the limits approved by the Council against an authorised limit of £1,668 million. The authorised limit (as defined by the Prudential Code) was set as a precaution against the failure, to receive a source of income or a major unexpected expenditure. In the unlikely event of this happening, the Council would need to borrow on a temporary basis to cover the shortfall in cash receipts. Any significant breach must be reported to the Council.

52. Officers report that all treasury management activities undertaken during the year complied fully with the CIPFA Code of Practice and the Council's approved Treasury Management Strategy.

53. Compliance with the authorised limit and operational boundary for external debt is demonstrated in table 12 overleaf.

Table 12: Prudential Indicators

Debt Limits	2021/22 Maximum £m	2021/22 Actual £m	2021/22 Operational Boundary £m	2020/21 Authorised Limit £m	Complied? Yes/No
External Borrowing	1,015.1	1,015.1	1,328	1,368	Yes
PFI and Finance Leases	33.9	30.3	40	300	Yes
Total debt	**1,046.0**	**1,045.4**	**1,368**	**1,668**	Yes

54. Since the operational boundary is a management tool for in-year monitoring it is not significant if the operational boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure. Although total debt was not above the operational boundary during this reporting financial year.

55. External Debt to Net Revenue Stream ratio is a new prudential indicator, this is to assess proportionality. To ensure that the amount of debt incurred is proportionate to a local authority's total service expenditure on a taxation basis and helps a local authority to understand the relationship of debt to an authority's resources used to support services and demonstrate a local authority's financial sustainability.

56. Net income from Commercial and Service Investments to Net Revenue Stream – This ratio considers the Council's exposure to risk from commercial and service investment income. To allow elected members and the public to assess the Council's total risk exposure as a result of its investment decisions in commercial and service investments compared to the net resources it expends to support services on a taxation basis. The below table indicates the estimated Council's positions based on 2022/23 Draft Treasury Management Strategy Statement.

Treasury Management Indicators

57. The Council measures and manages its exposure to treasury management risks using the following indicators.

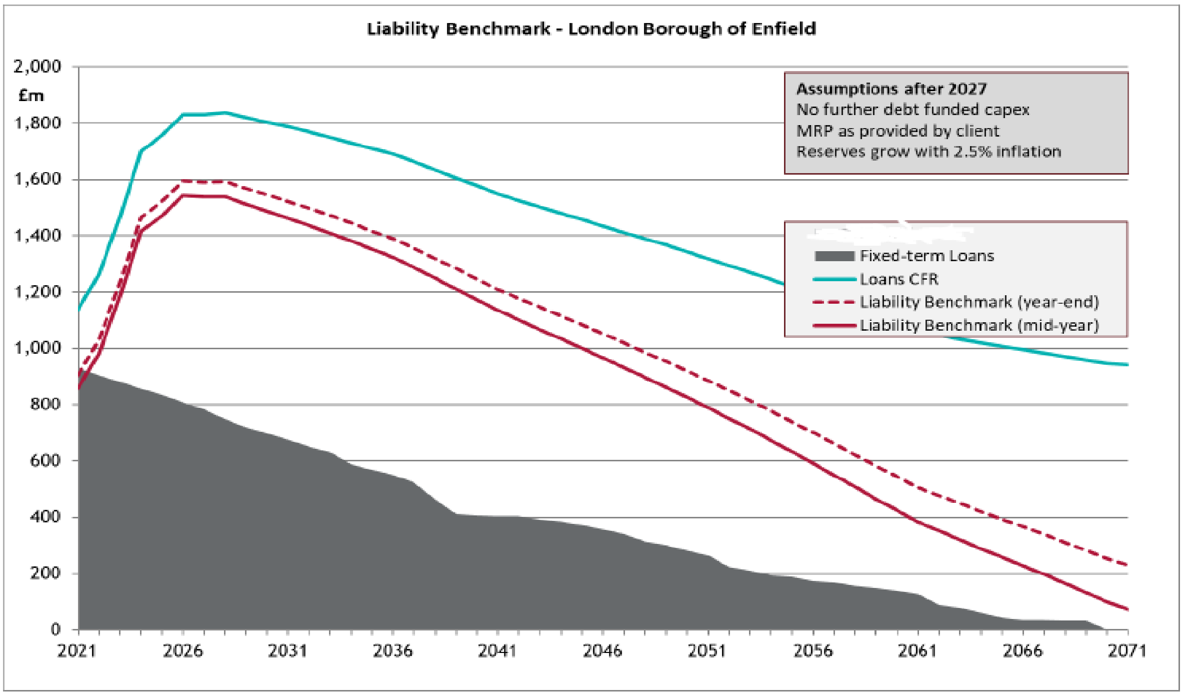
58. **Liability benchmark** (gross loans requirement) – CIPFA recommends that the liability benchmark is produced for at least 10 years and should ideally cover the debt profile of a local authority, it is a new indicator to measure borrowing levels and the profile of its debt overtime.

Table 13: Balance Sheet position at the year end of 2021/22.

Enfield Balance Sheet Summary		
	31 March 2021 Actual £m	31 March 2022 Actual £m
General Fund CFR	915.3	969.9
HRA CFR	240.2	268.4
Borrowing CFR	**1,155.4**	**1,238.3**
External borrowing	930.1	1,015.1
Internal borrowing	**225.3**	**223.2**
Less: Usable reserves	(259.9)	(259.9)
Less: Working capital	70.2	132.3
Net investments	**(35.6)**	**(95.6)**
Minimum Investment Balance	(10)	(10)
Liability Benchmark (year-end)	**884.5**	**909.5**
Peak to Trough Cash Flow	(48)	(49)
Liability Benchmark (mid-year)	**932.6**	**958.8**

59. The Chart below illustrates the Council's treasury position on 31 March 2022. It shows that the borrowing the Council already has (shaded in grey) does not exceed the borrowing amount required in total (red line). This chart uses data of the capital programme up to 2027 only.

Figure 14: Liability benchmark



60. Security: The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value weighted average credit rating and credit score of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

Table 15: Credit Risk

	31.3.22 Actual	**2021/22 Target**	**Complied?**
Portfolio average credit rating	A+	A	Yes
Portfolio average credit score	4.9	6.0	Yes

61. Liquidity: The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three-month period, without additional borrowing.

Table 16: Liquidity Risk Indicator

	31.3.22 Actual	**2021/22 Target**	**Complied?**
Total cash available within 3 months	£95.6m	£25m	Yes

62. **Interest Rate Exposures**: This indicator is set to control the Council's exposure to interest rate risk. The Council held no variable interest rate debt during 2021/22. However, the Council's Treasury Management Strategy does permit variable interest rate loans.

Table 17: Interest Rate Risk Indicator

	31.3.22 Actual	**2021/22 Limit**	**Complied?**
Upper limit on one-year revenue impact of a 1% rise in interest rates	Nil	+£4m	Yes
Upper limit on one-year revenue impact of a 1% fall in interest rates	Nil	+£4m	Yes

63. The impact of a change in interest rates is calculated on the assumption that maturing loans and investment will be replaced at current rates.

64. **Maturity Structure of Borrowing:** This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of all borrowing were:

Table 18: Maturity Structure

	31.3.22 Actual £m	**31.3.22 Actual**	**Upper Limit**	**Lower Limit**	**Complied?**
Under 12 months	61.1	6.0%	30%	0%	Yes
12 months & within 24 months	25.0	2.5%	35%	0%	Yes
24 months and within 5		5.1%	40%	0%	Yes

years	51.7				
5 years and within 10 years	147.1	14.5%	45%	0%	Yes
10 years and above	730.2	71.9%	100%	0%	Yes

65. Principal Sums Invested for Periods Longer than a year: The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end were:

Table 1: Sum Invested Over One Year

	2021/22	**2022/23**	**2023/24**
Actual principal invested beyond year end	Nil	Nil	Nil
Limit on principal invested beyond year end	£15m	£15m	£15m
Complied?	Yes	Yes	Yes

Minimum Revenue Provision

66. In accordance with the Local Government Act 2003, the Council is required to pay off an element of the accumulated General Fund capital expenditure, which was funded from borrowing, through an annual revenue charge known as the Minimum Revenue Provision (MRP).

67. The actual MRP charge for 2021/22 was £16.5m MRP, equal to the budget set. Total Financing Cost Charged to General Fund for 2021/22 was £20.5m.

68. The Council's MRP Policy was amended during the reporting financial year and approved by Council at its meeting of 24th February 2022.

MRP Consultation and Enfield Council's MRP Policy Review

69. During 2021/22, The Department for Levelling Up, Housing and Communities announced a consultation which proposed two major changes to the MRP framework:

a. That completed (non-HRA) assets may no longer be excluded from the MRP calculation

b. That capital receipts may no longer be used in lieu of MRP

70. In practice, the proposed new guidance no longer allows the council to decide not to make MRP today, based on expected future capital receipts. Funding projects up front with capital receipts the council has on balance sheet will still be allowed.

71. The consultation closed in February 2022, with any changes likely to take effect in the 2023/24 financial year. The outcome of the consultation has not been published. If the wording is adopted as it was in the consultation, Enfield will be impacted in two areas: the loans to council companies and the Meridian Water project.

72. Loans made to council owned companies currently use the capital receipts from repayments to reduce the MRP. This is allowed under current guidance but as the consultation currently words the changes to guidance, it would no longer be allowed. Instead, the Council would be able to use the capital receipts to fund future projects, reducing the MRP charge gradually over time. This would lead to a significant increase in MRP in the short term.

73. Meridian Water is modelled to be funded partly by MRP and partly through capital receipts generated during the life of the project. If the current proposed wording is not altered to allow self financing projects, then this may lead to a significant impact to the revenue budget. Although the capital receipts generated by Meridian Water will be used to fund future stages of Meridian Water or other projects upfront, the MRP charge would increase in the medium term. The potential impact of this will be included in the Meridian Water financial model refresh.

74. The s151 Officer commissioned an independent review of the Council's MRP policy from the Council's Treasury Advisors to ensure the Council adheres to DLUHC's guidance, the policy is prudent and to quantify the potential impact of the consultation on Enfield. Enfield is working with other impacted local authorities in London and across the country in order to better understand the issue, the potential financial impact and respond to any future consultations. Consideration of the potential financial impact will be included in the Capital Strategy and Medium Term Financial Plan development.

Revised CIPFA Codes, Updated PWLB Lending Facility Guidance

75. In August 2021 HM Treasury significantly revised guidance for the PWLB lending facility with more detail and 12 examples of permitted and prohibited use of PWLB loans. Authorities that are purchasing or intending to purchase investment assets primarily for yield will not be able to access the PWLB except to refinance existing loans or externalise internal borrowing. Acceptable use of PWLB borrowing includes service delivery, housing, regeneration, preventative action, refinancing and treasury management.

76. CIPFA published its revised Prudential Code for Capital Finance and Treasury Management Code on 20th December 2021. The key changes in the two codes are around permitted reasons to borrow, knowledge and skills, and the management of non-treasury investments.

77. The principles of the Prudential Code took immediate effect although local authorities could defer introducing the revised reporting requirements until the 2023/24 financial year, which is the decision of this Authority.

78. To comply with the Prudential Code, authorities must not borrow to invest primarily for financial return. This Code also states that it is not prudent for local authorities to make investment or spending decision that will increase the CFR unless directly and primarily related to the functions of the authority. Existing commercial investments are not required to be sold; however, authorities with existing commercial investments who expect to need to borrow should review the options for exiting these investments. The Code states that local authorities should not take new borrowing if financial investments for commercial purposes can reasonably be realised instead, based on a financial appraisal which takes account of financial implications and risk reduction benefits.

79. Borrowing is permitted for cashflow management, interest rate risk management, to refinance current borrowing and to adjust levels of internal borrowing. Borrowing to refinance capital expenditure primarily related to the delivery of a local authority's function but where a financial return is also expected is allowed, provided that financial return is not the primary reason for the expenditure. The changes align the CIPFA Prudential Code with the PWLB lending rules.

80. Unlike the Prudential Code, there is no mention of the date of initial application in the Treasury Management Code. The TM Code now includes extensive additional requirements for service and commercial investments, far beyond those in the 2017 version.

81. The Council has not borrowed purely for commercial yield and therefore, this change has not impacted on Enfield.

82. Enfield Council has elected to follow the same process as the Prudential Code, that is delaying changes in reporting requirements to the 2023/24 financial year with soft introduction of changes to 2022/23 reports.

83. The DLUCH has written to a number of local authorities with concerns about their borrowing/commercial activities. Enfield Council did not receive such letter.

Safeguarding Implications

84. The report provides clear evidence of sound financial management, efficient use of resources, promotion of income generation and adherence to Best Value and good performance management.

Public Health Implications

85. The Council's Treasury Management indirectly contributes to the delivery of Public Health priorities in the borough.

Equalities Impact of the Proposal

86. The Council is committed to Fairness for All to apply throughout all work and decisions made. The Council serves the whole borough fairly, tackling inequality through the provision of excellent services for all, targeted to meet the needs of each area. The Council will listen to and understand the needs of all its communities.

Environmental and Climate Change Considerations

87. There are no environmental and climate change considerations arising from this report.

Risks that may arise if the proposed decision and related work is not taken

88. Lack of robust governance inevitably involves a degree of risk. The successful identification, monitoring and control of risk are therefore central to the Council's treasury management strategy.

Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

89. Not approving the report recommendations and not adhering to the overriding legal requirements could impact on meeting the ongoing objectives of the Council's treasury activities.

Financial Implications

90. This is a noting report which fulfils the requirement to report annually the performance of the Council's treasury management activities. Financial implications are set out in the body of the report.

Legal Implications

91. This report sets out the lawful basis for the recommendation to approve the 2021/22 Treasury Outturn Report. The Council has duties within an existing legal and regulatory framework to produce an annual Treasury Management review of activities and the actual prudential and Treasury indicators for 2021/22. Section 151 of the Local Government Act 1972 requires local authorities to make arrangements for the proper administration of their financial affairs. The Local Government Act 1972 brought in the current regime for capital finance for local authorities.

Workforce Implications

92. The employer's contribution is a significant element of the Council's budget and consequently any improvement in investment performance and having a significant reduction in cost of borrowing will allow the Council to meet this obligation easily and could also make resources available for other corporate priorities.

93. This report helps in addressing value for money through benchmarking the Council's performance against other Local Authority and London Boroughs.

Property Implications

94. None

Other Implications

95. None

Options Considered

96. The CIPFA TM code require that the Council establishes arrangements for monitoring its investments and borrowing activities hence the performance and activities of the Council's treasury operations is being reported to Cabinet and Council on a regular basis.

97. This report is required to comply with the Council's Treasury Management Policy statement, agreed by Council.

Conclusions

98. The Council held outstanding investments of £95.6m as of 31st March 2022. This portfolio earned interest of £57k for the year.

99. The actual borrowing CFR increased by £82.9m to £1,238.3m from last year closing position of £1,155.4m. The original borrowing CFR forecast for 2021/22 was £1,451m, this was revised down in November 2021 to £1,307.7m, comparing the original position with the actual borrowing CFR, this gives a difference of £212.7m for the year, which is due to capital expenditure slippage.

100. The actual debt at year end stood at £1,015.1m, an increase of £85m over 2020/21 closing balance. The original total debt forecast for 2021/22 was £1,328m, this means the council actual total borrowing for the year was £312.9m less than the forecast.

101. During the financial year a total of £25m of borrowing matured and a total of £110m borrowing was raised.

102. The gross interest paid for financing external borrowing for the year was £24.5m and the proportion of interest charged to the General Fund for the year was £4m. Although gross interest forecast for 2021/22 was £33m with chargeable interest cost budget of £8.8m to the General Fund as detailed in table 6 of section 29.

103. Over the reporting year all treasury management (TM) activities have been carried out in accordance with the approved limits and the prudential indicators (PI) set out in the Council's Treasury Management Strategy statement.

Summary on Prudential and TM Codes - Published December 2021

104. A local authority must not borrow to invest primarily for financial return

105. It is not prudent to make any investment or spending decision that will increase the CFR, and lead to new borrowing, unless directly and primarily related to the LA's functions

106. The code does not require existing commercial investments to be sold, but options to exit investments as an alternative to borrowing should be reviewed in the TM strategy

107. Investment risks should be proportionate to financial capacity so that plausible losses can be absorbed in budgets or reserves without unmanageable detriment to local services

108. Investment counterparty policy to include Environmental, Social and Governance (ESG) considerations

109. Detailed requirements on knowledge and skills including on monitoring and review of policy and schedules

110. Prudential indicators to be reported to members quarterly not necessarily to full council

111. New indicators: liability benchmark and income from service and commercial investments

112. Strategy and indicator changes can be delayed until 2023/24 reports

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Date of report 24th May 2022

Appendices
None

Background Papers
The following documents have been relied on in the preparation of this report:
i) Treasury Management Strategy Statement 2021/22 (Approved by Council March 2021)
ii) Arlingclose – Treasury Outturn Template for 2021/22
iii) Arlingclose – Enfield Benchmarking-credit-scores for March 2022

London Borough of Enfield

Cabinet

Meeting Date: 6th July 2022

Subject: **Housing Revenue Account (HRA) Outturn Report 2021/22**

Cabinet Member: **Councillor Tim Leaver (Finance & Procurement)**
Councillor George Savva (Social Housing)

Executive Director: Fay Hammond, Executive Director - Resources

Key Decision: **KD5467**

Purpose of Report

1. This report reports the ring-fenced Housing Revenue Account income and expenditure in the financial year 2021/22 and compares it to the planned budget for the year. The Housing Revenue Account is a ring-fenced account where all the costs and income related to council housing are recorded. This report includes both revenue and capital expenditure within the Housing Revenue Account.

Proposals

2. Cabinet is asked to note this report.

Executive Summary

3. The HRA is achieving the Council's objectives through the development of new affordable homes, providing good homes in well-connected neighbourhoods, improving existing housing stock to create a lifetime of opportunities in Enfield, and sustaining strong and healthy communities.

4. The purpose of the report is to provide an overview of the financial performance of the Housing Revenue Account (HRA) Capital and Revenue programme during 2021/22.

5. This report sets out the Council's revenue expenditure (up to 31 March) compared to the budget; this is called the "outturn" (a local government phrase which means the total net expenditure for the financial year). This is a ring-fenced budget which includes all operating income (e.g. housing rent) and costs (e.g. housing officers, grounds or lift maintenance of housing estates or block cleaning) for Council housing.

6. In 2021/22, the HRA planned to spend £67.7m revenue funded by £67.7m revenue income. By the end of the year, the gross expenditure was as budgeted, but income was £1.45m lower.

7. Of the £1.45m lower than expected revenue income, £1.051m is associated with the impact of Covid19 and was funded by Covid grant. The remaining revenue overspend was £0.397m, funded from reserves. This compares to a forecast £0.346m favourable against the approved budget in Period 8.

8. The £1.45m reduced income was due to

   - delays in the handover of new build properties which has reduced the level of rental income expected – this is as a result of extension of time requirements from contractors as a result of the pandemic;
   - reduction in community halls income due to lower levels of hire this year;
   - and reduction in the estimated garage income due to many garages in the portfolio being unlettable.

9. The Council invested £83.8m capital in council housing including building homes and maintaining homes (e.g. fire safety works, replacement of bathrooms and building new homes). This is funded from grant and borrowing. The interest on borrowing is paid for from the Housing Revenue Account, essentially from Council housing rental income.

10. This equates to 99% of the revised capital budget approved by Council in January 2022.

11. This has included investing in existing Council homes:
    - The lifts have been replaced at Burgundy; Normandy & Picardy houses, Dover House, Walmer House, Jackson & Swinson Houses
    - Installation of 456 kitchens and 507 bathrooms
    - Installation of 53 modular bathrooms and 1 kitchen at Brimsdown PODS
    - Electrical upgrades and full re-wires to 134 properties
    - Replacement of 954 boilers
    - 322 properties have had radiators replaced
    - Replacement of 608 roofs and 62 windows
    - 34 properties have been installed with external wall insulation

12. Developing new Council homes:
    - Bullsmoor Lane (31 new homes) being progressed by Modern Methods of Construction (MMC) with start on site 2022/23. Dendridge Close has been withdrawn from MMC route with the budget to be used to purchase 27 units from Meridian Water.
    - Newstead House, Maldon Road and Gatward Green (34 new homes) – expected to complete in first quarter 2022/23.
    - Bury Street West (50 new homes, 25 affordable rented and 25 private sales) - construction works commenced expected to complete final quarter 2022/23 with public realm works completing early 2023/24.
    - Exeter Road (130 new homes) - start on site at Qtr 4 although completion timescales are likely to slip due to protracted contract negotiations. Budget includes contingency with final contract sum pending. Risk of increased budget requirement due to inflationary pressures.

- Upton and Raynham (130 homes) - start on site at Qtr 4 although completion timescales are likely to slip due to protracted contract negotiations. Budget includes contingency and final contract pending. Risk of increased budget requirement due to inflationary pressures.
- Reardon Court (70 units) commenced on site in Quarter 4 and will provide new affordable homes with care for older residents in the borough. Contract sum approved in line with allocated budgets.
- Joyce & Snell's – Ballot completed in December with a positive 78% support for change and regeneration. Planning application due to be submitted in Sept 2022.

13. HRA reserves decreased by £16.43m from £25.3m as at 1st April 2021 to £8.87m as at 31st March 2022 (pre-audit figures).

Reasons for Proposals

14. To update Cabinet on the year end HRA Revenue position, including variance analysis.

15. To update Cabinet on the year end HRA Capital Programme position, including project outputs and requests for budget adjustments.

Relevance to the Councils Plan

16. The overarching aim of the Capital Programme is to provide a framework within which the Council's investment plans can be delivered.

17. The strategy for Council Housing is set out in the Housing and Good Growth Strategy which supports the Corporate Plan 2018-2022. The objectives are to:

    - Deliver good homes in well-connected neighbourhoods
    - Sustain strong and healthy communities
    - Build our local economy to create a thriving place

18. The Corporate plan also identifies 3 guiding principles, which underpin these objectives; they will govern how the Council communicates with residents, works with residents and works as efficiently as possible, including increasing resident access to digital services and transactions.

Background

19. The principle of maintaining a financially sustainable Housing Revenue Account and Capital programme are imperative in the context of an ambitious housing development programme. On 2nd March 2021, the 2021/22 budget for both the revenue and the capital programme was set by Council, subsequently monitored throughout the year at Cabinet.

20. The revenue budget covers operational or more day to day expenditure whereas the capital budget covers long term investment in Council housing assets. Regulations allow for revenue to be spent on capital items but the HRA cannot borrow (i.e. use capital funding) to fund operational day to day expenditure. There are regulations governing the types of costs that can be funded from the HRA. There are over 10,300 council homes in Enfield.

21. The Housing Revenue Account is separate from the Council's General Fund revenue budget which is funded from government grant, Council Tax and Business Rate income. The HRA capital programme is also completely separate from the Council's capital programme (non-council housing expenditure). These are both reported in individual reports also considered at Cabinet.

22. This report is set out in three sections:

- HRA Revenue budget
- HRA Capital Programme
- HRA Reserves

Main Considerations for the Council

23. The sections below set out the final year end position against the budget (or plan) for both revenue and capital expenditure, explaining the reasons for the variation between actual and planned expenditure and how the funds have been spent.

24. This year has seen a range of issues that have had, and will continue to have, an impact on the strategy, priorities and outcomes for the service, including market conditions, an update of which is set out below.

25. Cabinet was updated on market conditions 19 January 2022 (KD5350) as part of the period 8 monitoring and this included the impacts of the pandemic, Brexit and constrained supply chains.

26. Since then the Consumer Prices Index (CPI) has increased to 9% (Bank of England long term target 2%) due partly to the conflict in Ukraine compounded by the continuing after-effects of Brexit and the pandemic which are expected to continue the upward pressure on inflation for some months to come. The Bank of England most recent forecast states that inflation will not return to 2% for another two years.

27. Market intelligence indicates costs for construction labour and materials will continue to increase at above inflation levels which will require a regular and rigorous review of expenditure to ensure appropriate mitigations can be deployed.

Revenue Outturn

28. The HRA outturn position is a £1.448m adverse position against the approved budget of £67.712m expenditure and offsetting £67.712m income. This equates to 2.1% of the income budget. The Covid-19 budget pressures of £1.051m will be funded from Central Government grant, therefore, the underlying outturn of £0.397m shortfall (1.3% of income budget) will be funded from HRA reserves.

29. Table 1 below shows the outturn position and total variance against budget. The movement in the outturn position compared to the Cabinet January 2022 forecast is shown in Appendix G.

30. In summary, lower income levels have impacted the revenue budget this year. This is mainly due to:

- delays in the handover of new build properties which has reduced the level of rental income expected
- reduction in community halls income due to lower levels of hire this year
- and reduction in the estimated garage income due to many garages in the portfolio being unlettable

Table 1 – Summary of the HRA Outturn

Outturn Summary for the Council Housing (HRA) 2021/22	Budget	Actual Outturn	Variance Covid impact	Variance excluding Covid impact	Total Variance
	£000s	**£000s**	**£000s**	**£000s**	**£000s**
Supervision and Management	21,747	24,367	663	1,957	2,620
Repairs Admin & Base	15,826	14,784	0	-1,042	-1,042
Rates	676	551	0	-125	-125
HRA Surplus (to fund Capital)	7,016	7,016	0	0	0
Bad Debt Provision	605	-49	0	-654	-654
Capital Financing	21,708	20,901	0	-807	-807
Corporate & Democratic Core	134	140	0	6	6
Gross expenditure	**67,712**	**67,710**	**663**	**-665**	**-2**
Rents Dwellings	-58,871	-58,285	255	331	586
Rents Non-Dwellings	-3,445	-2,808	133	504	637
Interest on HRA Balances	-380	-2	0	378	378
Leaseholders Service Charges	-5,016	-5,167	0	-151	-151
Gross income	**-67,712**	**-66,262**	**388**	**1,062**	**1,450**
Total	**0**	**1,448**	**1,051**	**397**	**1,448**

Supervision & Management (£2.620m adverse to budget)

31. As agreed by Cabinet, this year there has been additional investment of £727k made in improving the environmental conditions of estates following lifestyle changes as a result of the pandemic. These improvements include the following which are levied to residents through service charges in 2022/23:

a. Enhanced grounds maintenance service
b. Additional waste removal, fly tipping and bin collections
c. Window cleaning and deep cleaning projects

32. A proportion of these costs will be recovered in the 2022/23 service charges, with the remaining costs applied in 2023/24 and recovered through service charges.

33. There has been an increase in the IT recharge from the General Fund of £509k this year, a review of the systems and cost allocation has taken place and it was identified that the HRA share of these costs was insufficient.

34. The HRA insurance provision has been increased by £310k based on the current claims and potential future claims.

35. Following the Council Housing restructure, there have been several payments for redundancy, totalling £300k. These payments are part of the approved structure and are funded from allocated revenue reserves.

36. There has also been an increase of £236k in the energy bills in 2021/22, this is due to the current market pressures in this area.

37. The Communal Services team has continued to be impacted by Covid-19 this year. This front-line service has incurred additional costs for agency staff to cover caretakers in isolation and has been providing equipment and additional PPE to staff working in this area. These additional costs have resulted in an overall pressure of £195k to the approved budget.

Repairs Service (£1.042m favourable variance)

38. This year the repairs service has reacted to responsive repairs and compliance works. These works have seen an increase in cost for materials of around 7-15%, however we have worked closely with our merchants to mitigate this impact and these costs have been contained within the overall budget.

39. There has been a reduction in the planned and cyclical works this year. These works will be completed in 2022/23 and will assist in reducing future responsive repairs costs.

40. The saving in the repairs and maintenance budget this year will be added to the repairs reserve, which will contribute towards future repair works.

Bad debt provision (£0.654m favourable variance)

41. A 10% provision was allocated for the potential increase in arrears from Covid-19 impact but this year actual arrears haven't seen a significant increase and remain at a similar level to last year. The current levels indicate the provision in reserves is adequate and a reduction in the revenue contribution has been identified.

42. The last two years have not seen a significant impact on arrears levels. This is due to the improvements made by the income collection team, including the introduction of 'RentSense' which has assisted in more targeted intervention work.

43. The table below shows Council tenant arrears for current and former tenants:

Council Housing Tenants Arrears	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Current Tenants: Total Arrears	1.78	1.77	1.73	1.80	1.80	1.76	1.81	1.75	1.77	1.74	1.73	1.66
Former Tenant: Total Arrears	1.64	1.66	1.69	1.69	1.71	1.75	1.78	1.84	1.87	1.90	1.92	1.94
Total Arrears	**3.42**	**3.44**	**3.43**	**3.49**	**3.51**	**3.51**	**3.59**	**3.60**	**3.64**	**3.64**	**3.65**	**3.61**

44. On average the collection of current tenant's arrears is 102.32%, compared to 102.1% last year. The indicator exceeds 100% as it reflects the collection of arrears from prior years.

Interest of debt (£0.807m saving)

45. There has been a reduction in the borrowing requirement for the capital programme this year. This is due to the increase in grant payments for a number of development projects. The allocation was estimated to be paid on the basis of 50% start on site and 50% on completion, however the GLA have allocated 85% start on site with the remaining 15% paid on completion. Receiving a higher level of grant at the start of the project has reduced the borrowing requirement this year, which has reduced the estimated interest payments on the HRA debt.

Rental Income (£0.586m income shortfall)

46. Due to the current market conditions, the completion of new homes within our development programme has been delayed, these include Newstead House, Maldon Road, Gatward Green and Electric Quarter projects. The delays in the units being completed (c. 93 units with delays of 6 months) has impacted the expected rental income to the HRA this year and has created a pressure in the revenue budget.

Community Halls (£0.133m income shortfall)

47. Our community halls have re-opened following the easing of Government restrictions and are being used as nurseries and used by the HRA regeneration team. However, the demand for halls has been low and has resulted in a shortfall in income of £0.133m against a budget of £0.393m.

Garage rents (£0.161m income shortfall)

48. There has been a reduction in the expected rental income from garages this year due to a reduction in the number of garages lets. This has increased the void rate from the estimated 50% to an actual of 53%.

Interest on balances (£0.378m shortfall)

49. The Council's Treasury Management Strategy utilises 'internal borrowing' to reduce interest costs. The financially more costly alternative would be to keep high cash balances to invest while at the same time borrowing for the capital programme and paying higher rates of interest on that borrowing.

Efficiency savings

50. The HRA Business Plan had a revenue efficiency target of £1m to be achieved in 2021/22. The savings target has been achieved this year and has slightly exceeded the projection, with £1.089m of on-going savings being achieved. The following table represents the savings made this year:

Savings 2021/22	**£000's**
Restructure of Council Housing Service	-836
Reduction in bad debt contribution	-253
Total Savings	**-1,089**

HRA Capital Programme

51. The Council's Capital Programme is regularly reviewed, and monitoring reports are submitted to Cabinet on a quarterly basis. The Council continually strives to maximise external grants and contributions and attract new income streams to fund projects wherever possible and minimise the need to borrow.

52. The impact of Brexit, the Covid-19 pandemic and supply chain constraints have resulted in unprecedented material and labour shortages which have increased prices and reduced supplies. The HRA Business Plan has been updated to reflect these challenges, which was approved at Cabinet in December 2021 and Council in March 2022. The HRA Business Plan review undertaken provided an update on the HRA 30-year position. The main changes were as follows:

   a. Revised 10-year development programme to secure ongoing delivery
   b. Updated borrowing profile
   c. Re-profiled 10-year investment in stock programme
   d. Revenue budget update
   e. CPI update
   f. Financial framework update, including, financial metric and assumptions

53. The HRA capital programme for 2021/22 planned expenditure was refreshed during the financial year,as at January 2022, the expected budgeted spend was £84.897m for the year. At the end of the financial year, the actual expenditure was £83.827m. This is summarised in Table 2 below and detailed in Appendix A.

Table 2 – Summary of the HRA Capital Programme

Approved Capital Programme	2021/22 Budget (Jan Cabinet)	Net Movement	2021/22 (Jan) Revised Budget	2021/22 Outturn	Variance	Variance	Proposed Carry Forward or (Reduction)
	£'000	£'000	£'000	£'000	£'000	%	£'000
Asset-Led Works	0.68	0.00	0.68	0.43	-0.25	57%	0.25
Asset-Led Works: Cambridge Road West	0.70	0.00	0.70	1.00	0.31	-31%	-0.31
Asset-Led Works: Upper Edmonton	5.43	0.00	5.43	4.81	-0.62	13%	0.62
Demand-Led Works	0.18	0.00	0.18	0.09	-0.09	101%	0.09
Demand-Led Works: Aids & Adaptations	1.14	0.00	1.14	1.22	0.08	-7%	-0.08
Fire-Led Works	11.28	0.00	11.28	10.60	-0.68	6%	0.68
Stock-Condition-Led Works	25.99	0.00	25.99	27.82	1.83	-7%	-1.83
Investment Programme Total	**45.40**	**0.00**	**45.40**	**45.97**	**0.57**	**-1%**	**-0.57**
Development Programme	2.12	0.00	2.12	2.45	0.33	-13%	-0.33
Development Programme: Gatward/Newstead & Maldon	5.00	0.00	5.00	4.13	-0.87	21%	0.87
Development Programme: Reardon Court	1.80	0.00	1.80	1.41	-0.39	28%	0.39
Development Programme: Upton & Raynham	2.86	0.00	2.86	2.37	-0.49	21%	0.49
Development Programme: Bury Street	9.53	0.00	9.53	8.51	-1.02	12%	1.02
Development Programme: Electric Quarter	5.90	0.00	5.90	5.93	0.03	0%	-0.03
Development Programme - Joyce & Snells	2.05	0.00	2.05	2.85	0.80	-28%	-0.80
Development Programme Total	**29.25**	**0.00**	**29.25**	**27.64**	**-1.62**	**6%**	**1.62**
Estate Regeneration: Alma Towers	8.98	0.00	8.98	8.98	0.00	0%	0.00
Estate Regeneration: Ladderswood	0.18	0.00	0.18	0.20	0.02	-10%	-0.02
Estate Regeneration: New Avenue	1.01	-0.01	1.00	0.95	-0.05	5%	0.05
Estate Regeneration: Small Sites	0.08	0.01	0.09	0.09	0.00	0%	0.00
Estate Regeneration Total	**10.25**	**0.00**	**10.25**	**10.22**	**-0.03**	**0%**	**0.03**
Total HRA	**84.90**	**0.00**	**84.90**	**83.83**	**-1.07**	**1%**	**1.07**

54. Capital budgets are planned over ten years, in some instances the planned expenditure occurs in a different financial year from that planned, the budget is re-profiled (subject to a review). The HRA capital budget reprofiling represents budget adjustments to reflect new timescales for project delivery and comprises of:

Unspent budget to carry forward to 2022/23	-£6.956m
Reduce 2022/23 budgets for programmes spent in 2021/22	£5.885m
Net budget to carry forward	**-£1.071m**

Analysis of these are provided from paragraph 94 and in Appendix A.

HRA Capital Programme: Project Outcomes

55. This section provides:

- details of significant areas of spend (£84.897m) during 2021/22 and the associated outputs delivered by those schemes. This includes investment in improving safety and the condition of Council homes, general maintenance, investments the support the climate action plan, building new homes and large-scale regeneration schemes.
- And secondly, explains why the variation between planned spend and actual spend has occurred and the reasons for re-profiling of the budget between financial years.
- Finally, the details of how the programme was financed is provided.

Council Housing Investment Programme (£45.968m)

56. In line with the Better Council Homes programme, investment in the Council's housing stock and achieving the Decent Homes Standard and maintaining this is a Council priority; to address building safety risks and to reduce the need for responsive repairs. We have been working in collaboration with partner contractors to complete the projected works and associated spend within this financial year.

Asset-Led Works (£6.248m)

57. The spend this year has been based upon the delivery of decency and safety driven improvement works to schemes where blocks in close proximity have been grouped together and procured. These schemes are all live and include Hertford Road, Upper Edmonton, Pruden Close and Cambridge Road West.

58. The Upper Edmonton project has seen the following works completed this year:
    a. windows and side doors installed in 108 properties
    b. window replacement in 18 communal areas
    c. roof repairs or replacements in 18 blocks
    d. external concrete and balcony repairs to 18 blocks

59. The aged communal boiler plant at Pruden Close Sheltered block has been replaced with a new ground source heat pump (GSHP) in line with the Council's Carbon reduction strategy, which will also deliver more efficient, reliable and cost-effective heating and hot water for residents.

60. Works at Cambridge Road West have been accelerated and have seen surveys and roof work commence ahead of time.

Demand-Led Works (£1.307m)

61. Aids and adaptations - 200 adaptations in accordance with Council's statutory obligations (Housing Grants, Construction and Regeneration Act 1996)

Fire-Led Projects (£10.597m)

62. Bliss and Purcell, Channel Island and Brittany House blocks have seen the installation of sprinkler and fire alarm systems this year. In addition, fire stopping and soil stack replacement works have commenced at Bliss and Purcell.

63. Walbrook is a re-investment pilot for the Council aiming to address the replacement of high-risk cladding (already removed) alongside other internal fire safety works and zero carbon ambitions. This year the following works have been carried out and an options appraisal for the future of the building is to be brought to Cabinet this year:
    - design works for the block has been progressed to RIBA stage 3
    - pigeon proofing has been completed
    - district heating enabling works have been procured
    - district heating design works have commenced

64. The flat door remediation project has seen installation of 1,931 fire rated flat entrance doors this year.

Stock-Condition-Led Works (£27.817m)

65. This budget funds decent homes improvement works, delivered through various contracts across the borough. These include communal boiler upgrades, Brimsdown modular POD extension replacements, lift replacements, kitchen, bathroom and electric replacements, roofing renewals, window replacements and external wall insulation applications.

66. This programme has made the following improvement works to homes:
    - Installation of 456 kitchens and 507 bathrooms
    - Installation of 53 modular bathrooms and 1 kitchen at Brimsdown PODS
    - Electrical upgrades and full re-wires to 134 properties
    - Replacement of 954 new boilers
    - 322 properties have had radiators replaced
    - Replacement of 608 roofs and 62 windows
    - 34 properties have been installed with external wall insulation

67. These works will improve building insulation and reduce heat loss, which will create savings in energy costs to residents and contribute to our plans for decarbonising the housing stock.

68. Lift replacement programmes (7 blocks): a programme of lift replacements has been delivered this year to replace lifts which have now reached their end of life and address increasing service outages, which are have a detrimental impact on residents. The lifts have been replaced at the following blocks:
    - Burgundy; Normandy & Picardy houses
    - Dover House
    - Walmer House
    - Jackson & Swinson Houses

Social Value

69. Contracts let this year are expected to deliver the following social value outcomes:
    - Apprenticeships
    - school placement/ work experience placements, with 4 targeted at BME and disabled school leavers
    - DIY skills workshops (2 per year) for residents
    - greening projects
    - A commitment that 40% of all contract labour will be from Enfield residents

- A 3-tonne reduction in carbon generated from the council
- 100% recyclable waste target
- Resident energy awareness programme to address energy consumption and fuel poverty.

70. Moving forward all Social Value outcomes will be captured via the Social Value Portal, using the Council Housing social value model. Social Value will account for 10% of the tender evaluation score.

Development Programme (£27.635m)

71. Bullsmoor Lane (31 new homes) being progressed by Modern Methods of Construction (MMC) with start on site 2022/23. Dendridge Close has been withdrawn from MMC route with the budget to be used to purchase 27 units from Meridian Water.

72. Newstead House, Maldon Road and Gatward Green (34 new homes) – expected to complete in first quarter 2022/23.

73. Bury Street West (50 new homes, 25 affordable rented and 25 private sales) - construction works commenced expected to complete final quarter 2022/23 with public realm works completing early 2023/24.

74. Exeter Road (130 new homes) - start on site at Qtr 4 although completion timescales are likely to slip due to protracted contract negotiations. Budget includes contingency with final contract sum pending. Risk of increased budget requirement due to inflationary pressures.

75. Upton and Raynham (130 homes) - start on site at Qtr 4 although completion timescales are likely to slip due to protracted contract negotiations. Budget includes contingency and final contract pending. Risk of increased budget requirement due to inflationary pressures.

76. Reardon Court (70 units) commenced on site in Quarter 4 and will provide new affordable homes with care for older residents in the borough. Contract sum approved in line with allocated budgets.

77. The Council is contractually obligated to deliver starts through the GLA programme with a longer-term commitment to deliver 3,500 homes. To manage cost pressures and deadlines a review is in progress as follows:

    - Value engineering aspects of schemes to create efficiencies.
    - Seeking higher levels of grant – especially those funded through historical low grant rate programme such as Upton and Raynham.
    - Seeking funding via the S106/CIL budgets.
    - Review of procurement strategies including packaging schemes to identify cost efficiencies.
    - Review of tenure and increasing private sale.

78. As part of this review empirical build costs and revised expenditure profiles are being used to update the HRA Business Plan which will be submitted to Cabinet later in the financial year.

Estate Regeneration (£10.222m)

79. This programme, which includes the Joyce and Snells, Alma Estate, New Avenue and Ladderswood schemes, is investing in large scale phased regeneration for delivery of in-demand affordable housing as well as unlocking new homes for low cost home ownership for Enfield residents.

80. To mitigate this works on Alma Phase 2a and Phase 4 has been brought forward with revised planning consent, issued in September, increasing the number of homes for phases 2a and 4 by 88 as shown below.

Alma Estate Phase	Previous consent	Revised	Increase
2a	192	228	36
4	23	75	32
Total	215	303	88

81. Ladderswood –Phase 4 due to commence this year pending Deed of Variation approved in March 2022. Due to various delays and title issues, the commercial units remain void which impact on rental income has been reprofiled from 2021/2022 to 2022/23. the overage payable will be adjusted by £1.6m in line with KD5444. Overage is usually paid as completion of sales units which means Phase 1 and 2 is payable this year.

82. New Avenue - spend forecast reflect expected Leaseholder claims and project costs. Planning has been granted for uplift of homes from 408 to 502 which will allow for additional affordable housing on the site. Construction of Phase 2 commenced in March 2022 and Phase 3 expected in June 2022 which means both Coverack Close and Shepcot will be demolished.

83. Joyce & Snell's – Ballot completed in December with a positive 78% support for change and regeneration. Planning application due to be submitted in Sept 2022.

Capital Programme Variance Analysis

84. A breakdown of the variances is shown in Table 3 below, followed by the explanation for variances over £500k and re-profiling of budgets required.

Table 3

Approved Capital Programme	**Gross Slippage Carry Forward to 2022/23**	**Accelerated Budgets Brought Forward from 2022/23**	**Proposed Carry Forward Slippage (Net)**
	£m	**£m**	**£m**
Asset-Led Works	-0.87	0.31	-0.57
Fire-Led Works	-1.93	1.25	-0.68
Stock-Condition-Led Works	-1.24	3.07	1.83
Investment Programme Total	**-4.04**	**4.62**	**0.58**

Development Programme: Gatward/Newstead & Maldon	-0.87	0.00	-0.87
Development Programme: Bury Street	-1.02	0.00	-1.02
Development Programme - Joyce & Snells	0.00	0.80	0.80
Development Programme - Reardon & Upton/Raynham	-0.88	0.00	-0.88
Development Programme Total	**-2.77**	**0.80**	**-1.97**
Other - balance	**-0.15**	**0.47**	**0.32**
Total HRA	**-6.96**	**5.89**	**-1.07**

85. Asset Led Works (£0.566m carry forward: £0.872m underspend carried forward partially offset by £0.306m budget reduction 2022/23 to fund acceleration in delivery)

- Whilst a number of the external works at Upper Edmonton have completed there has been a delay in the works to install fire doors. This is due to extended material lead times and door supplier delays, which has led to the budget carry forward request.

- Surveys and roof works at Cambridge Road West have been accelerated which has led to the budget from 2022-23 being brought forward to fund these works.

86. Fire Led Works (£0.683m carry forward: £1.931m underspend carried forward partially offset by £1.248m budget reduction 2022/23 to fund acceleration in delivery)

- The communal and flat door installation project has been very successful this year with works planned for 2022/23 being brought forward, this has meant that budget forecast has increased and the planned spend in 2022/23 has been brought forward into 2021/22.

- The planned Brittany House fire sprinkler installation has been delayed due to supplier going into administration. These works will commence in 2022/23.

87. Stock Condition Led Works (£1.828m brought forward: £1.238m underspend carried forward offset by budget reduction 2022/23 £3.066m to fund acceleration in delivery).

- Boiler installations and external house works to replace roofs and windows have exceeded expectations this year and spend was higher than estimated. This increased productivity has improved the decency of a large number of properties, with the budget being brought forward from 2022/23 programme.

- There has been procurement delays in the communal boiler replacement programme this year, this programme will commence in 2022-23.

- There have been delays in the external wall insulation programme due to access and planning issues. 34 properties have been installed with external wall insulation and surveys for an additional 70 properties have been completed, the works on these properties will complete in 2022-23.

88. Development Programme (£1.973m carry forward: £2.770m underspend carried forward partially offset by £0.797m budget reduction 2022/23 to fund acceleration in delivery)

- Bury Street West (£1.021m carry forward) – slippage with whole amount expected to be spent 2022/23 with completion of units final quarter 2022/23

- Gatward Green, Newstead and Maldon (£0.867m carry forward) – due mainly to extension of time and prolongation claims from contractors which are in the process of being negotiated

- Reardon Court (£0.394m carry forward) – negotiations on the construction programme and tender price extended beyond year end and this is an accrual for spend incurred under the Pre-Contract Services.

- Exeter Road (£0.327m accelerated to 2021/22) – contract negotiations in progress as a result of inflationary pressures impacting on delivery timescales

- Upton & Raynham (£0.488m carry forward) - contract negotiations in progress as a result of inflationary pressures impacting on delivery timescales

- Joyce & Snells (£0.797m accelerated to 2021/22) – following Cabinet approval in Sept 2021, £10m was allocated to allow for expenditure to be committed on towards master planning and professional services. This profile was not updated to increase the £2m to the required budget and therefore the £797k reflects the accurate profiling rather than overspend.

Financing the Capital Programme

89. Table 4 below sets out the financing of the 2021/22 capital programme from a combination of grants, capital receipts (sale of assets), S106 contributions, reserves and borrowing.

Table 4 Financing of the capital programme

HRA CAPITAL PROGRAMME FUNDING 2021-22	Grants & Contributions	Capital Receipts	S106 Contribution	Major Works Allowance	Earmarked Reserves	Borrowing	TOTAL
	£m	£m	£m	£m	£m	£m	£m
Asset-Led Works	0.00	0.00	0.00	0.43	0.00	0.00	0.43
Asset-Led Works: Cambridge Road West	0.00	0.00	0.00	1.00	0.00	0.00	1.00
Asset-Led Works: Upper Edmonton	0.00	0.00	0.00	4.81	0.00	0.00	4.81

Demand-Led Works	0.00	0.00	0.00	0.09	0.00	0.00	0.09
Demand-Led Works: Aids & Adaptations	0.00	0.00	0.00	1.22	0.00	0.00	1.22
Fire-Led Works	0.00	3.08	0.00	0.00	7.52	0.00	10.60
Stock-Condition-Led Works	0.32	0.00	0.00	9.91	17.59	0.00	27.82
Investment Programme Total	**0.32**	**3.08**	**0.00**	**17.47**	**25.11**	**0.00**	**45.97**
Development Programme	0.00	0.15	1.91	0.00	0.00	0.38	2.45
Development Programme: Gatward/Newstead & Maldon	0.90	0.00	0.00	0.00	0.00	3.23	4.13
Development Programme: Reardon Court	1.40	0.00	0.00	0.00	0.00	0.01	1.41
Development Programme: Upton & Raynham	2.30	0.00	0.00	0.00	0.00	0.07	2.37
Development Programme: Bury Street	0.00	0.00	0.00	0.00	0.00	8.51	8.51
Development Programme: Electric Quarter	2.35	0.00	0.00	0.00	0.00	3.58	5.93
Development Programme - Joyce & Snells	0.00	0.00	0.00	0.00	0.00	2.85	2.85
Development Programme Total	**6.95**	**0.15**	**1.91**	**0.00**	**0.00**	**18.63**	**27.64**
Estate Regeneration: Alma Towers	0.00	0.00	0.00	0.00	0.00	8.98	8.98
Estate Regeneration: Ladderswood	0.00	0.00	0.00	0.00	0.00	0.20	0.20
Estate Regeneration: New Avenue	0.00	0.00	0.00	0.00	0.00	0.95	0.95
Estate Regeneration: Small Sites	0.00	0.00	0.00	0.00	0.00	0.09	0.09
Estate Regeneration Total	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**10.22**	**10.22**
Total HRA	**7.26**	**3.23**	**1.91**	**17.47**	**25.11**	**28.85**	**83.83**

Grants Summary

90. Table 5 below provides a summary of the grant received in 2021-22 and the assumptions over the next 4 years:

Table 5 Summary of Grant Funding

Grant Summary	**2021/22**	**2022/23**	**2023/24**	**2024/25**	**2025/26**
	Actual	**Estimated**	**Estimated**	**Estimated**	**Estimated**
	£m	**£m**	**£m**	**£m**	**£m**
GLA Grant	6.95	16.22	9.14	21.14	13.12
Local Authority Delivery Scheme	0.32	1.13	0.00	0.00	0.00
Total Grant	**7.26**	**17.35**	**9.14**	**21.14**	**13.12**

91. The Council is currently delivering a number of large housing schemes under the Building Council Homes for Londoners programme which requires starts on site no later than March 2023. Through a mixture of direct delivery and acquisitions, the Council is progressing schemes through planning to ensure the current committed programme is delivered to time. In April, the Council submitted a bid as part of the AHP 2021-26 programme and announcements were made in September confirming the full bid was successful and allocated the full amount applied for of £166.5m to support future new build and regeneration projects. The grant relates to sites in future years and projects commencing from April 2023 and is subject to contract.

92. Enfield Council have been successful in the bidding application for Phase 1B of the Local Authority Delivery scheme and received confirmation from Department for Business, Energy and Industrial Strategy (BEIS) in February 2021 that the application has successfully met the assessment criteria for funding to provide energy efficiency upgrades to low-income homes. This funding will support the installation of External Wall Insulation in 61 Council properties.

Earmarked Reserves

93. The level of HRA reserves, after capital financing, are shown below, in total this represents 13% of the £67m gross revenue budget:

Reserves **-ve expenditure** **+ve positive balances on reserves**	**Balance at 01/04/2021**	**Movement (net of capital financing)**	**Balance at 01/04/2022**	**Explanation of movements**
	£m	**£m**	**£m**	
HRA Repairs Fund	10.06	-8.48	1.58	(£1.044m) saving in the repair's revenue spend and £9.52m used to fund the capital investment programme
HRA Insurance	0.32	0.31	0.63	Increase in insurance provision due to an increase in potential claims in the short and long term
HRA Balance	9.94	-4.4	5.54	£6.6m revenue surplus (originally £7.0m but was reduced by £0.397m revenue pressure), £11m to fund the capital investment programme
HRA Capital reserve	4.98	-3.86	1.12	(£0.57m) leaseholder major repairs contributions and £4.43m to fund the capital investment programme
Total Reserves	**25.31**	**-16.43**	**8.87**	

94. There has been an increase in the use of HRA reserves this year due to a number of capital receipts not being received as expected, this has meant that revenue reserves have been used to fund the capital investment programme, this in turn has reduced the level of interest expected on HRA reserves.

95. In 2021/22 the reserves position was expected to be reduced due to the increase in spend in the HRA capital programme. In order to achieve the Council objectives for the delivery of 3,500 new homes over the next 14 years it has been necessary to use reserves to fund the demands in the short term, and in the long term the delivery of new homes will generate additional revenue rental income and capital sales receipts in order to maintain a viable HRA business plan.

96. Due to a number of delays in the Development Programme due to Brexit and Covid-19 pressures, additional revenue reserves have been used to fund the shortfall in the capital programme this year. Expected receipts in 2021/22 of £8.9m to fund the programme haven't materialised and revenue reserves have been used to fund the shortfall. These receipts are now expected in 2022/23 and will increase the reserves position in this period.

Safeguarding Implications

97. Not relevant to this report

Public Health Implications

98. 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.

99. The Council moved swiftly to safeguard the health of its residents and staff during a period of threat unprecedented in living memory. As previously reported the financial implications of this have been harsh and have reached into every department in the Council. As the council is fundamental to the health of Enfield residents it needs to achieve financial balance.

100. This report notes the work that the Council is and has already undertaken and therefore in and of itself does not have public health implications. However, both the Office for Budget Responsibility (OBR) and the Institute for Financial Services (IFS) have both reported on the negative health effects of the 2008 financial crisis. In order to mitigate the effects of this current crisis the council will need to attain financial balance, consider what the 'new normal' might be and how this might be achieved whilst optimising resident's health.

Equalities Impact of the Proposal

101. Not relevant to this report.

Environmental and Climate Change Considerations

102. Environmental and climate changes implications are referenced as relevant in the body of the report.

Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

103. Not relevant to this report

Financial Implications

104. Financial implications are integral to this report.

Legal Implications

105. The Council has a statutory duty to arrange for the proper administration of its financial affairs and a fiduciary duty to taxpayers with regards to its use of and

accounting for public monies. This report assists in the discharge of those duties.

106. Section 151 of the Local Government Act 1972 requires local authorities to make arrangements for the proper administration of their financial affairs. The Local Government Act 1972 brought in the current regime for capital finance for local authorities.

107. There are no direct legal implications arising from this report. The report is produced as part of the requirements for managing the Council’s spending within budget.

Workforce Implications

108. Not relevant to this report.

Property Implications

109. Whilst a number of capital projects mentioned within this report have property implications, these will have been highlighted in the relevant report that authorised the project. As such, this report in itself does not have any direct property implications.

Other Implications

110. There are no other implications.

Options Considered

111. Position on the revenue and capital accounts of the HRA are a matter of fact therefore there are no options in this regard.

112. There is the option not to approve the requested budget adjustments in their proposed form in which case this will have an impact on the delivery of planned investment and development schemes.

113. Consideration has been given to these objectives with due regard to the financial position of the Council’s HRA with a view to refreshing the overarching HRA Business Plan later in the financial year as a prelude to refreshing the Council’s financial strategies.

Conclusions

114. The HRA revenue budget will contine to be closely monitored over the coming year, in particular monitoring the cost pressures arising from the current economic position. Action will be taken to address in year cost pressures as these arise to ensure that the HRA maintains financial resilience this will be reported to Cabinet during the coming financial year.

115. A significant number of capital projects have been delivered during 2021-22 that support the Council’s housing strategy totalling £83.826m.

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Date of report 6th July 2022

Appendices

Appendix A	Capital outturn summary
Appendix B	Financing Movement
Appendix C	Movement in Capital Expenditure Budgets From 1st April 2021 to 31st March 2022
Appendix D	Analysis by Corporate Objective at Programme Level
Appendix E	10-Year Capital Programme -Approved Programme Expenditure Budgets
Appendix E1	10-Year Capital Programme -Approved Programme Financing Budgets
Appendix F	Revised 2022/23 Full Capital Programme
Appendix G	Revenue variations between January and outturn position

Background Papers
The following documents have been relied on in the preparation of this report:

Appendix A – Capital outturn summary

Approved Capital Programme	2021/22 (Nov) Budget	2021/22 Budget Adjustments Since Period 8	Virements	2021/22 Revised Budget	2021/22 Expenditure	Variance	Proposed Re-profiling (Cfwd)
	£m	£m	£m	£m	£m	£m	£m
Development Programme - Joyce & Snells	2.05	0.00	0.00	**2.05**	2.85	0.80	0.80
Development Programme	11.78	0.00	0.00	**11.78**	10.35	-1.42	-1.42
Development Programme: Bury Street	9.53	0.00	0.00	**9.53**	8.51	-1.02	-1.02
Development Programme: Electric Quarter	5.90	0.00	0.00	**5.90**	5.93	0.03	0.03
Development Programme Total	**29.25**	**0.00**	**0.00**	**29.25**	**27.64**	**-1.62**	**-1.62**
Estate Regeneration: Alma Towers	8.98	0.00	0.00	**8.98**	8.98	0.00	0.00
Estate Regeneration: Ladderswood	0.18	0.00	0.00	**0.18**	0.20	0.02	0.02
Estate Regeneration: New Avenue	1.01	0.00	-0.01	**1.00**	0.95	-0.05	-0.05
Estate Regeneration: Small Sites	0.08	0.00	0.01	**0.09**	0.09	0.00	0.00
Estate Regeneration Total	**10.25**	**0.00**	**0.00**	**10.25**	**10.22**	**-0.03**	**-0.03**
Stock-Condition-Led Works	25.99	0.00	0.00	**25.99**	27.82	1.83	1.83
Demand-Led Works	1.31	0.00	0.00	**1.31**	1.31	-0.01	-0.01
Fire-Led Works	11.28	0.00	0.00	**11.28**	10.60	-0.68	-0.68
Asset-Led Works	6.81	0.00	0.00	**6.81**	6.25	-0.57	-0.57
Investment Programme Total	**45.40**	**0.00**	**0.00**	**45.40**	**45.97**	**0.57**	**0.57**
Total HRA	**84.90**	**0.00**	**0.00**	**84.90**	**83.83**	**-1.07**	**-1.07**

Appendix B – Financing Movement

Appendix B: Outturn Funding Movements £'000	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28-2031/32	TOTAL	Comments
	£m	£m	£m	£m	£m	£m	£m	£m	
External Sources- Grants & Contributions	-2.48	2.48	0.00	0.00	0.00	0.00	0.00	**0.00**	**Proposed financing for slippage carried forward.**
LBE Resources-Reserves & Capital Receipts	1.83	-1.83	0.00	0.00	0.00	0.00	0.00	**0.00**	**Proposed financing for slippage carried forward.**
Borrowing	-0.43	0.43	0.00	0.00	0.00	0.00	0.00	**0.00**	**Proposed financing for slippage carried forward.**
Total Place – HRA	**-1.07**	**1.07**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	
Total Capital Programme	**-30.76**	**30.76**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	

Appendix C- Movement in Capital Expenditure Budgets From 1st April 2021 to 31st March 2022

Capital Programme	Original budget	2020/21 Outturn Adj	2021/22 Revised budget	Reprofiling	Other Adj	Q1 Revised Budget	Reprofiling	Other Adj	Q2 Revised Budget	Reprofiling	Other Adj	P8 Revised Budget	Other Adj	Q4 Revised Budget	Outturn	Variance
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
HRA	168.63	20.60	189.23	-73.18	0.00	116.05	-27.71	0.00	88.35	-3.45	0.00	84.90	0.00	84.90	83.83	1.07

Appendix D – Analysis by Corporate Objective at Programme Level

Corporate Objective	Capital Programme	Revised Budget at Outturn	Outturn	Variance
		£m	£m	£m
Good homes in well-connected neighbourhoods	Development Programme	11.78	10.35	-1.42
Good homes in well-connected neighbourhoods	Development Programme: Bury Street	9.53	8.51	-1.02
Good homes in well-connected neighbourhoods	Development Programme: Electric Quarter	5.90	5.93	0.03
Good homes in well-connected neighbourhoods	Development Programme - Joyce & Snells	2.05	2.85	0.80
Good homes in well-connected neighbourhoods	Estate Regeneration	0.00	0.00	0.00
Good homes in well-connected neighbourhoods	Estate Regeneration: Alma Towers	8.98	8.98	0.00
Good homes in well-connected neighbourhoods	Estate Regeneration: New Avenue	1.00	0.95	-0.05
Good homes in well-connected neighbourhoods	Estate Regeneration: Small Sites	0.09	0.09	0.00
Good homes in well-connected neighbourhoods	Estate Regeneration: Ladderswood	0.18	0.20	0.02
Good homes in well-connected neighbourhoods	Asset-Led Works	6.81	6.25	-0.57
Good homes in well-connected neighbourhoods	Demand-Led Works	1.31	1.31	-0.01
Good homes in well-connected neighbourhoods	Fire-Led Works	11.28	10.60	-0.68
Good homes in well-connected neighbourhoods	Stock-Condition-Led Works	25.99	27.82	1.83
Total HRA Good Homes In Well-Connected Neighbourhoods		**84.90**	**83.83**	**-1.07**

Appendix E - 10-Year Capital Programme -Approved Programme Expenditure Budgets

Capital Programme	Outturn 2021/22	Revised 2022/23	Revised 2023/24	Revised 2024/25	Revised 2025/26	Revised 2026/27	Revised 2027/28 - 2031/32	Revised Total
	£m	£m	£m	£m	£m	£m	£m	£m
Development Programme	10.35	55.85	119.67	36.55	61.23	35.31	110.34	**429.31**
Development Programme: Bury Street	8.51	10.66	0.44	0.00	0.00	0.00	0.00	**19.60**
Development Programme: Electric Quarter	5.93	1.26	0.00	0.00	0.00	0.00	0.00	**7.19**
Development Programme - Joyce & Snells	2.85	5.96	38.41	43.14	52.72	47.29	268.91	**459.27**
Development Programme Total	**27.64**	**73.73**	**158.52**	**79.69**	**113.95**	**82.60**	**379.25**	**915.37**
Estate Regeneration	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Estate Regeneration: Alma Towers	8.98	5.68	0.74	0.65	0.65	0.63	0.00	**17.33**
Estate Regeneration: Ladderswood	0.20	0.23	0.11	0.11	0.11	0.00	0.00	**0.76**
Estate Regeneration: New Avenue	0.95	0.36	0.21	0.22	0.00	0.00	0.00	**1.74**
Estate Regeneration: Small Sites	0.09	0.00	0.00	0.00	0.00	0.00	0.00	**0.09**
Estate Regeneration Total	**10.22**	**6.27**	**1.05**	**0.98**	**0.76**	**0.63**	**0.00**	**19.92**
Asset-Led Works	6.25	10.41	0.23	0.17	0.00	0.00	0.00	**17.05**
Demand-Led Works	1.31	2.36	2.35	0.00	0.00	0.00	0.00	**6.01**
Fire-Led Works	6.00	23.48	23.16	0.21	0.00	0.00	0.00	**52.85**
Stock-Condition-Led Works	32.41	17.76	32.21	14.93	14.54	14.54	68.19	**194.59**
Investment Programme Total	**45.97**	**54.00**	**57.95**	**15.31**	**14.54**	**14.54**	**68.19**	**270.50**
Total HRA	**83.83**	**133.99**	**217.52**	**95.99**	**129.25**	**97.77**	**447.45**	**1,205.79**

Appendix E1 - 10-Year Capital Programme -Approved Programme Financing Budgets

	Outturn	Revised	Revised	Revised	Revised	Revised	Revised	Revised
Capital Financing	**2021/22**	**2022/23**	**2023/24**	**2024/25**	**2025/26**	**2026/27**	**2027/28 - 2031/32**	**Total**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
External Grants	7.26	20.15	9.14	21.14	13.12	34.93	89.34	**195.08**
S106 & CIL	1.91	0.00	0.00	0.00	0.00	0.00	27.51	**29.42**
Revenue Contributions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Capital Receipts	3.23	22.75	56.59	60.70	39.59	17.36	128.83	**329.05**
Major Allowance Repairs	17.47	7.90	12.06	14.15	14.54	14.96	68.20	**149.28**
Earmarked Reserves	25.11	21.56	6.92	0.00	0.00	19.52	48.58	**121.69**
Borrowing	28.85	61.63	132.80	0.00	62.00	11.00	85.00	**381.27**
Total HRA Financing	**83.83**	**133.99**	**217.52**	**95.99**	**129.25**	**97.77**	**447.45**	**1,205.79**

Appendix F - Revised 2022/23 Full Capital Programme

Capital Programme & Directorate	2022/23 Original (KD5353)	2021/22 Movements	2021/22 Slippage	Budgets Utilised in 2021/22 (Acceleration)	Net Slippage (2021/22)	2022/23 Revised Budget
	£m	£m	£m	£m	£m	£m
Development Programme	54.43	0.00	1.76	-0.34	1.42	55.85
Development Programme: Bury Street	9.64	0.00	1.02	0.00	1.02	10.66
Development Programme: Electric Quarter	1.29	0.00	0.00	-0.03	-0.03	1.26
Development Programme - Joyce & Snells	6.76	0.00	0.00	-0.80	-0.80	5.96
Development Programme Total	**72.11**	**0.00**	**2.78**	**-1.16**	**1.62**	**73.73**
Estate Regeneration: Ladderswood	0.25	0.00	0.00	-0.02	-0.02	0.23
Estate Regeneration: Alma Towers	5.68	0.00	0.00	0.00	0.00	5.68
Estate Regeneration: New Avenue	0.31	0.00	0.05	0.00	0.05	0.36
Estate Regeneration: Small Sites	0.00	0.00	0.00	0.00	0.00	0.00
Estate Regeneration Total	**6.24**	**0.00**	**0.05**	**-0.02**	**0.03**	**6.27**
Asset-Led Works	9.85	0.00	0.87	-0.31	0.57	10.41
Demand-Led Works	2.35	0.00	0.09	-0.08	0.01	2.36
Fire-Led Works	26.27	0.00	1.93	-1.25	0.68	26.96
Stock-Condition-Led Works	16.10	0.00	1.24	-3.07	-1.83	14.28
Investment programme Total	**54.57**	**0.00**	**4.13**	**-4.70**	**-0.57**	**54.00**
Total HRA	**132.92**	**0.00**	**6.96**	**-5.89**	**1.07**	**133.99**

Appendix G – Revenue variations between January and outturn position

Council Housing Revenue Monitor £'000	2021-22 Budget	Actual Outturn	Reported January Variances	Difference between January and final outturn	Key Variances between January and final outturn position
	£m	£m	£m	£m	
Supervision and Management *Housing Development & Estate Renewals *Director Housing Management *Tenancy and Estate Management *Income Collection *Re-Housing *Home Ownership & RTB's *Communications *Grounds Maintenance *Energy *Communal Services *Sheltered Housing & Concierge & CCTV	21.75	24.37	0.07	2.55	Whilst the redundancy expenditure was estimated as part of the restructure report, the final costs were unknown at the time of finalising the January Cabinet report. There was an increase in the IT recharge as reported in the main body of the report, this work wasn't finalised until year end. The increase in energy bills was unknown until the final bills were received in March, the final quarters bills reflected the increase in charges
Repairs Service	15.83	14.78	-0.11	-0.93	Whilst a number of planned and cyclical repairs works were delayed in 2021-22, the cost of responsive repairs had increased. However, a number of invoices hadn't been received and works orders in Northgate weren't finalised until the year end.
Rates - Council Tax and Business Rates	0.68	0.55	0.00	-0.13	
Bad Debt Provision	0.61	-0.05	-0.44	-0.21	
Capital Financing	21.71	20.90	-0.60	-0.21	
HRA Surplus (to fund Capital)	7.02	7.02	0.00	0.00	
Corporate & Democratic Core	0.13	0.14	0.00	0.01	
Total Expenditure	**67.71**	**67.71**	**-1.08**	**1.08**	
Rents Dwellings	-58.87	-58.29	0.35	0.24	A number of units were expected to be handed over in the last quarter of 2021-22. We had assumed that income would have been received for a number of these completed units, however further delays on the projects had impacted the hand over dates, resulting a further reduction of expected income
Rents Non Dwellings (Shops/Garages/Community Halls)	-3.45	-2.81	0.39	0.25	
Interest on HRA Balances	-0.38	0.00	0.00	0.38	A higher level of reserves were used in 2021-22 mainly due to receipts not being received in quarter 4, this has impacted on the level of interest received on HRA balances
Leaseholders Service Charges	-5.02	-5.17	0.00	-0.15	
Total Income	**-67.71**	**-66.26**	**0.74**	**0.72**	
Total	**0.00**	**1.45**	**-0.35**	**1.79**	

THE CABINET

Draft list of Items for future Cabinet Meetings
(NOTE: The items listed below are subject to change.)

MUNICIPAL YEAR 2022/2023

SEPTEMBER 2022

1. **Montagu Industrial Estate – Resolution for a Compulsory Purchase Order (CPO)** Sarah Cary

   This will seek approval for a resolution to make a CPO for the redevelopment of the Montagu Industrial Estate in order to provide modern, fit for purpose business space. **(Key decision – reference number 5121)**

2. **Meridian Water Masterplan Vision** Sarah Cary

   This will provide an overview of the Meridian Water Masterplan Vison and seek approval for its direction of travel and refinement. **(Key decision – reference number 5362)**

3. **Meridian Water Supplementary Planning Document: Draft for Public Consultation** Sarah Cary

   This will seek approval for public consultation on the draft Meridian Water Supplementary Planning Document (SPD) **(Key decision – reference number 5375)**

4. **Meridian Water Design Guide and Infrastructure** Sarah Cary

   This will provide an overview of the Meridian Water Masterplan Vison and seek approval for its direction of travel and refinement. **(Key decision – reference number tbc)**

5. **Meridian Water Community Housing Strategy** Sarah Cary

   This will seek approval of the Meridian Water Community Housing Strategy. **(Key decision – reference number 5226)**

6. **Montagu Business Plan** Sarah Cary

   (Key decision – reference number tbc)

7. **Meridian Water Financial Model** Sarah Cary

This will provide Meridian Water: Financial Model Review. **(Key decision – reference number 5463)**

8. **Quarterly Revenue Monitoring 2022/23 Quarter 1** Fay Hammond

This will provide the quarter one revenue monitoring 2022/23. **(Key decision – reference number 5481)**

9. **Quarterly Capital Monitoring 2022/23 Quarter 1** Fay Hammond

This will provide the quarter one capital monitoring 2022/23. **(Key decision – reference number tbc)**

10. **Quarterly HRA Monitoring 2022/23 Quarter 1** Fay Hammond/Sarah Cary

This will provide the quarter one HRA monitoring 2022/23. **(Key decision – reference number tbc)**

11. **Section 75 Agreement** Tony Theodoulou

This will provide details of the funding agreement. **(Key decision – reference number 5462)**

12. **Revisions to decision-making arrangements to spend the Enfield Neighbourhood Community Infrastructure Levy** Sarah Cary

This will seek approval for changes proposed to the governance, funding and evaluation criteria ahead of the second round of Enfield Neighbourhood Fund delivery. **(Key decision – reference number 5458)**

13. **Council Tax Support Scheme 2023/24 Consultation** Fay Hammond

This will seek approval for consultation on the scheme 2023/24. **(Key decision – reference number tbc)**

14. **Special Educational Needs and Disabilities (SEND) Partnership Strategy** Tony Theodoulou

This will seek approval for the new SEND Partnership Strategy to be recommended to Council for approval and adoption. **(Key decision – reference number tbc)**

OCTOBER 2022

1. Medium Term Financial Plan Update 2023/24 - 2027/28 — Fay Hammond

This will provide an update on the Medium Term Financial Plan, including initial new savings. **(Key decision – reference number 5488)**

2. Medium Term Financial Strategy 2023/24 to 2027/28 — Fay Hammond

This will provide Cabinet with the latest position and assumptions around the Council's Medium Term Financial Strategy covering the period from 2023/24 to 2027/28. **(Key decision – reference number 5468)**

3. Capital Strategy 2023/24 – 2032/33 — Fay Hammond

This will present to Cabinet the updated 10 year Capital Strategy – covering the period from 2023/24 to 2032/33. **(Key decision – reference number 5469)**

4. Quarterly Corporate Performance Report (Q1) — Fay Hammond

This will present the quarterly corporate performance report. (Non key)

NOVEMBER 2022

1. Enfield Children's Home — Tony Theodoulou

This will seek approval to undertake a tender process, in order to develop an 'in borough' residential provision for Enfield children in care. **(Key decision – reference number 5478)**

DECEMBER 2022

1. Quarterly Revenue Monitoring 2022/23 Quarter 2 — Fay Hammond

This will provide the quarter two revenue monitoring 2022/23. **(Key decision – reference number 5490)**

2. Quarterly Capital Monitoring 2022/23 Quarter 2 — Fay Hammond

This will provide the quarter two capital monitoring 2022/23. **(Key decision – reference number tbc)**

3. **Quarterly HRA Monitoring 2022/23 Quarter 2** Fay Hammond/Sarah Cary

This will provide the quarter two HRA monitoring 2022/23. **(Key decision – reference number tbc)**

4. **Half Yearly Treasury Position 2022/23** Fay Hammond

This will provide the half yearly treasury position 2022/23. **(Key decision – reference number tbc)**

5. **HRA Business Plan – mid year update** Fay Hammond/Sarah Cary

This will provide the mid-year update for the HRA Business Plan. **(Key decision – reference number tbc)**

6. **Medium Term Financial Plan Update and Draft 2023/24 Budget** Fay Hammond

This will update Cabinet on the latest position in the Council's Medium Term Financial Plan including further savings proposals for the period 23/24 to 27/28. **(Key decision – reference number 5487)**

7. **Membership of the jointly owned Pan-London Vehicle for Commissioning** Tony Theodoulou

This will recommend the formation of a Pan-London Vehicle for Commissioning which will bring local authorities together in a new jointly owned legal vehicle to plan and commission provision for London children. The proposal has been endorsed by the Association of London Directors of Children's Services and is being taken to every London Borough Cabinet for agreement. **(Key decision – reference number 5483)**

JANUARY 2023

1. **Capital Programme Monitor Period 8 2022/23** Fay Hammond

This will provide the period 8 (November) capital monitoring 2022/23. **(Key decision – reference number tbc)**

2. **Quarterly Corporate Performance Report (Q2)** Fay Hammond

This will present the quarterly corporate performance report. (Non key)

3. **Council Tax and Business Rates Collection Fund 2023/24** Fay Hammond

This will seek Cabinet approval for setting the tax bases for both council tax and business rates for 23/24. **(Key decision – reference number 5486)**

4. **Council Tax Support Scheme 2023/24** Fay Hammond

This will seek approval for the Council Tax Support Scheme 2023/24. **(Key decision – reference number 5485)**

FEBRUARY 2023

1. **Budget Report 2023/24 and Medium Term Financial Plan 2023/24 to 2027/28** Fay Hammond

This will set out the Council's 2023/24 Budget and Council Tax levels. Consideration is also given to the updated 5 year Medium Term Financial Plan. **(Key decision – reference number 5484)**

2. **Quarterly Revenue Monitoring 2022/23 Quarter 3** Fay Hammond

This will provide the quarter three revenue monitoring 2022/23. **(Key decision – reference number 5489)**

MARCH 2023

APRIL 2023

1. **Quarterly Corporate Performance Report (Q3)** Fay Hammond

This will present the quarterly corporate performance report. (Non key)

NOT YET ALLOCATED

1. **Housing Asset Management and Sustainability Strategy** Sarah Cary

This will seek approval to implement a new Housing Asset Management and Sustainability Strategy to inform investment decisions across the Council Housing portfolio as part of the Better Council Homes programme and in order to deliver safe, sustainable and well connected homes for the future. **(Key decision – reference number 5247)**

2. **Review of Enfield Repairs Direct** Sarah Cary

This will review the progress and performance of Enfield Repairs Direct and propose changes to the service delivery model. **(Key decision – reference number 5430)**

3. **Palace Gardens and Palace Exchange Property** Sarah Cary

This will seek approval to amendments to lease and other property matters in relation to Palace Gardens and Palace Exchange. **(Key decision – reference number 5257)**

4. **Broomfield House** Sarah Cary

This will refer to the Broomfield Conservation Management Plan and Options Appraisal and set out options for next steps. **(Key decision – reference number 4419)**

5. **Claverings** Sarah Cary

(Key decision – reference number tbc)

6. **Disposals Programme** Sarah Cary

(Key decision – reference number tbc)

7. **Enforcement Policy** Sarah Cary

(Key decision – reference number tbc)

8. **Loan to Estate Management Company** Sarah Cary

(Key decision – reference number tbc)

9. **Mid Year Review of Fees and Charges** Fay Hammond

(Key decision – reference number 5470)

8. **Corporate Condition Programme for Council Chamber Accessibility Improvements** Sarah Cary

(Key decision – reference number 5460)

London Borough of Enfield

Cabinet
6 July 2022

Subject:	**Anastasia Lodge and Autumn Gardens Residential & Nursing Care Contract Award**
Cabinet Member:	**Cllr Alev Cazimoglu**
Executive Director: of People	**Tony Theodoulou**
Key Decision:	**5411**

Purpose of Report

1 Anastasia Lodge is a residential care home situated in Winchmore Hill and benefits from good shopping, open space and transport facilities. Care services where provided under a1 +1-year block contract between the Council and Ourris Residential Homes Limited. This expired on the 31st March 2022. There is a 5-month extension in place which is due to expire on 31st August 2022.

2 Autumn Gardens is a residential and nursing care home. It is situated in Southgate and also benefits from good shopping, open space and transport facilities. Care services where provided under a1 +1-year block contract between the Council and Ourris Properties Limited. This expired on the 31st March 2022. There is a 5-month extension in place which is due to expire on 31st August 2022.

3 The main client group in both homes is "older adults" from the Greek, Turkish, Greek/Cypriot and Turkish and Turkish/Cypriot communities who are unable to live independently in the community due to their high care needs and/or dementia. The number of people who have dementia has been steadily increasing in the borough over the last few years and this increase is set to continue. Dementia care homes are a difficult market sector experiencing increased demand and continued upward cost pressure**.**

Proposal

4 That Cabinet approves:

(i) the award of the following two contracts via direct award under regulation 32 (2)(b) (ii) of the Public Contracts Regulations 2015:

- Contract for Residential Care Services to Ourris Residential Homes Limited at Anastasia and
- Contract for Residential & Nursing Care Services to Ourris Properties Limited at Autumn Gardens

(ii) that the contract period for the two contracts detailed above shall be for 3+2 years commencing on 1st September 2022 for an initial term of 3 years ending on 31st August 2025 (with the option to extend for 2 years to 31st August 2027. The award will provide vulnerable residents with continued access to vital care services at a good value price per bed as detailed in the Confidential Appendix.

5 That Cabinet agrees to delegate the formal approval of the 2-year extension period of the contracts, subject to satisfactory performance, to the statutory Director of Health & Adult Social Care in consultation with the Cabinet member for Health and Adult Social Care.

6 That Cabinet agrees to delegate authority to the Director of Adult Social Care (ASC) in consultation with the Director of Law and Governance to negotiate price, finalise and agree the contract terms and to enter into the two contracts, one contract with Ourris Residential Homes Limited and one contract with Ourris Properties Limited.

Reason for Proposal

7 The existing block contracts with Ourris Residential Homes Limited and Ourris Properties Limited arrangement expired 31st March 2022. An extension was put in place which commenced on the 1st April 2022 and is due to expire on the 31st August 2022.

8 Many of the residents have lived at Anastasia Lodge Residential Care Home and Autumn Gardens Residential & Nursing Care Home for more than 5 years and see Anastasia Lodge and Autumn Gardens as their home. They have high care and support needs. Ourris Residential Homes Limited and Ourris Properties Limited have been able to meet their care needs to a consistently high-quality standard.

9 There is a shortage of nursing dementia capacity in the market with other local authorities competing for these specialised beds within both homes. ASC will be able to continue to secure appropriate, cost effective, residential and nursing care bed space within the borough that meet the needs of the growing elderly community.

10 With particular reference to dementia care, familiarity in both environment and surroundings has proved to deliver a more settling experience, particularly where English is not a first language and where residents often quickly lose their second language as a result of their dementia. Being

able to communicate, even in a limited way, is critical in supporting a very vulnerable client group. Ready and regular availability of care and support staff able to communicate to residents in their native language is therefore important to the quality of care and quality of life of residents.

11 The Covid-19 (Coronavirus) pandemic has presented a series of rapid and unparalleled challenges for the nursing and residential care market. The ongoing emergency has necessitated Ourris Residential and Ourris Properties to transition to new ways of working with ASC and a commitment to maintain ‘business as usual’ as far as possible in a currently fragile care market.

12 Ourris Residential and Ourris Properties have demonstrated a good level of operational performance and have received a rating of ‘Good’ for Anastasia and Autumn Gardens from the Care Quality Commission (CQC).

13 In the provision of care and support services at the homes Ourris Residential Homes Limited and Ourris Properties Limited have achieved the following outcomes for residents,

- **Feeling Safe & Secure:** Ourris Residential Homes Limited and Ourris Properties Limited delivers a hands-on approach of care and support by having the right number and cultural and linguistic specific staff on duty ensuring there is always staff available day and night regardless of the assessed care needs of residents. Their rota includes night staff that are shared across all residents and day staff that provide and meet all planned and unplanned care needs. The staff team also answer emergency call alarms within the home and ensures a timely and professional response.
- **Being Healthy, Clean & Comfortable***:* Ourris Residential Homes Limited and Ourris Properties Limited have supported residents to be as healthy and well as they can, and be clean and comfortable in the delivery of their care at all times;
- **Treated with Dignity & Respect in a Person-Centred Way:** Monitoring information demonstrates that Ourris Residential Homes Limited and Ourris Properties Limited always treat residents with dignity in a way that respects their individual needs and this has been at the centre of planning, choosing, managing and financing the care & support that’s right for individual residents;
- **Having Company & Contact and Feeling Engaged:** Residents are facilitated to have as much company & contact with others as they feel they need and are facilitated to take part in activities and interests that are important to them taking their needs into consideration

Relevance to the Council Plan

Good homes in well-connected neighbourhood.

This provides residential space in a specific environment that is at the heart of older people living in Enfield

Anastasia Lodge and Autumn Gardens are situated in key prominent areas in the borough. They both have good transport links and are near several shops making it a good location for residents to feel part of their community

Sustain strong and Healthy Communities

The services provided protect those most in need by continuing to deliver care and support services and safeguarding vulnerable people.

The new contracts would provide dementia friendly care and support for both residential and nursing units

Build our local economy to create a thriving place

These current contracts are with local providers whose workforce often come from the local community and reflect the diversity of borough.

Background:

14 Anastasia Lodge and Autumn Gardens are owned and run by Ourris Residential Homes Limited and Ourris Properties Limited. The companies own the accommodation and deliver the support services operating within them. Autumn Gardens is an 85-bed dual registered residential nursing home rated as 'Good' in August 2020 by the Care Quality Commission. It is located at 73 Trent Gardens, Southgate, N14 4QB. It benefits from good transport links and shops. Anastasia Lodge is a 27-bed residential home rated as 'Good' in January 2020 by the Care Quality Commission. It is located at10-14 Arundel Gardens, Winchmore Hill, N21 3AE. Both homes also support people who have dementia.

15 Both homes offer specific care and support, specialising in the Greek, Greek/Cypriot, Turkish and Turkish/Cypriot community; The majority of Enfield residents in the homes have Greek or Turkish as their first language.

16 Below is a breakdown of the residents currently placed by Enfield Council as part of the block contract arrangement are as follows

[redacted]	Anastasia Lodge	Autumn Gardens
Nursing	0	13
Residential	4	7

17 Adult Social Care has received 100% occupancy prior to the COVID 19 pandemic and continue to do so. ASC also place residents in both homes on a spot purchasing arrangement.

18 The main client group is “older adults” who are unable to live independently in the community. The number of people who have dementia have steadily been increasing over the last few two years.

19 Ourris Residential Homes Limited and Ourris Properties Limited performance is monitored on a quarterly basis by the Enfield’s Quality Assurance and Contracts Team and in the past year, there have been no concerns with the service providers and the last quarterly monitoring visit also confirmed this. Residents and their families are generally pleased with the service and the support provided by Ourris Residential Homes Limited and Ourris Properties Limited.

20 They have worked in partnership with Adult Social Care to deliver the service and have been flexible in meeting the Council’s requirements within this difficult environment to deliver value for money whilst maintaining quality care provision.

Main Considerations for the Council

21 The Care Act 2014 places statutory duties on Councils to give due regard to ensuring provider sustainability and viability to enable them to meet their employer duties and responsibilities and provide the agreed quality of care.

22 The Covid-19 (Coronavirus) pandemic has presented a series of rapid and unparalleled challenges for the nursing and residential care market in terms of fully meeting their contractual obligations. The provider has proved to be resilient and innovative in responding to the significant risks resulting from the pandemic and has continued to deliver responsive, high quality care at a sustainable price.

23 The continued use of a block contract with Ourris Residential Homes Limited and Ourris Properties will mitigate the significant risk that local nursing beds will otherwise not be available when needed which would lead to a delay in transfers of care within acute sector for residents who may benefit from such a setting due to the complexity and medical nature of their needs.

24 Ourris Properties Limited and Ourris Residential Homes Limited are the companies which both own the accommodation (buildings) and deliver the care and support within the two properties where the services are currently provided (the Premises). Seeking an alternative provider to provide these services at the Premises is, therefore, not an alternative.

25 There is generally a lack of dementia care beds in the borough, this is also reflected nationally with local authorities competing for affordable bed placements. Retaining this local resource and block contracting at a sustainable price per bed is paramount for Enfield’s increasing number of dementia care cases. This block arrangement is aligned to ASC Market

Position Statements which looks to expand block contracting arrangement where there a competing demand for nursing beds in the borough.

26 Services at Anastasia Lodge and Autumn Gardens have remained consistently high quality throughout the existing contracts. The homes are amongst some of the best homes within the borough. A continued contract with Ourris Properties Limited and Ourris Residential Homes Limited will maintain consistency of service quality and provision at Anastasia Lodge and Autumn Gardens and sustain current services to vulnerable residents who live there.

Safeguarding Implications

27 With onsite 24-hour care, Anastasia Lodge and Autumn Gardens support some of the most vulnerable people in Enfield to live safely and independently and by doing so enable them to live healthy and fulfilling lives and achieve their full potential.

28 The cessation of this contract services until such time as new contracts could be procured or residents move to another care home would have direct safeguarding implications for the residents concerned and would inevitably increase the anxiety to those individuals. The proposal to award the two contracts to support these vulnerable residents removes this safeguarding risk

Public Health Implications

29 The Public Health team note the centrality of the needs of the residents of Anastasia Lodge and Autumn Gardens to these proposals. There is clear evidence that significant environmental disruption can have severe negative impacts upon the health of older people and thus it’s avoidance in this proposal is also most welcome. It is our assessment that there are not any significant public health implications accordingly.

Equalities Impact of the Proposal

30 An Equalities Impact Assessment has been undertaken and forms part of the background papers of this report.

31 Future projects, work stream or changes to services deriving from this decision may be subject to a separate Equalities Impact Assessment. Therefore, any projects or work stream will be assessed independently on the need to undertake an EQIA to ensure that the council meets the Public Sector Duty of the Equality Act 2010

Environmental and Climate Change Considerations

32 With Enfield’s ageing population and rising natural resource costs, it is essential that all residential care homes take an active role in resource efficiency and carbon reduction. This will be critical in safeguarding affordable

care for vulnerable elderly people, maintaining dignity and social participation in old age and in achieving carbon, waste and energy targets.

33 As a residential and nursing care provider Ourris Properties Limited and Ourris Residential Homes Limited will be asked to demonstrate systems and processes to manage their impacts on the environment. They will be required to provide data to demonstrate their environmental improvements throughout the duration of the contract.

Risks that may arise if the proposed decision and related work is not taken

34 Failure to implement effective contractual arrangements for services at Anastasia Lodge and Autumn Gardens would increase the likelihood of risks to service continuity for vulnerable services users

Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

35 There is a risk that Ourris Properties Limited and Ourris Residential Homes Limited in terms of quality could decline however, this will be managed and monitored throughout the duration of the contract through regular quality meetings supported by visits from Social Workers undertaking annual reviews.

Financial Implications

36 See Part 2 for detailed financial cost.

Legal Implications

37 The Council has a duty under the *Care Act 2014 to promote an individual's well-being (S.1), assess adults who appear to be in need of care and support and identify their needs (S.9) and meet needs assessed as being eligible needs (S.13, S.18 and S20)*. Providing accommodation in a care home as detailed in the report will enable the Council to meet its duties under the Care Act 2014. *Section 111 Local Government Act 1972* gives a local authority power to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions. Finally, The general power of competence under *s.1(1) Localism Act (2011)* states that a local authority has the power to do anything that individuals generally may do provided it is not prohibited by legislation and subject to Public Law principles. The proposed services as mentioned within this report are in accordance with these powers.

The Council must comply with its Constitution, Contract Procedure Rules (CPRs) and, as the value of each contract exceeds the Light Touch Regime Threshold, the Council must also comply with the *Public Contracts Regulations (2015)*.

The CPRs require that where a contract is awarded with a value of £1 million or over (as is the case here), the provider must provide ‘sufficient security’ as defined in CPR Rule 7.3 (such as a performance bond or a parent company guarantee). Evidence of the form of security required, or why no security was required, must be stored and retained on the E-Tendering Portal for audit purposes. If this requirement is waived, then the Executive Director of Resources must approve the financial risk prior to any award, and the relevant Authority Report must set out the reasons and what measures are to be taken to manage the risk.

As the value of each contract is above £500k, the Key Decision procedure must be followed.

The Council must have adequate budgetary provision to service the contracts that are proposed to be entered into within this report.

The resultant contracts with both Ourris Properties Limited and Ourris Residential Homes Limited must be in a form approved by Legal Services on behalf of the Director of Law and Governance and must be sealed by Legal Services.

The Council must comply with its obligations relating to obtaining best value under the *Local Government (Best Value Principles) Act (1999)*.

(Legal implications provided by SM on 10/06/22 based on a report emailed on Wed 08/06/2022 15:41)

Workforce Implications

38 N/A

Property Implications

39 Not applicable as buildings wholly owned by Ourris Properties Ltd

Procurement Implications

40 Any procurement must be undertaken in accordance with the Councils Contract Procedure Rules (CPR’s) and the Public Contracts Regulations (2015).

The award of the contract, including evidence of authority to award, promoting to the Councils Contract Register, and the uploading of executed contracts must be undertaken on the London Tenders Portal including future management of the contract.

All awarded projects must be promoted to Contracts Finder to comply with the Government’s transparency requirements.

Where a contract has not been procured via the LTP, then the signed contract, call off agreement and supporting DAR etc, must be sent to procurement.support@enfield.gov.uk who will create a record in the LTP and promote to contract finder to ensure the Council meets its transparency obligations.

The CPR's state that contracts over £100,000 must have a nominated contract owner in the LTP, and for contracts over £500,000 there must be evidence of contract management, including, operations, commercial, financial checks (supplier resilience) and regular risk assessment uploaded into the LTP.

Use of regulation 32(2)(b)(ii) is permissible under the Public Contract Regulations 2015. The needs of this contract in the opinion of Procurement Services meet these regulations.

A contract of this size must have a proper contract management schedule and measurable KPI's & SLA. This is to ensure that the contract is delivered and value for money is maintained.
Implications provided by Claire Reilly 20/12/2021

Options Considered

41 See Part 2

Conclusions

42 The proposal in this report is for Cabinet to approve:

(i) the award of the following two contracts via direct award :

- Contract for Residential to Ourris Residential Homes Limited at Anastasia Lodge for the annual contract value detailed in the Confidential Appendix to this report; and
- Contract for Residential & Nursing Care Services to Ourris Properties Limited at Autumn Gardens for the annual contract value detailed in the Confidential Appendix to this report.

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(ii) that the contract period for the two contracts detailed above shall be for 3+2 years commencing on 1st September 2022 for an initial term of 3 years ending on 31st August 2025 (with the option to extend for 2 years to 31st August 2027. The award will provide vulnerable residents with continued access to vital care services at a good value price per bed as detailed in the Confidential Appendix.

43 To enter into a contract with existing and willing partners is the most practical way of ensuring service continuity for vulnerable residents while also ensuring the Council has access to much-needed specialist care services for the contract period.

Report Author:

Nancie Alleyne

Date of report 17th May 2022

Appendices

Background Papers

EQIA

Confidential Appendix

Enfield Equality Impact Assessment (EqIA)

Introduction

The purpose of an Equality Impact Assessment (EqIA) is to help Enfield Council make sure it does not discriminate against service users, residents and staff, and that we promote equality where possible. Completing the assessment is a way to make sure everyone involved in a decision or activity thinks carefully about the likely impact of their work and that we take appropriate action in response to this analysis.

The EqIA provides a way to systematically assess and record the likely equality impact of an activity, policy, strategy, budget change or any other decision.

The assessment helps us to focus on the impact on people who share one of the different nine protected characteristics as defined by the Equality Act 2010 as well as on people who are disadvantaged due to socio-economic factors. The assessment involves anticipating the consequences of the activity or decision on different groups of people and making sure that:

- unlawful discrimination is eliminated
- opportunities for advancing equal opportunities are maximised
- opportunities for fostering good relations are maximised.

The EqIA is carried out by completing this form. To complete it you will need to:

- use local or national research which relates to how the activity/ policy/ strategy/ budget change or decision being made may impact on different people in different ways based on their protected characteristic or socio-economic status;
- where possible, analyse any equality data we have on the people in Enfield who will be affected e.g. equality data on service users and/or equality data on the Enfield population;
- refer to the engagement and/ or consultation you have carried out with stakeholders, including the community and/or voluntary and community sector groups you consulted and their views. Consider what this engagement showed us about the likely impact of the activity/ policy/ strategy/ budget change or decision on different groups.

The results of the EqIA should be used to inform the proposal/ recommended decision and changes should be made to the proposal/ recommended decision as a result of the assessment where required. Any ongoing/ future mitigating actions required should be set out in the action plan at the end of the assessment.

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The completed EqIA should be included as an appendix to relevant EMT/ Delegated Authority/ Cabinet/ Council reports regarding the service activity/ policy/ strategy/ budget change/ decision. Decision-makers should be confident that a robust EqIA has taken place, that any necessary mitigating action has been taken and that there are robust arrangements in place to ensure any necessary ongoing actions are delivered.

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SECTION 1 – Equality Analysis Details

Title of service activity / policy/ strategy/ budget change/ decision that you are assessing	**Direct Award to Ourris Properties Ltd and Ourris Residential Homes Ltd for Residential and Nursing Care Services at Anastasia Lodge and Autumn Gardens**
Lead officer(s) name(s) and contact details	**Nancie Alleyne**
Team/ Department	**ASC People Department**
Executive Director	**Tony Theodoulou**
Cabinet Member	**Cllr Alev Cazimoglu**
Date of EqIA completion	**First draft 25th November 2021**

SECTION 2 – Summary of Proposal

Please give a brief summary of the proposed service change / policy/ strategy/ budget change/project plan/ key decision **Please summarise briefly:** What is the proposed decision or change? What are the reasons for the decision or change? What outcomes are you hoping to achieve from this change? Who will be impacted by the project or change - staff, service users, or the wider community?

The proposed Decision

This EqIA covers the implications of the Enfield Council's Cabinet decision to implement a preferred option, which is to endorse and agree the formal approval to directly award a 3+2+2-year care and support contract for Residential and Nursing Care Services to Ourris Properties Ltd and Ourris Residential Homes Ltd.

The proposed direct award contract will commence on the 1st April 2022 ending 31st March 2025 (with the option to extend for 2 years to 31st March 2027 & another 2 years ending 31st March 2029). The award will provide vulnerable older residents, aged 65 +, _with continued access to vital residential care services. Although the decision does not reflect any major change to the way services are provided, this EqIA represents the first impact assessment undertaken by LBE on this service. As the preferred option covers a contract period up to 7 years it is considered prudent to undertake an EqIA prior to a Direct Award of this residential and nursing care contract to Ourris Properties Ltd and Ourris Residential Homes Ltd.

Autumn Gardens is an 85-bed dual registered residential nursing home rated as 'Good' in November 2018 by the Care Quality Commission. Anastasia Lodge is a 27-bed residential home rated as 'Good' in June 2017 by the Care Quality Commission. Both homes also support people who have dementia. These two homes offer culturally specific care and support, specialising in care services to the Turkish, Greek, Greek Cypriot and Turkish Cypriot community; the 60% of Enfield service users have Greek or Turkish as their first language.

The Reason for this Decision

1. The provision of dementia services which are culturally specific is critical in establishing an environment that is more familiar and settling for people at the latter stages of their lives, where short-term memory and communication become increasingly challenged.

2. There is a shortage of nursing dementia capacity in the market with other local authorities competing for specialised beds within both homes. ASC will be able to continue to secure appropriate culturally specific bed space within the borough that meet the needs of the growing elderly Greek and Turkish community, within its available budget for this service.

3. The Covid-19 (Coronavirus) pandemic has presented a series of rapid and unparalleled challenges for the nursing and residential care market. The ongoing emergency has necessitated Ourris to transition to new ways of working with ASC and a commitment to maintain 'business as usual' as far as possible in a current fragile care market.

4. The preferred option takes account that the existing one-year contracts are

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due to expire on 31st March 2022 and tendering the service will not attract a suitable alternative provider who can deliver residential and care service to the Greek, Turkish, Greek Cypriot and Turkish Cypriot elderly community living in the borough of Enfield.

5. Ourris Properties Limited and Ourris Residential Homes Limited both own the accommodation and deliver the care and support services, seeking an alternative provider for these services is not an option and there are no alternative Greek or Turkish specific care homes in the borough of Enfield or London as a whole.

6. The Care Act 2014 places statutory duties on Councils to give due regard to ensuring providers in the local market are sustainable and viable to enable them to meet their employer duties and responsibilities and provide the agreed quality of care.

7. Ourris Properties Limited and Ourris Residential Homes Ltd have demonstrated a good level of operational performance and have received a rating of ‘Good’ for Anastasia and Autumn Gardens from the Care Quality Commission (CQC).

Outcome to be Achieved

The direct award would avoid the potentially damaging and harmful impact of moving very vulnerable people from their current home to alternative provision, which is not aligned to their cultural or religious needs. This move could pose significant risks to their health and wellbeing.

Anastasia Lodge and Autumn Gardens offer a service, though it is not specifically limited to, members of the Greek/Turkish/Cypriot Communities. There is an increasing need for services which are culturally specific, particularly for elderly people with dementia where for example, very often, they revert back to their first language in terms of ability to communicate. This population, after White British, is one of the largest in the borough and increasing in size.

We are working with other providers to enhance their cultural offer however, the move towards this has been slow. Both companies deliver services across both homes that meet these needs very well. Other outcomes to be achieved includes:

- **Working in Partnership:** Provider(s) who will bring their own specialist skills and knowledge and create links to the resident’s community and with statutory health and social care services.
- **Respecting Diversity:** Working in partnership with the provider, residents and their families to provide care that not only makes a positive difference but also do so in ways that respect and value diversity.
- **Feeling Safe & Secure**: Through the provision a specification focused at meeting the care needs of residents.

- **Being Healthy, Clean & Comfortable:** Residents will be and supported to be as healthy, clean and comfortable in the delivery of care at all times.
- **Treated with Dignity & Respect in a Person-Centred Way**: Residents will always be treated with dignity in a way that respects their individual social, cultural, ethnic, religious etc. needs and be at the centre of planning, choosing, managing and financing the care & support that's right for them.
- **Having Company & Contact and Feeling Engaged:** Residents will be facilitated to have as much company and contact with others as they feel they need and are facilitated to take part in activities and interests that are important to them, including in the wider community taking into consideration their cultural and religious needs.

Who will be impacted on this Decision

Primarily, current and future Greek and Turkish & Turkish Cypriot residents will be impacted by this decision. The existing residents have on going continuing need for care home provision as they have particularly high levels of dependency and complex needs.

There will be a positive impact should Cabinet agree the direct award as this will secure much needed culturally specific residential and nursing beds for the borough's Greek and Turkish older community. There is currently in high demand, as other London boroughs compete to place their Greek and Turkish residents within these two homes.

Having these two homes within the borough of Enfield and having negotiated a competitive price builds upon the positive impact the decision would have to the borough's residents

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SECTION 3 – Equality Analysis

This section asks you to consider the potential differential impact of the proposed decision or change on different protected characteristics, and what mitigating actions should be taken to avoid or counteract any negative impact.

According to the Equality Act 2010, protected characteristics are aspects of a person's identity that make them who they are. The law defines 9 protected characteristics:

1. Age
2. Disability
3. Gender reassignment.
4. Marriage and civil partnership.
5. Pregnancy and maternity.
6. Race
7. Religion or belief.
8. Sex
9. Sexual orientation.

At Enfield Council, we also consider socio-economic status as an additional characteristic.

"Differential impact" means that people of a particular protected characteristic (e.g. people of a particular age, people with a disability, people of a particular gender, or people from a particular race and religion) will be significantly more affected by the change than other groups. Please consider both potential positive and negative impacts, and, where possible, provide evidence to explain why this group might be particularly affected. If there is no differential impact for that group, briefly explain why this is not applicable.

Please consider how the proposed change will affect staff, service users or members of the wider community who share one of the following protected characteristics.

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Age

This can refer to people of a specific age e.g. 18-year olds, or age range e.g. 0-18 year olds.

Will the proposed change to service/policy/budget have a **differential impact [positive or negative]** on people of a specific age or age group (e.g. older or younger people)?

Please provide evidence to explain why this group may be particularly affected.

The nature of the services provided will impact upon the vulnerable people for which it is intended i.e. older people aged 65 and over.

Older people in the borough

Enfield life expectancy at birth is 80.5 years for males and 84 years for females, this is above the London average. This suggests people, on average, live longer in Enfield compared to other parts of the country. However, life expectancy varies quite widely across wards within Enfield, mainly due to differences in level of deprivation.

The number of older residents has increased between 2012 – 2020. Over 65s in total have increased by 4,716 (11.8%) during that time, according to Office for National Statistics (ONS) mid-year population estimates. Residents are also living for longer.

Figure 1: Number people aged 65+ in Enfield between 2012-20

										from 2012 to 2020	
Age band	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**Increase (no.)**	**Increase (%)**
65+ Total	40121	40920	41623	42080	42589	43259	43903	44564	44837	4716	11.8
65 to 69	11957	12211	12234	12359	12333	12202	12214	12344	12473	516	1.3
70 to 74	9184	9389	9715	9830	10227	10702	10864	10921	10997	1813	4.5
75 to 79	7788	7913	8027	8131	8096	8117	8313	8490	8518	730	1.8
80 to 84	5701	5842	6035	6085	6104	6259	6403	6538	6520	819	2.0
85 to 89	3453	3495	3477	3536	3656	3722	3882	3964	4054	601	1.5
90+	2038	2070	2135	2139	2173	2257	2227	2307	2275	237	0.6

In 2017, 23.1% of the population aged 65 and over were from White Other ethnic groups, which includes what is probably the largest Turkish, Turkish Cypriot,

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Greek and Greek Cypriot communities in England

Home	Resident	Block	Spot	Residential	Nursing	Age 65-75	Age 75-85-	Age 85-95	Age 95-105

Figure 2: Ethnicity with White Other group aged 65+

Ethnicity within White Other (White non-British) group: aged 65 and over	
Greek	483
Greek Cypriot	3213
Kurdish	178
Turkish	317
Turkish Cypriot	879
Other white (not already listed)	1525
All White Other (non-UK & Irish)	6594

Many of the older people supported by ASC are living with long-term medical conditions. The age range of residents funded by Enfield Council in both homes is currently 71 – 103 years old. As the incidence of long-term conditions increases with age, many older people have a variety of physical, mental, health and social care needs

The resident community in both homes live with long term health conditions. They have a number of complex age-related care needs including, dementia, physical and mental disabilities as well as personal care needs. Some are in their last years of life and require highly dependable care from both health and care professionals, including pain relief and other support, at any time of the day or night.

Following the aftermath of the first major Covid 19 lockdown residential care homes were closed to the public, leaving residents feeling depressed for not being able to see their loved ones. For residents with dementia this had a major impact on their well-being. For further information on the impact of Covid 19 for residents living in residential care, please see link below.

https://www.alzheimers.org.uk/sites/default/files/2020-09/Worst-hit-Dementia-during-coronavirus-report.pdf

Anastasia Lodge	7	7		7	0	0	4	3	
Autumn Gardens	29	20	9	1	28	3	13	11	2

Figure 3: Age profile of residents in Anastasia Lodge and Autumn Gardens

Figure 3 demonstrates the age profile of residents in Anastasia Lodge and Autumn Gardens. Autumn Gardens supports a significant number of older people at the upper end of life span, who are extremely frail and vulnerable, many of whom do not have the mental capacity to understand. The negative effects of ageing, behaviour changes and loss and diminished responsibilities, can frequently lead to the devalued status of older and frail aged people. Therefore, we need to ensure that we commission a high-quality care services, which safeguard and empowers residents and is sensitive to their specific cultural, spiritual, dietary and linguistic needs. Communication strategies will need to be devised to ensure service users choice in how their care services are provided is maintained

Mitigating actions to be taken

This proposal is not intended to impact on quality of service currently being provided to residents. Its focus is to ensure the appropriate quality of care and support is continued to be provided to this vulnerable group, in an environment many residents have lived in for a number of years and supported by staff that they are familiar with and that have the ability to provide the right type of care for older people, further enhanced by similar background and culture. The contract specification for the services will demonstrate this need and will be monitored accordingly

Disability

A person has a disability if they have a physical or mental impairment which has a substantial and long-term adverse effect on the person's ability to carry out normal day-day activities.

This could include:
Physical impairment, hearing impairment, visual impairment, learning difficulties, long-standing illness or health condition, mental illness, substance abuse or other impairments.

Will the proposed change to service/policy/budget have a **differential impact [positive or negative]** on people with disabilities?

Please provide evidence to explain why this group may be particularly affected.

All older people in Council funded residential, care services have met Care Act eligible assessed needs as well as not being able to achieve at least 2 outcomes set out by ASC which places the person at a health and safety risk to themselves.

As expected, due to the nature of residential care and the assessment of needs, service users often had multiple disabilities and therefore will be counted more than once in the results of disabilities.

Communication strategies, quality of services, choice and control, and safeguarding are important issues for this group.

It can be seen from the data below that all residents in both homes have a disability or disabilities. These include physical impairment, hearing impairment, visual impairment, long-standing illness or health condition, mental illness and other impairments. Behavior changes often occur as a result of disabilities.

Figure 4: Residents with disabilities in Anastasia Lodge and Autumn Gardens

HOME	**Resident Numbers**	Mental illness, Physical Impairment, Long-Standing Illness' or Health Condition	Physical Impairment, Long-Standing Illness or Health Condition
Anastasia Lodge	**4**	**2**	**2**
Autumn Gardens	**29**	**20**	**9**

The care provision in both homes is specifically designed to support and care for older people with needs arising from disabilities. At both care homes, individual rooms are of a size and shape that supports their lifestyle, care, treatment and support needs and enable access for care treatment, support and equipment. For residents with physical impairments, mobility aids are supplied based on individual need. The CQC registration of the homes includes people with physical health needs, such as mobility issues.

Dementia care is widely acknowledged as a growing need for users of residential and nursing care. Autumn Gardens have a high number of people that they support who are living with dementia. Many of these residents are from the Greek, Greek Cypriot, Turkish and Turkish Cypriot communities and through living with dementia will be more familiar with their place of birth and early life and not their life experiences in the UK. Therefore, ASC will continue to work with the homes to ensure that they extend their role to take account of cultural needs and to raise and extend the standard of dementia care

Mitigating actions to be taken

No mitigating action identified.

Gender Reassignment

This refers to people who are proposing to undergo, are undergoing, or have undergone a process (or part of a process) to reassign their sex by changing physiological or other attributes of sex.

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Will this change to service/policy/budget have a **differential impact [positive or negative]** on transgender people? Please provide evidence to explain why this group may be particularly affected.
The Gender Identity Research and Education Society (GIRES) estimates that in the UK around 650,000 people, 1% of the population, are estimated to experience some degree of gender non-conformity. If these numbers are correct and Enfield's population of 333,794, were exactly typical of that population, this equates to 3,350 individuals with some degree of gender non-conformity The two care homes support residents aged 65+ from Turkish, Greek, Greek Cypriot and Turkish Cypriot communities, provided they meet Care Act 2014 eligibility and the service can meet their assessed needs, regardless of their gender identity. We will ensure that the service provider and care home care staff have adequate training to support transgender individuals. A performance monitoring requirement for our renewed service will specifically record the gender identity of the service user.
Mitigating actions to be taken
No mitigating action identified.

Marriage and Civil Partnership Marriage and civil partnerships are different ways of legally recognising relationships. The formation of a civil partnership must remain secular, where-as a marriage can be conducted through either religious or civil ceremonies. In the U.K both marriages and civil partnerships can be same sex or mixed sex. Civil partners must be treated the same as married couples on a wide range of legal matters.
Will this change to service/policy/budget have a **differential impact [positive or negative]** on people in a marriage or civil partnership? Please provide evidence to explain why this group may be particularly affected
Care services provided are not restricted by or to marriage or civil partnership status. The service is open to anyone aged over 65 provided they meet Care Act 2014 eligibility and the service can meet their assessed needs. The Greek, Cypriot and Turkish communities are strongly family-oriented, and maintaining strong family links when a couple live together in the home or when one half of a couple lives in the care homes is fundamental. When one half of a couple lives in the community, their partner can join their loved one in the care home at a later stage. Anastasia Lodge has two companion rooms, and they work to encourage the retention of close relationships. Currently one companion room is occupied by a husband and wife. In Autumn Gardens, the wings and rooms are based on the preferences of residents, rather than their medical status. This means couples can

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stay together should one partner deteriorate in health, as all staff are trained to support those residents with residential needs and those who require nursing care needs Figure 5: Marital and Civil Partnership status of residents in Anastasia Lodge and Autumn Gardens

Column1	Anastasia Lodge	Autumn Gardens
Married		4
Single	1	6
Divorced	1	3
Window	4	16

A performance monitoring requirement for our renewed service will specifically record the marital and civil partnership status of the service users.
Mitigating actions to be taken
No mitigating action identified.
Pregnancy and maternity Pregnancy refers to the condition of being pregnant or expecting a baby. Maternity refers to the period after the birth and is linked to maternity leave in the employment context. In the non-work context, protection against maternity discrimination is for 26 weeks after giving birth, and this includes treating a woman unfavourably because she is breastfeeding.
Will this change to service/policy/budget have a **differential impact [positive or negative]** on pregnancy and maternity? Please provide evidence to explain why this group may be particularly affected
Not applicable.
Mitigating actions to be taken
No mitigating action identified.

Race This refers to a group of people defined by their race, colour, and nationality (including citizenship), ethnic or national origins.
Will this change to service/policy/budget have a **differential impact [positive or negative]** on people of a certain race? Please provide evidence to explain why this group may be particularly affected
ASC supports service users from a wide range of racial background. Although data is not collected in way to provide an accurate percentage figure from each racial group, the descending order are as follows:

- White British
- White Other (of which includes Greek, Greek/Cypriot, Turkish and Turkish/Cypriot)
- Caribbean
- Asian
- Indian
- Pakistani
- Bangladeshi
- Other

Figure 6: Ethnicity Profile of residents in Anastasia Lodge and Autumn Gardens

Column1	Anastasia	Autumn Gardens
British	3	8
Mixed Asian	1	
Greek		1
Greek Cypriot	2	17
Irish		
Italian		1
Turkish		2

Culturally and linguistically diverse elderly people with dementia face many unique challenges and needs because of the impairment of verbal and non-verbal language, which worsens with the degenerative process of dementia. Communication is essential for social life, regardless of cognitive function, and for avoiding isolation, strengthening resident's identity, and decreasing depression and anxiety, and as such the culturally specific care provided is a crucial part of an older person's care needs

Although many of the Greek, Greek Cypriot, Turkish and Turkish Cypriot individuals living in Enfield migrated to the UK a long time ago and may have learnt the English language, language reversion often occurs in people with dementia because pathological processes cause reversion to their native language, and so many of these individuals now only speak their first language.

Residents needs are determined through the Individual Care Assessment and reflected in their Care Plan which is presented to both the care homes. Where there are specific needs homes are expected to meet those needs, for example having a gender appropriate staff member to support a resident.

The employment of Greek and Turkish staff within both homes will mean that staff can understand specific personal care needs and respect resident's beliefs and values. This will lead to better access to cultural events and celebration.
The provision of day services will also support cultural appropriate social needs.

Both homes contracts include requirements to respond to any specific needs this will include translation/interpreting and the provision of specific cultural dietary requirements.

Mitigating actions to be taken

No mitigating action identified.

Religion and belief

Religion refers to a person's faith (e.g. Buddhism, Islam, Christianity, Judaism, Sikhism, Hinduism). Belief includes religious and philosophical beliefs including lack of belief (e.g. Atheism). Generally, a belief should affect your life choices or the way you live.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people who follow a religion or belief, including lack of belief?

Please provide evidence to explain why this group may be particularly affected.

From the information above it is evident that the home supports a large number of residents from the Greek and Turkish communities. Though many residents have spent the majority of their lives in Britain, they still maintain strong traditions and connections with their culture.

Figure 7: Religious profile of residents in Anastasis Lodge and Autumn Gardens

	Anastasia Lodge	Autumn Gardens
Atheist		1
CoE	2	1
Greek Orthodox	2	12
Muslim		1
Roman Catholic		1
Non declared	3	13

Both homes promote faith practice for their residents. For those who are able to attend their place of worship support is provided through transport or escort. For those unable to leave the home religious personnel are brought in, for example a Roman Catholic Priest and Presbyters for Greek Orthodox residents

Mitigating actions to be taken

No mitigating action identified.

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Sex Sex refers to whether you are a female or male.
Will this change to service/policy/budget have a **differential impact [positive or negative]** on females or males? Please provide evidence to explain why this group may be particularly affected.

This proposal will affect more women than men because women tend to live longer than men so there are greater numbers of women in older age. In Enfield, women outnumber men among people aged 27 years and over. Life expectancy at birth for males born in Enfield is 81.0 years, female life expectancy is 84.7 years. A higher proportion of residents in both Anastasia Lodge and Autumn Gardens are female.

Figure 8: Gender profile of residents in Anastasia Lodge and Autumn Gardens

	Anastasia Lodge	Autumn Gardens
Male	1	4
Female	3	16

Care services provided are not restricted by gender. The service is open to both males and females, if they meet Care Act 2014 eligibility and the service can meet their assessed needs. The proposal will maintain a gender balance in service users where it can.

Mitigating actions to be taken

No mitigating action identified.

Sexual Orientation This refers to whether a person is sexually attracted to people of the same sex or a different sex to themselves. Please consider the impact on people who identify as heterosexual, bisexual, gay, lesbian, non-binary or asexual.
Will this change to service/policy/budget have a **differential impact [positive or negative]** on people with a particular sexual orientation? Please provide evidence to explain why this group may be particularly affected.

The two care homes support residents aged 65+ from Turkish, Greek, Greek Cypriot and Turkish Cypriot communities, provided they meet Care Act 2014 eligibility and the service can meet their assessed needs, regardless of their sexual orientation. We will ensure that the service provider and care home care staff have adequate training to support LGBT+ individuals. A performance monitoring requirement for our renewed service will specifically record the sexual orientation of the service user.
Mitigating actions to be taken
No mitigating action identified.

Socio-economic deprivation This refers to people who are disadvantaged due to socio-economic factors e.g. unemployment, low income, low academic qualifications or living in a deprived area, social housing or unstable housing.
Will this change to service/policy/budget have a **differential impact [positive or negative]** on people who are socio-economically disadvantaged? Please provide evidence to explain why this group may be particularly affected.
Enfield is also one of the most highly deprived Outer London boroughs. It ranks as the 14th most deprived London Borough. Nationally, Enfield is ranked 64th most deprived out of the 326 local authority areas in England. Levels of deprivation vary considerably across the borough, and there is a stark east-west divide. Wards within the east of the borough, including Edmonton Green, Upper Edmonton, Lower Edmonton have been identified as ranking in the most deprived 10% of wards in England. Within these wards comes many of ASC customers from the older and diverse community In 2019/20 ASC supported 243 people into residential and nursing care at a cost of £22m. Cockfosters, Chase, Edmonton Green, Turkey Street and Winchmore Hill, had the highest number of people receiving an ASC plan. These wards have a high percentage of Greek, Greek/Cypriot, Turkish and Turkish/Cypriot communities. Many of which are over the age of 65 and live alone, which may cause them to experience social isolation which has an impact on their health and the way they live. The cost of meeting the needs of the service users in both homes is slightly more than that of other dementia care home placements made by ASC. This takes into account the investment made in culturally specific services to meet the needs of the residents and the training requirements reflected within the specification to meet those needs

Mitigating actions to be taken.
The services provided are available to all older people in the borough who have a Care Act 2014 assessed need and meet the eligible outcome criteria for ASC. All service users are financially assessed to ascertain their level of contribution to their care and for those who do not have the funds to contribute, ASC fully funds their service. Working collaboratively with the NHS, ASC will focus on communities living in more deprived areas of the borough to ensure the gap of health inequalities are reduced e.g. free nursing care to those require that services and improved access to health and social care community facilities.

SECTION 4 – Monitoring and Review

How do you intend to monitor and review the effects of this proposal? Who will be responsible for assessing the effects of this proposal?
A robust monitoring process; which includes a quarterly self-assessment form to be completed by the Ourris Residential Homes and Ourris Properties Limited. Review of these self-assessments will be part of quarterly meetings between both providers and the Council of the core monitoring data and outcome measures This monitoring data will include: • Gender • Language, • Faith • Disability • Race • Religion and Belief • Gender reassignment • Faith • Pregnancy and Maternity • Marriage and Civil Partnership • Monitor volumes and outcomes of service users of the above group or volunteering work • Key measures against quality of life improvement • % of users accessing culturally specific services and the utilisation of those services • Regular Reports to the Department's Management Team and Partnership Boards These quarterly meeting will also incorporate discussions about: • Any new referrals, departures from the service since the previous meeting categorised by the above list • Equalities monitoring • Findings from the Ourris Residential and Ourris Properties Quality Assurance systems, which should include complaints, compliments, and feedback from residents' meetings and from families/advocates; and any actions and outcomes thereof; as well as the findings of Ourris Residential and Ourris Properties Self-Assessment form. This will include discussion of any serious untoward incidents, safeguarding concerns or alerts (including number and actions taken) or provider concerns;

• Feedback from discussions with service users and their families, Ourris Residential and Ourris Properties management and staff. • Actions or concerns arising from visits and inspections, including any of those conducted by the Care Quality Commission;

SECTION 5 – Action Plan for Mitigating Actions.

Identified Issue	Action Required	Lead officer	Timescale/By When	Costs	Review Date/Comments

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