



Jane Creer
Governance and Scrutiny Team
Direct : 020 8132 1211
e-mail: jane.creer@enfield.gov.uk

FINANCE & PERFORMANCE SCRUTINY PANEL

**Wednesday, 19th October, 2022 at 7.00 pm in the Conference
Room, Civic Centre, Silver Street, Enfield, EN1 3XA**

Membership:

Councillors : Nawshad Ali (Chair), Sabri Ozaydin (Vice Chair), Mahym Bedekova, Guney Dogan, Alessandro Georgiou, Esin Gunes, Paul Pratt and Julian Sampson

AGENDA – PART 1

1. WELCOME & APOLOGIES

2. DECLARATIONS OF INTEREST

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

3. MINUTES OF THE PREVIOUS MEETING (Pages 1 - 4)

To agree the minutes of the previous meeting held on 20 July 2022.

4. PROCUREMENT UPDATE (TO INCLUDE UPDATE ON LEGISLATIVE CHANGES) (Pages 5 - 12)

5. COUNCIL PURCHASE CARDS : P-CARD PAYMENT MONITORING (Pages 13 - 18)

6. QUARTERLY MONITORING REPORTS (Pages 19 - 128)

To receive Quarterly Monitoring Reports (Revenue, Capital, and Performance).

7. WORK PROGRAMME 2022/23 (Pages 129 - 130)

Work programme attached for information.

8. DATE OF NEXT MEETING

To note that the next meeting of Finance and Performance Scrutiny Panel is scheduled to take place on Wednesday 11 January 2023.

FINANCE & PERFORMANCE SCRUTINY PANEL - 20.7.2022**MINUTES OF THE MEETING OF THE FINANCE & PERFORMANCE SCRUTINY PANEL HELD ON WEDNESDAY, 20TH JULY, 2022**

MEMBERS: Councillors (Chair) Nawshad Ali, Sabri Ozaydin (Vice-Chair and Chief Whip), Esin Gunes, James Hockney, Paul Pratt, Julian Sampson and Elif Erbil

Officers: Fay Hammond (Executive Director Resources), Jane Creer (Secretary)

Also Attending: Cllr Tim Leaver (Cabinet Member for Finance and Procurement)

1. WELCOME & APOLOGIES

The Chair welcomed everyone to the meeting and introductions were made.

Apologies for absence were received from Cllrs Mahym Bedekova and Guney Dogan. Cllr Elif Erbil was substituting for Cllr Bedekova.

2. DECLARATIONS OF INTEREST

No Declarations of Interest were received.

3. INTRODUCTION - PURPOSE OF MEETING

The Chair explained that the panel would hear from the Cabinet Member for Finance and Procurement, Cllr Tim Leaver, and the Executive Director Resources, Fay Hammond, outlining the Council and departmental priorities and areas of challenge for the upcoming municipal year. The Cabinet Member and Officer would then be asked to leave the meeting, at which point the Scrutiny Panel members would discuss topics and agree a work programme for 2022/2023.

4. MINUTES OF THE PREVIOUS MEETING

AGREED the minutes of the meeting held on 10 March 2022.

5. TERMS OF REFERENCE

NOTED, for information, the Terms of Reference for the Finance and Performance Scrutiny Panel, as set out in the Council's Constitution.

6. LOCAL PRIORITIES FOR 2022/23

FINANCE & PERFORMANCE SCRUTINY PANEL - 20.7.2022

The Chair invited Cllr Tim Leaver, Cabinet Member for Finance and Procurement, and Fay Hammond, Executive Director Resources, to present the Local Priorities for 2022/23.

Cllr Leaver highlighted the importance of the role of the Finance and Performance Scrutiny Panel.

Fay Hammond confirmed that the Panel was a useful 'critical friend'. She described the typical annual financial cycle and the quarterly monitoring reports, the end of year outturn reports produced, and the budget setting process.

Current areas of potential interest in the national finance context were set out; including financial resilience (section 114), cost of living / inflation impacts, construction costs and wider economic context, national spotlight on borrowing restrictions, Covid-19 legacy costs, reductions in government funding / no additional funding / fair funding, Adult Social Care reform, and Dedicated Schools Grant pressures (SEN).

Local current areas of potential interest were highlighted; including large scale regeneration projects, specific areas of budget pressure, benchmarking information against other London boroughs, Assurance Report (in the context of external audit delays), Council companies / joint ventures, new CIPFA company guide, legislative changes in procurement, debt levels and recovery, and Enfield's Capital Strategy and programme.

Fay Hammond also highlighted cross over with Overview and Scrutiny Panel and General Purposes Committee planned items, together with topics previously considered by Finance and Performance Scrutiny Panel in the last two years.

To allow sufficient time for in-depth scrutiny and Members' questions, it was recommended two items be received per panel meeting.

Cllr Leaver and Fay Hammond, having also responded to Members' queries during the presentation, left the meeting at this point.

7. PLANNING THE WORK PROGRAMME FOR 2022/23

The Chair opened discussions in terms of the work programme. It was agreed there should be two items per meeting, with ten topics maximum to be put forward as potential work programme items during 2022/23.

Discussions were held on appropriate topics, and the following ones were agreed:

Procurement, including p-card payment monitoring, value for money and added social value

Commercial property assets and investment return / income generation

FINANCE & PERFORMANCE SCRUTINY PANEL - 20.7.2022

Housing Revenue Account (HRA) budget overview

Adult Social Care funding reform 2023

Fair funding: impact for Enfield

Performance, with particular focus on customer service and MEQ / complaints action plans and the Council website

Council companies: development and operation

Medium Term Financial Plan / Strategy overview

As well as continued receipt for information of Quarterly Monitoring Reports (Revenue, Capital and Performance)

8. DATES OF FUTURE MEETINGS

NOTED the dates of future meetings:

Wednesday 19 October 2022

Wednesday 11 January 2023

Wednesday 29 March 2023

The meetings to commence at 7:00pm and will be held in the Conference Room at the Civic Centre.

The meeting ended at 8.20 pm.

This page is intentionally left blank

London Borough of Enfield**Finance & Performance Scrutiny Panel – 19th October 2022**

Subject: Procurement update (including update on legislative changes)

Cabinet Member: Councillor Tim Leaver (Finance & Procurement)

Executive Director: Fay Hammond (Resources Department)

1. Purpose of Report

- 1.1 To provide an update to the Finance and Performance Scrutiny Panel on implementation of the new Procurement Service.
- 1.2 The report also includes a summary of the key features of new public sector procurement legislation – The Procurement Bill which is currently making its way through the legislative process. This paper summarises procurement and legal officer's interpretation of the forthcoming new legislation in its current form and an initial assessment of implications for the Council.

2. Relevance to the Council Plan

- 2.1 Procurement Services is based within the Resources Department and reports to the Finance Director - Capital & Commercial. Procurement Services brings together a range of specialist skills and resources to support all Enfield Council service areas throughout the commissioning, procurement, and contract management processes, taking a business partner approach.
- 2.2 Procurement Services is an enabling service and supports Council services through procurement to support the delivery of homes in well-connected neighbourhoods, safe, healthy, and confident communities, and an economy that works for everyone. Through procurement activity it ensures that the Council's suppliers support delivery of the Council's Business Plan priorities, the Fairer Enfield Policy, Climate Action and deliver strong social value.
- 2.3 Procurement Services lead the tendering process for larger and more complex projects, providing strategic procurement & contract management advice early in consideration of any new initiatives, and to support those managing existing contracts. Additionally, Procurement Services providing a wide range of policy and analytical support as it relates to suppliers and external markets and to provide guidance through the legal and internal processes that govern how public money is spent.

3. Background

Procurement Services Update

- 3.1 Procurement Services has recently been restructured and a new operating model was implemented on 1st March 2022. The restructure recognised the need to take a more strategic approach and lead to procuring goods, services and works. A 'Category Management' model, which provides 4 category managers to work closely with the service areas (Resources/Corporate, People, Place and Digital) through a Business Partnering model. The objective of category management is to approach procurement, in a way that is strategic, categorised, and more easily manageable. Emphasis can be placed on organising the resources and priorities of the Council to make informed decisions on where spend should be allocated, supported by data and by doing this, managers can focus time and conduct in-depth market analysis to fully understand their procurement decisions.
- 3.2 The restructure also recognised that Contract Management needs to be strengthened across the Council with two positions created to deliver this aspiration, supporting services to ensure the delivery of Value for Money, contract outcomes and supplier resilience during the lifetime of the contract. A contract management framework which consolidates best practice is being developed, along with guides and training courses to support officers across the Council.
- 3.3 A new Head of Procurement Services came into post during February 2022 with new Category Leads, Policy and Performance officers appointed and coming into post during the Spring. This commenced a review of all Procurement activity. Meetings with all major stakeholders have taken place to promote the new service, identify needs and gap analysis, feedback on what is working well and where there are improvements to ensure Procurement Services meets the needs of the Council and promote early procurement involvement in all projects and programmes.
- 3.4 A 2022/23 Procurement Service Centre Plan has been developed and is driven by key service objectives for the year. These objectives include:
- Implementation of the new structure and delivery of business as usual
 - Aligning services, corporate priorities and procurement activity
 - Effective oversight and development of procurement practice across the Council
 - Consistent and high professional standards and access to the specialisms required
 - Effective oversight and development of contract management practice and supply chain resilience across the Council
- 3.4 Currently there are three procurement boards, one for each area (People, Place and Resources & CEX). Working with the departmental Chairs these are being reviewed to support more proactive procurement forward planning and involvement and support each area with its procurement and contracting activity. The boards meet monthly, and each board has a slightly different approach that reflects their business needs. Procurement Services are working to harmonise these approaches, implement regular discussion of strategic business cases for commissioning and procurement, review their contract register, forward plan, and track their

procurement pipeline. New procurement policy and strategy is also discussed at these boards.

- 3.5 To support Services and officers the Procurement intranet pages have been extensively updated. More contract and spend information is available to support visibility. Additionally, support guides and checklists have been updated. A training strategy has been developed to support officers across the Council to conduct procurement more effectively and support the Council Plan.
- 3.6 Key priority work areas for Procurement Services currently includes:
- Full implementation and active promotion of the new service across the Council
 - Delivery of 2022/23 Service Centre Plan and objectives
 - Supporting the delivery of key Council projects including Meridian Water, Joyce & Snells development, Digital Services, Care and Support at Reardon Court.
 - Reviewing and updating for accuracy the Council's contracts register
 - Working with the business areas to prepare procurement forward plans and pipelines
 - Supporting business areas with the identification of savings and efficiency opportunities
 - Review of procurement governance is to give decision makers the assurance and confidence of high-quality procurement standards and value for money at all stages of the procurement cycle from sourcing strategy through to any requests for contract extensions, variations, and modifications.
 - Implementation of the Council's Sustainable & Ethical Procurement Policy 2022 – 2026
 - Promotion of the Social Value Portal to drive and track social value commitments from suppliers
 - Engaging with local businesses to raise awareness of opportunities and support with capacity building
 - Advice and guidance to contract managers across the Council to support the delivery of contract outcomes and value for money

The Procurement Bill

- 3.7 On 11 May 2022, the Government introduced the Procurement Bill (the Bill) into the House of Lords where it received its first reading. The Bill follows an extensive consultation process on procurement reform following the UK's withdrawal from the EU.
- 3.8 The reforms in the Bill are significant and wide-ranging and follow on from the December 2020 Green Paper on Transforming Public Procurement (the Green Paper) and the Government's response to the consultation on the Green Paper, published in December 2021. The Bill represents the Government's post-Brexit approach to the proposed procurement regime and represents the aspiration to condense numerous sets of procurement regulations into a single, consolidated set of rules. There are significant linguistic and stylistic differences in the drafting, compared to what we are

used to under the current PCR's (2015) (which represent a copy-out approach of the European Directive into domestic law). The Bill will extend to contracting authorities in England, Wales, and Northern Ireland, but Scotland has decided to remain outside the framework of the Bill.

- 3.9 The Bill proposes replacing the current regime for public procurement by:
- Creating a simpler and more flexible, commercial system that better meets needs while remaining compliant with international obligations.
 - Opening public procurement to new entrants such as small businesses and social enterprises so that they can compete for and win more public contracts.
 - Embedding transparency throughout the commercial lifecycle so that the spending of taxpayers' money can be properly scrutinised.
- 3.10 The Bill sets out the key procurement objectives that contracting authorities must have regard to when conducting procurements, including:
- (a) delivering value for money.
 - (b) maximising public benefit.
 - (c) sharing information for the purpose of allowing suppliers and others to understand the authority's procurement policies and decisions; and
 - (d) acting and being seen to act, with integrity.
- 3.11 Additionally, there is a general requirement for suppliers to be treated the same (unless there are differences which justify different treatment). Proportionality does not appear as a principle and is instead woven into the Bill where the context requires.
- 3.12 Key Features of the Bill include:
- The definition of a 'contracting authority' introduces the concept of 'contracting authority oversight' which could be construed to be narrower than is currently understood but does use familiar language regarding control and funding.
 - New approaches and categories of contract modification are proposed setting out what modifications to contracts are permitted without triggering a new procurement exercise
 - Provisions for Teckals (in-house companies established to provide services to the Contracting Authority), and co-operation have been amended but clarification and addressing of material omissions against the current *PCRs (2015)* is required
 - 'Light Touch Contracts' are introduced, thereby replacing the light touch regime, but retaining the distinction for a range of services which are, yet, undefined.
 - Valuation of contracts – if one cannot estimate the value of a contract, it is to be assumed that it exceeds the relevant threshold.
 - Removes the prescribed procurement procedures we are all familiar with and simply allows for:
 - An open procedure (simple single-stage procedure)

- A competitive tendering procedure of the authority's making (within its discretion) or
 - Direct awards in specific circumstances – this uses largely familiar language, but also introduces the ability to make a direct award 'to protect life,' which would go well beyond current practice (bearing in mind this could include protecting human, animal or plant life or health or to protect public order or safety).
- Moves away from the recognised award criteria of 'most economically advantageous tender,' to the new 'most advantageous tender.'
 - Introduces the concept of 'excluded supplier' and 'excludable supplier' with the aim of trying to make decisions around exclusions simpler, but instead introduces similar obstacles/protections as currently exist but using different language.
 - Permits any relevant minister to undertake an investigation as to whether a supplier is an 'excluded' or 'excludable' supplier and, on the back of such investigation, to maintain what is referred to as a 'debarment list' which authorities can then rely upon in making decisions whether to exclude a supplier during a procurement.
 - Provides for the possibility for an appropriate authority to investigate compliance by contracting authorities with the new procurement rules. The Bill introduces general information gathering powers for the appropriate authority and places an obligation on contracting authorities to comply and provide requested information
 - Replaces dynamic purchasing systems (DPS) with the concept of 'Dynamic Markets' – essentially the same as DPS with unlimited access qualification criteria.
 - Reframes how framework agreements would be permitted to operate moving forward allowing for four-year terms unless authorities believe they should be longer but also introducing longer 'open frameworks' of up to eight years.
 - Transparency notices will be required throughout the procurement cycle to keep the market aware of an authority's intentions including publishing the following:
 - A pipeline notice if they intend to spend >£100 million in any year
 - A contract award notice must be published before contract signature (effectively a notice of intent)
 - A contract details notice would then need to be published within a prescribed period after the contract is entered into
 - A contract termination notice is required to be published after termination
 - An 'assessment summary' replaces the current requirement for a standstill letter. This must be served on participating suppliers before a contract award notice is published
 - Standstill periods will change to eight working days from the date the contract award notice has been published
 - If a contract is valued in excess of £2 million the authority must set and publish at least three KPIs (unless the authority believes the supplier's performance under a contract could not be appropriately assessed).

- All contracting authorities must have due regard to the National Procurement Policy Statement which sets out the Government's strategic priorities for public sector procurement:
 - **Social Value**
Creating new businesses, tackling climate change, supplier diversity (SMEs, VCS, etc), local social value priorities.
 - **Commercial and procurement delivery**
Improving value for money through procurement best practice and contract management, publishing procurement pipelines, collaborative procurement.
 - **Skills and capability for procurement**
Internal skills for effective procurement, benchmarking of procurement practice against comparable organisations, increased use of suitable operating standards.

4. Main Considerations for the Panel

- 4.1 The Bill received its second reading in the House of Lords on 25th May 2022 and there has been subsequent debate across internal and external procurement and legal networks in understanding and assessing implications. The Bill places us in a new environment, without legal precedent and we only have a partial view now. Secondary legislation is being drafted and is likely to cover a wide range of detail, content and form around thresholds, transparency requirements, when to publish notices, content of notices, etc. Officers are not clear on whether the Secondary Legislation will be shared for consultation or not and, as the Bill progresses through the House of Lords and Commons there may be further amendments.
- 4.2 The current position from the Cabinet Office:
- Development work on systems development & integration
 - Secondary legislation & guidance being drafted
 - Developing transition guidance to support contracting authorities from old to new – includes highlighting how policies & operating procedures might need to change
 - The Bill will require a third reading in the House of Lords before passing to the Commons for the same process. Royal Assent is anticipated during Spring 2023
 - Once Royal Assent is received, the Cabinet Office has committed to a 6-month implementation period and deliver a funded learning & development programme for contracting authorities – from knowledge drops (webinars) to instructor led deep dive workshops for procurement officers. The programme is still in development.
- 4.3 An initial assessment on local Implications includes:

- The Council's systems, processes, procedures, guidance, documentation, and governance will need to be reviewed and amended.
- Upskilling and training will be required for all procurement and legal professionals, together with officers based in the service areas conducting procurement tasks.
- The Council will need assurance that external organisations contracted to provide procurement or legal support to the Council have been fully trained on the new Bill and the Council's new policies and procedures
- Given the scale of change and transformation, managing business as usual and new requests for support will be challenging whilst attempting to conduct the necessary reviews, amendments, and local implementation.
- Services will need to ensure there is adequate resource for appropriate contract management to comply with transparency requirements.
- Contracting authorities need to spend significant time navigating the Bill as well as keeping an eye out for secondary legislation and statutory guidance.
- Risk areas in relation to evaluation, award and transparency requirements under the new regime need to be assessed and mitigated

5. Conclusions

5.1 Under the new Bill, officers are faced with having to consider not only the Act, but secondary legislation, a national procurement strategy and statutory guidance rather than currently considering only the PCR's (2015). Contracting authorities will need to quickly come to grips with a consolidated view.

5.2 The main implications for the Council at this stage are:

- Administrative – new data and transparency requirements
- A requirement for the Council to ensure all contracts are managed with a minimum of 3 key performance indicators in place and that contract performance is published on the Council's website at least annually for any contracts valued at £2million plus
- Training & upskilling for all procurement and legal officers and any officers conducting procurements directly
- Ensure adequate resources are in place to maintain business as usual whilst implementing the new requirements.

5.3 Officers will continue to monitor developments on the Bill's progress and Cabinet Office updates and engage with regional procurement and legal networks to share information and developments.

Report Author: Michael Sprosson
Head of Procurement Services
Michael.Sprosson@enfield.gov.uk
07802 775945

Date of report: 23rd September 2022

Appendices

None

Background Papers

None

London Borough of Enfield**Finance & Performance Scrutiny Panel – 19th October 2022**

Subject: Council Purchase Cards

Cabinet Member: Councillor Tim Leaver (Finance & Procurement)

Executive Director: Fay Hammond (Resources Department)

1. Purpose of Report

- 1.1 This report will provide an update to the Finance and Performance Scrutiny Panel on the Council's Purchase Card (P cards) payment process. This will include a summary of how the P card system has operated within recent years, outlines the findings and results of a recent audit and subsequent review of the process which has led to notable changes and improvements.

2. Relevance to the Council Plan

- 2.1 Whilst not replacing the Council's main purchasing system, P cards can be a useful and agile ancillary payment option within a modern council, working primarily for the purchase of small spend items and as an emergency payment method. P Cards are mostly used by frontline services.

3. Background

- 3.1 Purchasing goods via the Council's purchasing system, Neptune, and paying invoices against a purchase order is the Council's preferred method to pay and purchase goods and services. However, P cards were introduced some years ago to enhance the purchase to pay process, providing an easy and flexible alternative for buying small spend items.
- 3.2 The Council's Financial Regulations and Contract Procedure Rules set out the guidelines that officers must comply with when purchasing goods and services on behalf of the Council.
- 3.3 The number of P Cards in circulation increased during the coronavirus pandemic. The period over the pandemic necessitated greater flexibility and the ability to react to support residents. The flexibility of a P card to purchase goods and services quickly was vital, especially when the pandemic had a significant impact on the supply chain.
- 3.4 Examples of where P cards are used effectively are in Childrens and Adults Service where staff are empowered to make decisions to make purchases up to £250 which can indirectly reduce costs e.g., Occupational Therapists

purchasing equipment for a client to assist them with everyday activities at home like a bottle opener etc reducing the need for a carer.

2021 Audit of P card process

- 3.5 An internal audit of the P card process in 2021 was issued with limited assurance and identified non-compliance with P Card policy and procedures. Spend on P Cards requires cardholders to review the transaction and upload evidence to support the purchase. This evidence must then be authorised by a designated approver. The audit identified that this was not taking place thus leaving a risk of fraudulent transactions taking place.
- 3.6 The audit reviewed over 25,000 transactions covering the period June 2019 to June 2021. Across this period, 30% had not been reviewed by the card holder, 41% were not supported by a receipt and 65% had not been authorised by a designated approver.
- 3.7 As a direct and immediate result of the audit, Exchequer Services introduced the additional measures to improve the level of compliance:
- The introduction of a two-strike rule, whereby cards are suspended following two consecutive months of non-compliance by the approvers. This requires a Head of Service or above to reinstate the card.
 - Emails issued every month to card holders and approvers to remind them to upload receipts and approve spend.
 - Raising awareness of the P Card procedures through attendance at DMTs.
 - Training being offered to all approvers (and specifically those not regularly approving transactions).
 - Reports of non-compliance conveyed to DMTs and EMTs.
- 3.8 The measures and monitoring introduced have resulted in improved compliance as shown in the table below:

Reason for non-compliance	August 2021	August 2022
Transactions not reviewed by cardholder	16%	4%
Transactions not reviewed by manager	41%	19%
Transactions with no receipt attached	21%	7%

2022 Review

- 3.9 In light of the findings of the 2021 audit, plus reflections on the P card system and policy post-pandemic, a review of the P card system was undertaken over the summer months of 2022.

3.10 In addition to the review of the policy, each card in circulation and the reason for having a card was reviewed. Guiding principles on the use of P cards were then established to help drive the remainder of the review which included:

- Cards should be retained where there is an operational need, primarily front-line services
- Where possible single 'pool' cards holders should be used to purchase on behalf of the team.
- PA's and Business Managers together with Corporate Procurement will be designated 'pool' card holders as a backup or in the case of an emergency
- Directors, who currently have a card, Emergency Planning Team and Gold / Silver Emergency Rota Officers should have cards
- Cards with no or little spend in the preceding 18 months to be cancelled.

Results of the review to date

3.11 Prior to the review there were 508 purchase cards in circulation with annual spend of approximately £2m. The review of P cards has led to a 44% reduction of cards in circulation, to 284 as summarised below:

Department	Prior to Review	After Review	Reduction	% Reduction
People	304	175	129	42%
Resources	42	17	25	60%
Place	112	63	49	44%
Chief Exec	31	21	10	32%
Non-Enfield	19	8	11	58%
	<u>508</u>	<u>284</u>	<u>224</u>	<u>44%</u>

Other changes have been implemented to further improve control and help P card users and approvers, including:

3.12 Reductions to transaction limits on most cards

Card limits were inconsistent and, in some instances, too high. A consistent set of maximum limits, relating to individual purchases and maximum monthly spend has been agreed and implemented. The majority of cards now have a transaction limit of £250 and a monthly spend limit of £1,000. There are exceptions to this where the business case demonstrates it is needed, and for cards designated for emergency planning.

3.13 Improved Communications /information/ Guidance/ Training

Whilst there is a directory of user guides and videos guides available on the intranet these are in the process of being updated. Staff who have retained their cards have been provided with additional information to assist with refreshing their knowledge on when it is appropriate to use a P card and when Neptune would be the preferred option. Refresher information and training on how to use Neptune is also available e.g. how to raise orders, claim 'work related' expenses back via Payroll etc

P card holders have been given a reminder on 'do's and don'ts', rules for 'pooled' card holders, oyster cards etc. All card users and approvers have been provided with a copy of the revised purchase card policy and will be required to sign a new purchase card declaration. Failure to adhere to the policy may result in disciplinary action.

3.14 Purchase Card Policy and Application Process

The overarching policy has been reviewed and updated, reflecting terms and conditions of having a card, and the expectations for card users and their managers, who approve the card transactions. A new card application process has been implemented to ensure that the number of cards in circulation remains controlled appropriately.

3.15 Monitoring Spend

Exchequer Services are strengthening the monitoring process via data analytic reports, reducing manual officer time required.

3.16 Business Accounts and Corporate Contracts

To maximise value for money and transparency, Exchequer Services are working with HOS in business teams and colleagues in Corporate Procurement to create business accounts with suppliers.

Corporately focused business accounts will provide consistency in relation to the purchasing of hotel accommodation, white goods and home furnishing for residents leaving care / occupational therapy visits etc.

With the emphasis on value for money we are currently looking at business accounts with Travel Lodge, Premier Inn, Argos and Amazon.

4. Conclusions

- 4.1 Post-pandemic, the P card system was in need of review, and the 2021 audit identified issues which required action. Considerable work has now taken place to tighten the policy and rationalise the number of cards in circulation by almost half and reduce/homogenise card limits. The changes outlined in this report ensure improved compliance and, control going forward.

- 4.2 The development of data analytic reporting will enable the Exchequer team to identify inappropriate spend quickly and efficiently. These measures will provide the Council with confidence that the P card system is operating appropriately with the necessary controls in place to stop abuse.

Report Author: Julie Barker
Head of Exchequer Services
Julie.barker@enfield.gov.uk
020 8132 1231

Date of report: 5th October 2022

Appendices

None

Background Papers

None

London Borough of Enfield**Cabinet****14th September 2022**

Subject: Revenue Q1: General Fund and Dedicated Schools Grant 2022/23**Cabinet Member: Cllr. Tim Leaver, Cabinet Member for Finance & Property****Executive Director: Fay Hammond, Executive Director Resources****Key Decision: 5481**

Purpose of Report

1. The report explains how the Council's income and expenditure compares to the original budgeted position for 2022/23 based on forecasts as at the end of June 2022. The report also provides the forecasted outturn for the Dedicated Schools Grant (DSG).
2. This report is set out as follows:
 - i. [Overview of the general fund budget 2022/23](#)
 - ii. [A review of the key issues that have been identified in the forecast outturn.](#)
 - iii. [Other underlying budget pressures on the budget by Directorate \(excluding the impact of Covid-19\)](#)
 - iv. [A review of the Covid-19 budget pressures by Directorate](#)
 - v. [Collection Fund for Council Tax and Business rates](#)
 - vi. [An update on progress of savings and income to be delivered in 2022/23](#)
 - vii. [Forecasts for the Flexible Use of Capital Receipts in 2022/23](#)
 - viii. [A summary of the Dedicated Schools Grant \(DSG\) financial position](#)
 - ix. [Forecasted levels of Reserves as at the end of the 2022/23 financial year](#)
 - x. [Consideration of the medium term financial implications](#)

Executive Summary

3. A number of factors are combining to present a very challenging financial position for the London Borough of Enfield, and this is reflected within the opening General Fund revenue forecast for 2022/23.
4. The forecast aggregate overspend for 2022/23 against the base £260m General Fund budget that was agreed in February, prior to application of any reserves, is £26.6m. Planned use of reserves (including Covid19 reserve) brings this overspend down to a residual £12.6m. In summary, the key themes are:
 - i. Notable inflationary pressures of £7.9m across energy and fuel inflation and estimated pay award costs in excess of those budgeted for
 - ii. £4.7m increase in demographic costs in excess of those budgeted for in adult social care £2.0m; children's services £1.3m; temporary accommodation £1.1m; SEN Transport £0.3m.
 - iii. Offset by £3m contingency held for this purpose.
 - iv. £2.3m of unrealised income forecast in parking, cemeteries and planning.
 - v. £1.2m of cost pressures in digital services.
5. Annually the Council considers as part of budget setting estimates for demographic and inflationary and pay award increases. In 2022/23 these estimates, based on best known information at that time were included growth in total of £22m which included estimated pay award of 2% (as did 2/3rds of other London Boroughs) and specific allocations for demographic and inflation costs at that time. In addition, prudently, a £3m contingency is held corporately should unanticipated cost pressures arise not previously budgeted for. However, subsequently, energy inflation, pay award expected beyond the 2% budgeted for and rising demand has placed significant budget pressures in excess of those budgeted.
6. Financial resilience has always been a top priority for this Council and the current financial position is of significant concern. Currently there is no additional funding anticipated from the government to support Councils with the impact of these in year inflationary increases. This means that the Council, alongside the wider local government sector, in a position of needing to identify in year savings to address these cost pressures. Further, where these are not able to be made, the Council will need to access our risk reserves as needed. Needless to say, these are of course, one-off funds to support what are likely to be ongoing costs and therefore the medium-term financial plan will need to be recast to reflect this.
7. Forming part of the overall position outlined above, the Covid-19 impact continues to be monitored as a discrete element and totals £8m. The impact of Covid-19 is anticipated to continue throughout 2022/23 and beyond and includes increased costs and ongoing lost income. The Council has a £15m specific Covid-19 earmarked reserve and no further Government grants relating to Covid-19 are anticipated. The Covid-19 reserve is finite, and officers are working on exit strategies for those areas

with additional funding, however there is a risk of additional cost within the MTFP where this proves challenging.

8. 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. Children's Social Care,
 - iii. Homelessness services, specifically the provision of Temporary Accommodation.
9. Although interest rate rises have occurred, due to the profile of the capital expenditure, and the fact that the interest rate budget is prudently set, this is not expected to impact on our cost pressures in the current financial year.
10. The impact of the cost of living crisis is also resulting in unfunded financial pressures on the Council of discretionary housing payment of £483k . The grant reduced in 2022/23 by £720k, with forecast expenditure at £2.1m. This will be a further call on the Council's limited reserves.
11. Contributing to the adverse forecast are amber and red rated savings i.e., not achieved or fully achieved in 2022/23. Where there have been delays or work continues to achieve them, they will continue to be monitored reported in the quarterly reports.
12. The potential impact on our available reserves as a result of this opening forecast is considerable – a £34m reduction in earmarked General Fund reserves (including £12.6m unplanned use of the risk reserve; £8.0m Covid19 planned use of reserve), leaving a potential year-end balance of £106m. There is a balance to be struck between using these reserves for the purpose that they are intended (to smooth the impact of risk) and to ensure financial resilience going forward. In year budget cost reduction and savings strategy is needed including controls on staffing costs, cost pressure reviews, bringing savings forward and pausing capital projects. More details will follow in the October Cabinet. The Council will aim to protect our reserves in order to maintain financial resilience to ensure that our key services can be maintained.
13. The Dedicated Schools Grant outturn position is forecast to be £1.077m overspend and reflects an improved year on year position due to additional grant funding and slower increases in out of borough placements. This will increase the accumulated deficit carried forward to £13.695m.
14. 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.
15. 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.

Proposals

16. Cabinet is recommended to note:
 - a. The 2022/23 financial year the General Fund revenue forecast outturn position of £12.6m adverse variance, arising in the main from demographic and cost pressures exceeding the £22m budgeted growth and unanticipated inflationary increases across pay and energy.
 - b. Financial resilience remains a key priority for the Council and an in-year budget savings and cost control strategy is needed to protect the Council's reserve levels.
 - c. The potential drawdown on reserves and the impact this has on the forecast level of reserves. The £3m contingency will be required to achieve the General Fund forecast outturn and the planned drawdown from reserves of £1.99m will also be required.
 - d. The Covid-19 impact on the General Fund of £8.0m which will be funded from the Council specific Covid-19 earmarked reserve.
 - e. The Dedicated Schools Grant (DSG) revenue overspend of £1.077m, which is reflected in the balance sheet.
17. Cabinet is asked to require Executive Directors continue to work with Cabinet Members to robustly manage the underlying budget position, implement in year savings and further cost control measures deemed appropriate to the challenge faced, whilst managing, mitigating, and minimising the Covid-19 financial impact.
18. It is recommended that Cabinet Members note the potential forecast level of reserves and implications for 2022/23 and challenging financial position over the life of the MTFP.

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 2022/23. 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 the 24th February 2022, the 2022/23 budget was set by Council. New savings of £5.9m and new income generation plans of £2.8m were agreed for 2022/23. As part of the aim to continue to place the budget in a more

resilient position, in 2022/23 £22m 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 is considered quarterly at Cabinet and by the Finance and Scrutiny Panel.
23. The body of the report will focus on the key issues contributing towards the forecasted position. The Appendices to the report provide further details on the other variances of at least £50,000 whether adverse or favourable.
24. For the last two years and continuing for 2022/23 at least, this report separately identifies how Covid-19 impacts on Council costs and reductions in income. The funding for Covid-19 related pressure is finite and now managed through the Council's earmarked reserve. Through the MTFP the Council must plan how to transition into the ongoing business as usual position. The balance at the beginning of 2022/23 is £15m but this finite and forecasts in this monitor total £8.0m, meaning that £7.0m remains to manage any increases in year and pressures in 2023/24.
25. The Council remains in a financially challenging position for 2022/23. There is the continuing significant risk and uncertainty due to the legacy impact of the Covid-19 pandemic and the unprecedented inflationary economic context. The Covid-19 financial implications are under continuous review. The quarter 1 revenue forecast reflects these pressures and the Medium Term Financial Plan will also need to be updated to reflect the impact in 2023/24 and beyond.
26. The financial management key performance indicators set out in Appendix A.

Main Considerations for the Council

27. General Fund Quarter One Forecast

28. The forecast aggregate overspend for 2022/23 against the base £260m General Fund budget that was agreed in February, prior to application of any reserves, is £26.6m. Planned use of reserves brings this overspend down to a residual £12.6m.
29. Each of the departments has generated a list of the key variances which are contributing to the forecast 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 in-year or permanent savings measures.
30. The approach of utilising Pressure Challenge Boards to review the most significant pressure areas identified in 2022/23 will continue in order to provide corporate challenge as well as generating additional options to mitigate future pressures.
31. The Covid-19 impact continues to be reported separately and totals £8.0m. The Council has a £15m specific Covid-19 earmarked reserve and no further new Government grants relating to Covid-19 are anticipated. The

impact of Covid-19 is anticipated to continue throughout 2022/23 and beyond. However, it should be noted that the Covid-19 reserve is finite and whilst provides a short to medium term resilience, the Medium Term Financial plan will reflect the longer term impacts of Covid-19 where this can be evidenced.

32. 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. Specific management actions are referenced in the report but in summary include:
- A series of service reviews building on the work of the pressure challenge boards work in previous years
 - Additional controls on recruitment of new staff and restructures across revenue and capital.
 - Developing strategies in Homelessness to manage current and future demand. Note this is a separate report being taken to Cabinet.
 - Strategies are underway to improve recruitment and retention of social workers within Children's services.
 - Reviewing and developing the Council's exit strategy from the additional resources applied to Covid-19 related pressures.
33. 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.

Table 1: General Fund Departmental Variances 2022/23 @ Quarter 1

Department	Net Budget	Net Actuals @ Q1	Net Forecast	Total Gross Forecast Variance	Flexible use of Capital Receipts	Covid-19	Specific Reserves	Total Forecast Variance
Chief Exec	9.571	3.035	10.142	0.571	(0.121)	(0.301)	0.000	0.149
People - Adult Social Care & Public Health	82.584	6.359	86.711	4.127	0.000	(1.000)	0.000	3.127
People – Children’s	46.449	12.633	52.987	6.538	(0.308)	(3.653)	(1.184)	1.393
People – Education	4.565	43.631	5.345	0.780	(0.500)	(0.280)	0.000	0.000
Place	31.413	6.701	37.479	6.066	0.000	(2.012)	0.000	4.054
Resources	30.300	12.008	36.432	6.132	(1.498)	(2.267)	0.000	2.367
Service Net Costs	204.882	84.367	229.096	24.214	(2.427)	(9.513)	(1.184)	11.090
Corporate Expenses	28.395	10.4	24.664	(3.731)	0	1.508	(0.019)	(2.242)
Inflation	5.250	0	12.000	6.750	0	0	0	6.750
Minimum Revenue Provision	17.508	0.000	19.836	2.328	0.000	0.000	(2.328)	0.000
Contingency	3.000	0.000	0.000	(3.000)	0.000	0.000	0.000	(3.000)
Bad Debt Provisions	0.791	0.000	0.791	0.000	0.000	0.000	0.000	0.000
Net Expenditure	259.825	94.767	286.387	26.561	(2.427)	(8.005)	(3.531)	12.598
Expenditure financed by:								
Business Rates	(97.426)	(14.366)	(97.426)	0.000	0.000	0.000	0.000	0.000
Council Tax	(139.361)	0.000	(139.361)	0.000	0.000	0.000	0.000	0.000
Other non-ring-fenced Government Grants	(21.053)	(5.918)	(21.053)	0.000	0.000	0.000	0.000	0.000
Planned Use of Reserves	(1.985)	0.000	(1.985)	0.000	0.000	0.000	0.000	0.000
General Fund Corporate Financing	0.00	74.483	26.562	26.561	(2.427)	(8.005)	(3.531)	12.598

Table 2: Summary of Covid-19 Impact by Department 2022/23

Department	Net Budget	Covid-19 Additional Expenditure	Covid-19 Loss of Income	Covid-19 Impact on Savings Programme	Covid-19 Total Impact
		£m	£m	£m	£m
Chief Exec	9.571	0.301	0.000	0.000	0.301
People - Adult Social Care & Public Health	82.584	1.000	0.000	0.000	1.000
People – Children’s	46.638	3.653	0.000	0.000	3.653
People - Education	4.565	0.280	0.000	0.000	0.280
Place	31.413	1.062	0.950	0.000	2.012
Resources	30.300	2.001	0.266	0.000	2.267
Service Net Costs	204.882	8.297	1.216	0.000	9.513
Corporate Expenses	33.645	(1.508)	0.000	0.000	(1.508)
Minimum Revenue Provision	17.508	0.000	0.000	0.000	0.000
Contingency	3.000	0.000	0.000	0.000	0.000
Bad Debt Provisions	0.791	0.000	0.000	0.000	0.000
Net Expenditure	259.825	6.789	1.216	0.000	8.005
Expenditure financed by:					0.000
Business Rates	(97.426)	0.000	0.000	0.000	0.000
Council Tax	(139.361)	0.000	0.000	0.000	0.000
Other non-ring- fenced Government Grants	(21.053)	0.000	0.000	0.000	0.000
Reserves	(1.985)	0.000	0.000	0.000	0.000
General Fund Corporate Financing	0.000	6.789	1.216	0.000	8.005

Budgets shown in Tables 1 and 2 are controllable departmental budgets excluding capital and asset impairment charges, which are not directly controlled by departments.

General Fund – Key Issues

People Directorate – Adult Social Care

34. The 2022/23 Adult Social Care budget increased by net £4.3m (growth of £6m, less savings). However, continuing cost and demand pressures in this area resulting in a £3.1m forecast overspend. This is composed of inflationary impact of £1.1m and a further £2.0m of demand led pressure in excess of budget.
35. The inflationary impact exceeds the budget provision by approximately £1.1m. This has been a particular issue on domiciliary care rates which have increased by 5.99% due to national living wage and national insurance increases. Residential and Nursing rate increases have been mitigated through the implementation of a lean cost model developed across North Central London.
36. Other service demand and cost pressures total £6.1m are being experienced across all services; in the Older People and Learning Disabilities services care purchasing particularly Customer Pathway and Learning Disability Direct Payments. Over the last two years of the pandemic demand had reduced but this is now unwinding and demand is now on the increase.
37. For 2022/23 forecasts, the care package pressure described above has been mitigated through the use of *one-off funding* from Hospital Discharge Programme (£1.800m), Covid-19 Reserve (£1.000m), the Long Length of Stay/Virtual Wards Programme (£1.188m) and other Section 256 income (£0.163m), resulting in a net forecast overspend of £2.0m.
38. However, the mitigating use of one off income will create a further budget pressure of £3.151m to be included within 2023/24 onwards medium term financial plan.
39. The activity and unit costs over the last 3 years have significantly increased. Current care package forecasts assume that activity and costs remain at the same level for the rest of the financial year with an adjustment against Learning Disability budgets for new packages and assumed package savings. In a number of areas activity has increased quite significantly over the last 3-6 months and at this stage it is not possible to predict exactly when and if this activity will reduce and to what extent on individual budget areas.
40. Key assumptions within the forecast are based on projected activity and year to year trends. However, the continuing effects of Covid-19 makes trend analysis extremely difficult in year. Additional provider costs due to Covid-19, demographic and inflationary pressures mean the projected outturn, whilst containing an element of risk, may be subject to change.

People Directorate - Children's Social Care

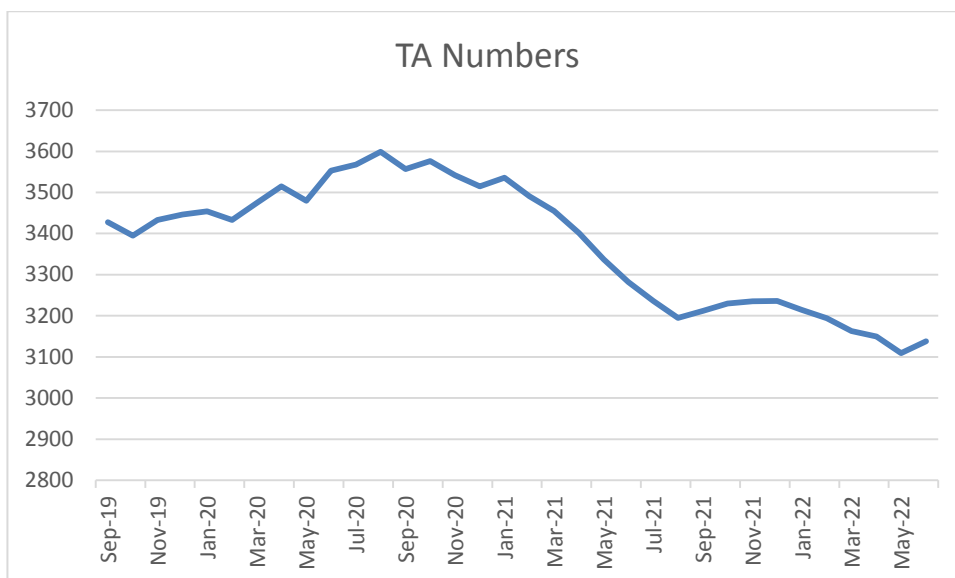
41. Children's Social Care services are statutory, and demand led, this means the service must be provided if the client meets the relevant criteria. These

budgets are at risk from changes as the numbers of children requiring services grow.

42. The impact of the Covid-19 pandemic combined with the aftermath of national high profile child abuse cases and local demographic changes has led to a significant rise in demand. In addition to this, the complexity of need has heightened, requiring much higher levels of support for much longer periods for children and families. The presenting complexities have included adolescent mental health with suicidal ideation, violence and aggression, parental mental health issues and domestic abuse.
43. The significant adverse variance of £0.869m is in Joint Service for Disabled Children. Although the budget has been increased by £0.500m, the service is experiencing significant increase in demand and complexity both from the existing and new clients. The team is now fully staffed and therefore the vacancy factor is causing £0.136m pressure on the budget.
44. In Looked After Children, the biggest challenge is the increased costs of residential care and enhanced support packages, causing an adverse variance of £0.344m due to the residential care market facing an extraordinary set of cost pressures and staffing sufficiency issues.
45. Strategies are underway to improve recruitment and retention of social workers. However, the number of vacancies, covered by the temporary agency workforce, still causes an overspend of £0.238m in Children in Need.

Place Directorate

46. The residual budget pressure after Covid reserve funding of £2.012m for Place directorate after reserve application is £4.054m. Homelessness is the first major constituent part of this pressure with an overspend of circa £1.06m, which is predominantly due to starting the year with 244 more properties than were estimated when the budget was set in February. This has resulted in projected circa £1.1m in additional property costs, assuming the current rate of exits from Temporary Accommodation is maintained. An increased number of exits will reduce this figure but any slowing of the rate will increase the overspend further. The number of properties also increases the amount payable by the Council in Housing Benefit (HB) Subsidy for which a pressure of £0.225m is currently forecast as well as the number of properties requiring repairs which is forecast to overspend by circa £90k.
47. The current market conditions are contributing to the pressure being seen. Landlords are leaving the market and therefore reducing supply (note the Council has seen a 62% decrease in Private Rented Sector). This result is households having to be placed in higher cost hotel accommodation.
48. Chart 5 shows the number of households in Temporary Accommodation over the last three years. The numbers hit a peak of 3,600 in July 2020 and now currently stand at 3,138.
49. Chart 5: Number of households in TA



50. Prevention work is also contributing to the overspend, this is work undertaken to prevent families from entering TA in the first instance. The current projected overspend across all the prevention activities is approximately £0.500m and this reflects how many families are approaching the Council for help. The work undertaken avoids cost for the Council in the long term. Despite the pressures described above and the number households presenting as homeless, the numbers of households being placed per month are not increasing. Further strategies which will mitigate the pressure and future demand pressures are being developed.
51. The second major contributing factor to the Place budget pressure is an under-recovery of Parking income against budget of £1.296m. This reflects an ongoing trend post Covid-19, with changing habits and behaviours, e.g. increases in working from home and increased on-line shopping.
52. There is further forecast income under-recovery within Planning (£500k – pre-planning applications and fees) and Cemeteries (£500k). There is a £310k pressure within Passenger Transport Service which reflects fuel and contract inflation and non delivery of savings.
53. The final notable budget pressure is for clients with No Recourse to Public Funds (NRPF) of £240k being higher than budgeted. Rising energy costs mean there is a risk this pressure could increase within block booked accommodation.

Resources

54. The residual Resources overspend after Covid reserve funding of £2.267m is £2.367m, with the key element of this being Digital Services, which has a budget pressure of £1.24m. This consists of a number of items, notably £0.390m additional contract costs of new projects with an ongoing revenue impact (reflects the increasing ratio of IT procurement being revenue based rather than capital). The profiled saving from the new CRM/CMS of £0.400m is unlikely to be achieved this year and will need to be reprofiled to 2023/24. Further smaller pressures include additional security team costs to combat cyber threats of (£0.2m, additional resources to support

the dual running of legacy systems £50k and agency resources covering Business as usual roles (£0.191m) due to challenges in recruitment.

55. The Finance function has a £470k residual forecast overspend. This relates primarily to additional agency staffing supporting the Corporate Team in managing 3 years audits of the accounts and also agency cover for some vacant posts. The closing of prior year accounts will negate the need for additional resource and senior finance officers are exploring all avenues to ensure the orderly closing down of outstanding issues with Enfield's external auditors, BDO.
56. The position for Customer Experience is a forecast £205k overspend which relates to unachieved savings on financial assessments.

Corporate Items

57. The Corporate Items residual overspend of £4.5m consists primarily of a £6.75m overspend against inflation and then accumulated underspends across a number of other budget headings of £2.242m.
58. A £5.250m inflation budget was built into corporate items as part of budget setting, which included £4.5m to fund a 2% pay award plus increased National Insurance Employers costs announced as part of Spring budget. The current proposed (not agreed) pay award for 2022/23 is closer to 6% equating to an estimated £10.1m. A further £1.9m of pressure relates to energy costs overspend, with 90% of the indicative volume requirement already purchased.
59. The Minimum Revenue Provision is a charge that Councils are required to make in their accounts for the repayment of debt (as measured by the underlying need to borrow, rather than actual debt). The underlying debt is needed to finance the capital programme.
60. The Minimum Revenue Provision forecast is £19.8m against a budget of £17.5m. This was expected and planned for in the budget setting, where the balance was planned to be drawn down from the MRP equalisation reserve. These forecasts are recalculated in line the capital programme forecasts and the next update will be provided at quarter 2.
61. **Other Departmental Monitoring Information – Budget Pressures and Mitigating Actions (net variance, excluding Covid-19)**
62. A breakdown of all other variances greater than £50k are detailed in Appendices B to E.

Covid-19 Impact (Appendix F)

63. **Chief Executive's: net budget is £9.6m; the total additional costs of £0.3m (3%)**

64. The costs relate to the additional legal cover required to deal with the increase in Children's social care cases which continues as expected into 2022/23.
65. **People: Adult Social Care (ASC) and Public Health – net budget is £82.6m; the total additional costs of £1m (1%)**
66. The impact on Adult Social Care (ASC) continues to be additional cost associated with the ongoing impact of the pandemic. The current forecasted impact directly on the department is £1.000m. This includes workforce pressures across the department, the long-term impact on care purchasing resulting from delayed/cancelled routine operations and other factors including the impact of long Covid and the demographic impact.
67. **People: Education – net budget is £4.6m; the total additional costs are £0.280m (6%)**
68. 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 took place in four of the borough's secondary schools in 2021/22, costing circa £48k, this has now been extended across all schools in the borough and will cost £0.230m.
69. **People: Children & Families – net budget is £46.6m; the total additional costs of £3.6m (8%)**
70. The most significant cost relates to c.£1.6m pressure in care placements, block-booking, and the need for at-home support packages to safeguard, particularly but not exclusively, children with SEND and/or severe emotional and mental health.
71. The need for additional staffing resources remains in 2022/23 due to increased demand, with c.£1.4m for addition staff predominantly sourced via agencies and fixed term posts, and a further £0.056m required to recruit and retain social workers.
72. The continuing high numbers of referrals to the service has led to an operational decision to spend £0.403m to address the spike in demand for provision of Child and Family Assessments, inflicted by pandemic, to clear a backlog and reduce caseloads in the Assessment Service while the current recruitment initiatives are fully implemented.
73. **Place – net budget is £31.4m; the total additional costs and income loss of £2m (6%)**
74. Temporary additional resources have been required in the Planning service to implement workload recovery and backlog management plan in response to the pandemic. This was always going to span financial years with £85k the cost in this year and was included in the Covid-19 pressures noted at budget setting.
75. Some costs of providing the Testing Units, Covid Marshals and Locally Supported contact tracing have slipped into 2022/23 at a cost of 32k.
76. The Covid-19 related cost in Housing is £0.945m, as the service continues the housing and support to protect rough sleepers and impact the

pandemic has had on the services ability to deliver the Homelessness Strategy.

77. The sales, fees and charges compensation scheme stopped after Q1 in 2021/22 but the Council's loss of income continues to be a pressure across services, with the more significant pressure being felt in Planning, Culture, Parking and Community Halls and Youth Centres and these total £0.950m.
78. **Resources: net budget is £30.3m; the total estimated additional costs of £2.3m (7%)**
79. The most significant impact identified in Resources services relate to additional resources required in the Financial Assessments Team (£0.9m) and the Income Collection (£1.022m) to manage and recover from the pandemic.
80. There is a loss of income across services in the department of £0.240m with the most significant being in school catering which continues from last year though not at the same extent.
81. **Corporate Items: net budget is £54.944 (including corporate contingency); reduction in spend of £1.5m**
82. The Concessionary Fares budget, which is our budget for the Freedom Pass within London, sits within Corporate Items. The charge for each of the London boroughs is calculated based on historic usage of the travel network within London. The impact of Covid means that, for the short to medium term, we see a reduction in our charge where usage data is lower than pre-covid levels. For 2022/23 we therefore see a reduced charge giving an underspend against budget of £1.5m.
83. Further details of Covid-19 variances are provided in [Appendix G](#).

Collection Fund

84. The movement in reserves for 2022/23 is a net drawdown of £4.9m. This is broken down in to:
 - £6.9m of 2021/22 Business rate reliefs to be repaid (this was put into the reserve in 2021/22)
 - £1.9m of Business rate reliefs (CARF) to be added to the reserve and then repaid in 2023/24.

Flexible Use of Capital Receipts ([Appendix G](#))

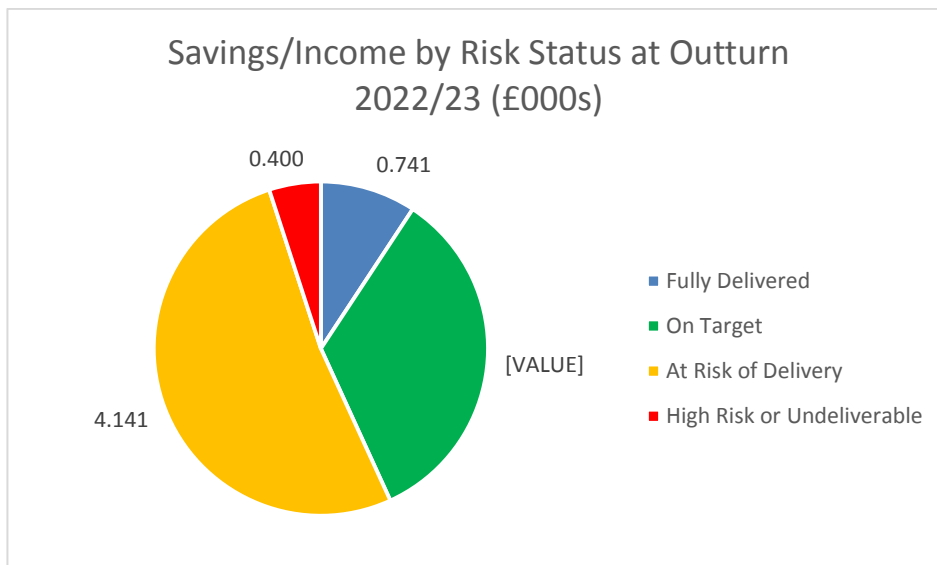
85. With effect from 2016/17 the Government provided a general capitalisation directive to all councils, giving them the option to utilise capital receipts for revenue purposes. These receipts can be used to finance projects that are designed to generate ongoing revenue savings in the delivery of public 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.
86. 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.

87. 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.
88. The Budget Report 2022/23 set out the plan for use of capital receipts this financial year with a total of £3.4m originally planned. The latest forecasted position is a total of £2.4m with the full details provided in [Appendix G](#).

Achievement of Savings (Appendix H and Appendix I)

89. 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
90. The savings include those that are new for 2022/23 plus the full year effect of previous decisions.
91. Of these £3.4m was fully delivered or on track for delivery at this stage.
92. However, £4.1m and £0.4m are amber or red risk status. These risk ratings are reflected in the forecast outturns for each department. Departments are working on mitigating actions to bring delivery back on track e.g., Parking and Homelessness. Where this is not possible then these will be reflected in the MTFP update for 2023/24.

93. Chart 2: Savings/Income Risk Status 2022/23



94. Further details for each department are summarised in the charts and tables in Appendix H and Appendix I.

Dedicated Schools Grant (DSG) (Appendix J)

95. For 2022/23 Enfield received a final, gross Dedicated Schools Grant allocation of £380.978m (as at March 2022) and the funding is allocated across four blocks; £285.544m for the Schools Block, £2.486m for the Central Schools Services Block, £24.958m for the Early Years Block and £67.990m for the High Needs Block.
96. In 2021/22 there was a bought forward DSG deficit of £8.048m but due to ongoing High Needs pressures there was a net in year overspend of £4.570m resulting in a cumulative outturn deficit of £12.618m which was bought forward to 2022/23.
97. 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.
98. At quarter one, there is a projected in year overspend of £1.077m. This would increase the cumulative deficit is £13.695m. 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 full year effect of early intervention strategies introduced in 2021/22. The cost of out of borough placements is projected to be within budget at this stage but could change with new and changed placements at the start of the new academic year.

99. Whilst still a forecast overspend the year on year pressure has reduced due to an increase in funding and declining increases in out of borough placements as described above.
100. 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.

Earmarked Reserves

101. 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 2022/23:

	2021/22 Outturn Balance per Outturn Report	2021/22 Outturn Balance Final position	2022/23 Forecasted Balance
	£m	£m	£m
Risk Reserve	(22.106)	(25.890)	(23.592)
Covid-19 Risk Reserve 2021/22	(15.000)	(15.000)	(7.000)
Balance Sheet Management	(3.040)	(3.331)	(3.331)
Collection Fund Equalisation Reserve	(20.596)	(13.628)	(8.728)
Housing Benefit Smoothing Reserve	(4.480)	(4.480)	(4.448)
Adult Social Care Smoothing Reserve	(3.697)	(3.697)	(3.697)
NLWA Reserve	(0.628)	(0.628)	(0.627)
MTFP Smoothing Reserves	(47.441)	(40.764)	(27.830)
Capital Financing	(23.428)	(23.428)	(21.080)
Service Specific	(15.108)	(14.819)	(12.603)
Property	(1.372)	(1.372)	(1.372)
Grants & Other Contributions	(12.662)	(11.953)	(10.461)
Sub-total GF Usable Reserves	(122.117)	(118.226)	(96.940)
Insurance	(7.022)	(7.022)	(7.022)
General Fund Balance	(13.949)	(13.949)	(13.949)
GF Earmarked Reserves	(143.088)	(139.197)	(117.911)
Schools	0.387	0.387	0.387
Total Reserves & Balances	(142.710)	(138.810)	(117.524)
Potential Risk Reserve Drawdown			12.600
Total Reserves & Balances			(104.924)

102. 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.
103. The risk reserve had been strengthened over the last two years with the final outturns in 2020/21 and 2021/22 has meant that the Council has been able to further strengthen the risk reserve and starts the year with a balance of £25.9m. However, given the adverse forecast outturn of £12.6m this could be a potential drawdown from the reserve.
104. 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 reserve was bolstered at year end and starts with a balance of £15m. The budget report for 2022/23 set out circa £7m that will be required in 2022/23, the quarter one update increases this need to £8m as detailed in the paragraphs 37 to 55.
105. The General Fund Balance remains at £13.950m (on a net budget of £260m, i.e., 5.3%). 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.
106. The £40.8m Smoothing Reserves relate to Council Tax (£139m) /Business Rates (£97m), Housing Benefits (£224m claim per year), Adult Social Care and the North London Waste Authority levy and provide resilience in the budget to manage annual fluctuations.
107. The £23.4m of Capital and Minimum Revenue Provision reserves are committed for the next five years to smooth any increased budget requirement. The drawdown of £2.3m from the MRP reserve was planned when the budget was set.

Medium Term Financial Impact

108. The Council remains in a financially challenging 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.
109. 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.
110. New financial challenges 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.
111. The pay award for 2022/23 is anticipated to exceed 2% and this will result in additional ongoing cost pressure and this is reflected in the quarter one forecast.
112. Full details of the of the 2022/23 budget and MTFP 2022/23 to 2026/27 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.
113. **Safeguarding Implications**
114. 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.
115. **Public Health Implications**
116. 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.
117. 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.

118. Equalities Impact of the Proposal

119. 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.

120. Financial reporting and planning are important in ensuring resources are used to deliver equitable services to all members of the community.

121. Environmental and Climate Change Considerations

122. None in the context of this report.

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

124. None in the context of this report.

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

126. 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.

127. Financial Implications

128. Financial implications are implicit in the body of the report.

129. Legal Implications

130. 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.

131. Workforce Implications

132. None in the context of this report.

133. Property Implications

134. None in the context of this report.

135. Other Implications

136. None in the context of this report.

137. Options Considered

138. Not relevant in the context of this report.

139. Conclusions

140. 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.

141. The Covid-19 impact continues to be monitored and in previous years Government funding was sufficient to meet the Covid-19 impact, any new grants are not expected and therefore the Council depends on the Covid-19 earmarked reserve it has established to manage these pressures.
142. In addition to the continuing challenge of the pandemic, new challenges have emerged in the first half of this calendar year, namely the cost of living crisis with increasing inflationary pressures impacting our residents and the services the Council provides. Mitigating actions are being put in place to manage the forecast pressures but the Council must continue to be prudent in its spending to reduce and minimise the forecast overspend.

Report Author: James Newman
Director of Finance
James.newman@enfield.gov.uk

Date of report: 18th September 2022

Appendices

[Appendix A: Financial Resilience Key Performance Indicators](#)

[Appendix B: Chief Executive's Variances](#)

[Appendix C: People Variances](#)

[Appendix D: Place Variances](#)

[Appendix E: Resources Variances](#)

[Appendix F: Covid-19 Variances](#)

[Appendix G: Flexible Use of Capital Receipts](#)

[Appendix H: Achievement of Savings](#)

[Appendix I: Savings & Income Monitor](#)

[Appendix J: Dedicated Schools' Grant Variances](#)

Background Papers

The following documents have been relied on in the preparation of this report:






- Revenue Outturn 2021/22 – KD
- Budget Report 2022/23 and Medium Term Financial Plan 2022/23 to 2026/27 (KD5352)

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 forecast outturn is a £10.1m adverse variance after the utilisation of the £3m contingency.
Progress to Achieving Savings MTFP (current year)		Savings monitoring has identified a total of £0.4m considered a high risk rated/ undeliverable and a further £4.1m that are at risk of delivery. These are reflected in the reported outturn position.
Income & Expenditure Position – DSG		The DSG forecast is a £1.1m overspend against budget. Therefore, the cumulative deficit is forecast to be £13.7m and will be the first call on the 2023/24 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

Chief Executive	Net Budget	Gross Forecast Variance	Flexible Use of Capital Receipts	Net Forecast Variance Q1
	(£m)	(£m)	(£m)	(£m)
Human Resources & Organisational Development HR staff savings are forecast due to having vacant posts. The 80k flexible use of capital receipts relates funds the HR transformation manager. There are adverse variances in OD due to part year effect of restructuring.	2.230	0.116	(0.080)	0.036
Electoral Services A £67k overspend is forecast relating to the postage and printing cost for the annual canvass which had been funded by government grant that has now been ceased.	0.612	0.067	0.000	0.067
Other variances	6.729	0.046	0.000	0.046
Chief Executive Total	9.571	0.229	(0.080)	0.149

[Return to Chief Executive Narrative](#)

People	Net Budget (£m)	Gross Forecast Variance Q1 (£m)	Flexible Use of Capital Receipts (£m)	Net Forecast Variance Q1 (£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 is risk costs may increase with more activity. At this stage there is no net forecast variation against this service with additional staffing costs in year offset using Better Care Funding.	8.883	0.000-	0.000-	0.000-
Mental Health – This forecast is currently forecast to underspend by £0.091m mainly due to a forecast underspend against care purchasing.	6.823	(0.091)	0.000	(0.091)
Learning Disabilities - This service includes the in-house day services. The service is projecting an overspend of £1.970m primarily due to the increasing number and cost of care packages. All packages of care are subject to ongoing scrutiny to ensure they are delivered in the most cost-effective way, and this is expected to continue to deliver savings throughout the year. However, demand for services continues to rise as a result of demographics, particularly complex and expensive transition cases with the service now facing the full year impact of 2021/22 transition cases as well as new transitions in 2022/23.	29.592	1.970	0.000	1.970

<p>Older People and Physical Disabilities (the Customer Pathway)</p> <p>The service is currently facing significant financial pressures, particularly in relation to care purchasing. In the last 6 months activity levels have increased quite significantly following a period of reduced activity during the covid pandemic. Current care package forecasts assume that, on average, activity and costs will remain at the same level for the rest of the financial year. One-off funding from Health of just over £3m has been assumed to mitigate this additional pressure in the current year leaving a forecast overspend of £1.248. However, if activity levels continue to increase this will increase the budget overspend in 2022/23 and create a potential ongoing risk in 2023/24.</p>	39.558	1.248	0.000-	1.248
<p>Supporting People - there is no forecast variation against this service.</p>	2.709	0.000	0.000-	0.000-
<p>Adult Social Care Sub Total</p>	87.565	3.127	0.000-	3.127
<p>Public Health Grant</p> <p>The Departmental forecast also includes the ring-fenced Public Health Grant. The Public Health grant in 2022/23 is £18.024m, this reflects an increase in the grant of 2.8%, compared to 2021/22. The Public Health Service will deliver savings of £0.425m in 2022/23 and a further £0.375m in 2023/24, largely through staff reorganisation and a review of projects. Of the remaining Public Health spend, over 90% is for services contracted to the NHS. The Public Health Reserve Balance at 31st March 2022 is £2.067m which will now be required to mitigate pressures facing the service in future years, particularly the impact of increases in demand led services post pandemic.</p>	(4.981)	(4.981)	0.000	0.000

Public Health Sub Total	(4.981)	(4.981)	0.000	0.000
Adult Social Care & Public Health	82.584	3.127	0.000	3.127
Education				
Enhanced Pension costs These are the cost of former employees on enhanced pension and forecast variance is £0.030m favourable.	1.776	(0.030)	0.000	(0.030)
SEN Services Staffing pressures due to cost of agency staff and maternity cover	0.849	0.060	0.000	0.060
Sports Favourable variance forecast as a result of increases traded income from schools and reduced staffing costs	0.000	(0.030)	0.000	(0.030)
Nexus project	0.000	0.500	(0.500)	0.000
Other variances Miscellaneous minor over and underspends	1.940	0.000	0.000	0.000
Education Sub Total	4.565	0.500	(0.500)	0.000
Children and Families				
Children In Need Adverse forecast resulting from agency staff covering posts and maternity leave cover.	9.172	0.238	0.000	0.238

Looked After Children The most significant pressure circa £0.344m is in external child care placements budget, due to increasing cost of residential placements. This is due to some young people coming into care with complex and challenging behaviours.	26.832	0.507	(0.163)	0.344
Joint Service for Disabled Children The overspend is predominantly due to a significant increase in demand in overnight breaks, commissioning and increase in Direct Payments rate for both new and existing clients.	3.663	0.909	(0.040)	0.869
Other Variances Variance is mainly due to delays in recruiting social work apprentices.	6.971	0.047	(0.105)	(0.058)
Children and Families Services Sub Total	46.638	1.701	(0.308)	1.393

[Return to People Narrative](#)

Appendix D

Place	Net Budget (£m)	Gross Forecast Variance (£m)	Flexible Use of Capital Receipts (£m)	Net Forecast Variance Q1 (£m)
Development Management Shortfall of £0.5m in Pre Planning Application and Planning fees income.	(0.239)	0.500	0.000	0.500
Senior Management & Support Team Favourable variance in staffing costs and through holding departmental training budget to mitigate service pressure across the department.	0.792	(0.117)	0.000	(0.117)
Culture Services £90k forecast pressure relates to delayed implementation of new management of Millfield centre.	0.668.	0.090	0.000	0.090
Traffic & Transportation The forecast variance is due to additional Traffic Order income.	(0.815)	(0.125)	0.000	(0.125)
Parking Services The most significant variance is the reduction of car parking receipts either in car parks or on street parking and parking permits. This is a continuing trend seen over the last couple of years and are affected by the following factors: <ul style="list-style-type: none"> • Impact of the pandemic and the reduction in travel • The increase in working from home and the reduction in travel • Changing consumer habits and increased on line shopping rather 	(5.465)	1.296	0.000	1.296

Place	Net Budget	Gross Forecast Variance	Flexible Use of Capital Receipts	Net Forecast Variance Q1
	(£m)	(£m)	(£m)	(£m)
than coming into Town Centres.				
Regulatory Services Staffing costs in Food Safety and Housing Enforcement Team.	1.347	0.073	0.000	0.073
Cemeteries New extension has been completed and income profile for Burial Chambers and mausolea will need to be reprofiled..	(1.749)	0.500	0.000	0.500
Street Scene The £0.083m forecast overspend is due to the increasing cost of fuel..	4.989	0.083	0.000	0.083
Parks Operations £41k relates to the increasing cost of fuel. Whilst £0.150m was a result of break ins at Trent Park. A further 49k is from the recycling bin installations and big belly bins in the Town park.	2.502	0.228	0.000	0.228
Passenger Transport Service The over spend is due to increasing cost of fuel and contract inflation. Along with MTFP savings that still need to be delivered.	10.873	0.310	0.000	0.310
Strategic Property Services The favourable variance of £0.220m is due to increased rental receipts from the Montagu Industrial Estates.	(4.582)	(0.220)	0.000	(0.220)

Place	Net Budget (£m)	Gross Forecast Variance (£m)	Flexible Use of Capital Receipts (£m)	Net Forecast Variance Q1 (£m)
<p>Housing</p> <p>The TA monitor for June shows an overspend of C.£1.06m.</p> <p>This is predominantly due to starting the year with 244 more properties than budgeted for. This has resulted in projected C.£1.1m in additional property costs, assuming the current rate of exits from TA is maintained. An increased number of exits will reduce that figure but any slowing of the rate will increase the overspend further. The number of properties also increases the amount payable by the Council in HB Subsidy for which a pressure of £225k is currently forecast as well as the number of properties requiring repairs which is forecast to overspend by C.£90k.</p> <p>Prevention work is also contributing to the overspend, this is work undertaken to prevent families from entering TA in the first instance. The current projected overspend across all the prevention activities is C.£500k. This reflects how many families are approaching the Council for help. The work undertaken avoids cost for the Council in the long term.</p> <p>Nomination rights payments to HGL are projected to be lower than budgeted for and a small increase in staffing through HGL has been agreed (total £165k saving).</p>	5.212	1.059	0.000	1.059
<p>No Recourse to Public Funds (NRPF)</p> <p>The number of families with No Recourse to Public Funds is currently higher than expected. The overspend could increase further in this area due to rising energy costs which the Council are liable for in block</p>	0.905	0.240	0.000	0.240

Place	Net Budget	Gross Forecast Variance	Flexible Use of Capital Receipts	Net Forecast Variance Q1
	(£m)	(£m)	(£m)	(£m)
booked NRPF accommodation. To date the main has not increased this cost, however some providers in other boroughs have effectively doubled their energy charges which for Enfield would show a full year effect increased charge of c.£110k.				
Other minor variances	17.408	0.087	0.000	0.087
Place Department Total	31.413	4.054	0.000	4.054

[Return to Place Narrative](#)

Appendix E

Resources	Net Budget (£m)	Gross Forecast Variance (£m)	Flexible Use of Capital Receipts (£m)	Net Forecast Variance Q4 (£m)
<p>Finance</p> <p>The forecast overspend is mainly driven by agency cover supporting the Corporate Team in managing 3 years audits of the accounts and also agency cover for some vacant posts. In addition, a project accountant has been brought in to drive savings in Place department.</p>	3.341	0.470	0.000	0.470
<p>Digital Services</p> <p>The forecast overspend is due to additional security team costs to combat cyber threats which is currently unfunded (£200k); additional resources to support legacy system dual running (£50k) and agency resources covering BAU roles (£191k) due to challenges in recruitment. The overall overspend anticipated to be funded by capital receipts is due to the transformational work undertaken across the team.</p> <p>Further pressures result from additional contract costs incurred for additional security applications (£150k) and professional services to mitigate risks around compliancy and testing. Additional contract costs of new projects that have an ongoing revenue impact (£390k). The profiled saving from CRM/CMS of £400k is also unlikely to be achieved this year. The balancing overspend is due to additional annual contract uplift costs.</p>	13.411	1.838	(0.598)	1.240
<p>Customer Experience</p> <p>Delays in delivering savings in Financial Assessment and the Income Collection team are contributing to a £0.239m forecast overspend.</p>	9.258	0.205	0.000	0.205

Transformation	0.000	0.900	(0.900)	0.000
The forecast overspend is transformation project costs and are planned as described in the Budget Report 2022/23 to be funded by the Flexible use of capital receipts.				
Other variances	4.290	0.452	0.000	0.452
Resources Department Total	30.300	3.865	(1.498)	2.367

[Return to Resources Narrative](#)

Appendix F

Covid-19 Impact	Additional Expenditure	Loss of income
	£m	£m
Chief Executive		
CEX: Additional legal costs to cover rising C&F case work	0.301	0.000
CEX: Communications Officer		0.000
Chief Executive Total	0.301	0.000
People		
Adult Social Care		
ASC: Additional workforce across ASC services	0.100	0.000
ASC: Additional long term care purchasing costs as a result of cancelation of routine operations, hip, knee etc	0.250	0.000
ASC: 2022/23 Demographic pressures	0.650	0.000
ASC and Public Health Total	1.000	0.000
Children & Families		
C&F: Increase numbers of agency staff and fix term posts	1.382	0.000
C&F: Block booking placements	0.030	0.000
C&F: PPE for Children's Services (including Leaving care)	0.005	0.000
C&F: Increase in Short Breaks (JSDC)	0.100	0.000
C&F: Outsourcing a completion of C&F assessments for a short period of time to clear the backlog of assessments and reduce caseloads while successful recruitment initiatives are finalised.	0.403	0.000

C&F: Recruitment initiative	0.056	0.000
C&F: Agency staff support for care co-ordinators converting to AYSE	0.029	0.000
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	1.648	0.000
Children & Families Total	3.653	0.000
Education		
Education: SEND support staff	0.050	0.000
Education: after-school provision for supervised independent study and increased Teaching Assistant support	0.230	0.000
Education Total	0.280	0.000
Place		
Homelessness Service	0.945	0.000
Development Management recovery of backlog	0.085	0.215
Covid Marshals & Locally Supported contact tracing	0.032	0.000
Parking Services	0.000	0.140
Highways Services0.050	0.000	0.050
Traffic & Transportation	0.000	0.075
Construction Maintenance Facility Management (CMFM)	0.000	0.050
Strategic Property Services	0.000	0.070
General Fund - Community Halls & Youth Centres	0.000	0.120
Culture services	0.000	0.230
Place Total	1.062	0.950

Resources		
Customer Experience: Financial Assessments staff overtime, Civica on Demand Extra & Additional Financial assessment staff	0.822	0.000
Customer Experience: Additional Resources in Income & Debt service post COVID recovery, Civica on Demand	1.022	0.000
Digital: Additional Staff Capacity - Overtime, Changes to 4th floor/Basement layout, Adjustments to allow people with Disability to work remotely	0.157	0.000
Schools Catering service income	0.000	0.240
Other Resources services loss of income e.g., recharges	0.000	0.026
Resources Total	2.001	0.266
Central Items		
Underspend on Concessionary Fares	(1.508)	
Covid-19 Total	6.789	1.216

[Return to Covid-19 Narrative](#)

Use of Capital Receipts in 2022/23

Appendix G

2022/23 Cost of Transformation Initiatives	£m	Planned Savings and Demand Reductions
People		
Children & Families	0.163	New Beginning (previously Break the Cycle)
Children & Families	0.040	SEND & Disability Outreach Worker (2 Year Fixed Term)
Children & Families	0.017	Outreach worker Operation Alliance
Children & Families	0.088	Parent Support Advisor
Education	0.500	Investment in Nexus project
Chief Executive		
Communications	0.041	Reflects transfer of Communications post from the Transformation team to the Communications team.
Human Resources	0.080	HR Transformation Manager
Resources		
Digital Services IT	0.598	To develop business cases for new projects as part of the Portfolio's pipeline. Continuation from 2021/22 item with a further £0.820m Use of Capital Receipts anticipated.
Transformation	0.900	The Transformation Service manages a diverse Portfolio of Programmes: Payments, Children's Transformation, Build the Change, Customer Experience.
Total to be funded from the Flexible Use of Capital Receipts 2021/22	2.427	

[Return to Capital Receipts Narrative](#)

Appendix H

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	0.175	(0.760)	0.500	(0.085)
New 2022/23	(0.510)	(2.912)	(2.004)	(0.430)	0.000	(5.856)
Savings Total	(0.510)	(2.912)	(1.829)	(1.190)	0.500	(5.941)

Income by Department	CEx	People	Place	Resources	Corporate	Grand Total
	£m	£m	£m	£m	£m	£m
FYE	0.000	(0.100)	0.890	0.000	0.000	0.790
New 2022/23	0.000	(0.100)	(2.650)	(0.090)	0.000	(2.840)
Income Total	0.000	(0.200)	(1.760)	(0.090)	0.000	(2.050)

Total Savings & Income by Department	CEx	People	Place	Resources	Corporate	Grand Total
	£m	£m	£m	£m	£m	£m
FYE	0.000	(0.100)	1.065	(0.760)	0.500	0.705
New 2022/23	(0.510)	(3.012)	(4.654)	(0.520)	0.000	(8.696)
Total	(0.510)	(3.112)	(3.589)	(1.280)	0.500	(7.991)

Total Savings & Income by Department by Risk Status	CEx	People	Place	Resources	Corporate	Grand Total
	£m	£m	£m	£m	£m	£m
Blue	0.000	(2.623)	1.382	0.000	0.500	(0.741)
Green	(0.460)	(0.189)	(1.310)	(0.750)	0.000	(2.709)
Amber	(0.050)	(0.300)	(3.661)	(0.130)	0.000	(4.141)
Red	0.000	0.000	0.000	(0.400)	0.000	(0.400)
Total	(0.510)	(3.112)	(3.589)	(1.280)	0.500	(7.991)

[Return to Achievement of Savings Narrative](#)

Savings & Income Monitor

Department	Directorate	FYE/New 2022/23	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2021/22 £'000
CEX	CEX	New	Savings	Corporate Strategy service restructure	2.5	(100)
CEX	CEX	New	Savings	Enfield Strategic Partnership review of reserves	2.5	(100)
CEX	CEX	New	Savings	Service Review: Organisational Development	3.5	(260)
CEX	CEX	New	Savings	Legal team capitalisation	4.5	(50)

Department	Directorate	FYE/New 2022/23	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2021/22 £'000
People	ASC	New	Savings	Strength based Programme - Reduced long term demand	0.0	(200)
People	ASC	New	Savings	Better Care Fund - Substitution	0.0	(300)
People	ASC	New	Savings	Review of Adult Placement Service, Outreach & Enablement	0.0	(260)
People	ASC	New	Savings	Disabled Facilities Grant - Substitution	0.0	(200)
People	ASC	New	Savings	Care Purchasing demand, transition, and Continuing Health Care	0.0	(683)

Department	Directorate	FYE/New 2022/23	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2021/22 £'000
People	ASC	New	Savings	Print costs/Home working	0.0	(35)
People	ASC	New	Savings	Reduced fuel costs move to electric vehicles	0.0	(35)
People	ASC	New	Savings	Additional savings on packages and placements from use of Care Cubed tool	0.0	(50)
People	ASC	New	Savings	Moving Day Care transport fleet to electric and some users to personal travel budgets at lower cost	0.0	(35)
People	ASC	Full Year Effect	Income	Reardon Court – Extra Care	0.0	0
People	ASC	Full Year Effect	Income	Increased income through fees and charges for chargeable Adult Social Care Services	0.0	(100)
People	ASC	New	Income	Care Charges (for Adult Social Care) service redesign	0.0	(100)

Department	Directorate	FYE/New 2022/23	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2021/22 £'000
People	C&F	New	Savings	Review of alternative funding streams for Education services	1.5	(80)
People	C&F	New	Savings	Reduced Unaccompanied Asylum Seeking Children (UASC) activity & increased grant level	2.5	(109)
People	C&F	New	Savings	Service Efficiencies	7.0	(300)
People	Education	New	Savings	Enhanced Pension Costs	0.0	(200)
People	PH	New	Savings	Public Health	0.0	(300)

Department	Directorate	FYE/New 2022/23	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2021/22 £'000
People	PH	New	Savings	Redistribution of the Public Health grant	0.0	(125)

Department	Directorate	FYE/New 2022/23	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2021/22 £'000
Place	Place	Full Year Effect	Savings	Economic Development Team	0.0	300
Place	Place	New	Savings	Energy Savings generated from the Salix investment on Corporate buildings	0.0	(75)
Place	Place	Full Year Effect	Income	Additional Traffic & Transportation receipts from recharges to capital	0.0	25
Place	Place	Full Year Effect	Income	Meridian Water Meanwhile use income	0.0	86
Place	Place	Full Year Effect	Income	Southgate Cemetery - Mausoleum and Vaulted graves sales	0.0	46
Place	Place	Full Year Effect	Income	Reprofiled Holly Hill Bunding Income	0.0	600
Place	Place	Full Year Effect	Income	Bunding Income (one off in 2021/22)	0.0	400
Place	Place	New	Savings	Fleet Centralisation	1.5	(50)
Place	Place	New	Savings	Recycling Improvements	1.5	(68)
Place	Place	New	Savings	Parks Operations Efficiencies	1.5	(50)
Place	Place	Full Year	Income	Cemeteries Mausoleum and Vaulted graves sales - Southgate Cemetery	1.5	(31)

Department	Directorate	FYE/New 2022/23	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2021/22 £'000
		Effect				
Place	Place	Full Year Effect	Income	Edmonton Cemetery Expansion - sales of mausolea and vaulted graves	1.5	(6)
Place	Place	Full Year Effect	Savings	Homelessness Service Review	2.5	(125)
Place	Place	New	Savings	Streetlighting additional saving	2.5	(100)
Place	Place	Full Year Effect	Income	Inflation uplift on external clients and receipts income	2.5	(180)
Place	Place	New	Income	Litter Enforcement Contract Income	2.5	(100)
Place	Place	New	Income	Traffic Order Receipts	2.5	(100)
Place	Place	New	Income	Extension of Holly Hill land improvement	2.5	(200)
Place	Place	New	Savings	Housing NRPF - reduced demand for service	3.5	(300)
Place	Place	New	Savings	Cashless Car Parking	4.5	(75)
Place	Place	Full Year Effect	Income	Market Rentals for Council Properties	4.5	(10)
Place	Place	Full Year Effect	Income	Increase in fee income in the planning service	4.5	(20)
Place	Place	Full Year Effect	Income	Building Control Plan Drawing Service	4.5	(20)
Place	Place	New	Income	Economic Development - income and grants	4.5	(50)

Department	Directorate	FYE/New 2022/23	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2021/22 £'000
Place	Place	New	Savings	Service Review: Economic Development	5.0	(210)
Place	Place	New	Income	Garden Waste Income	5.0	(150)
Place	Place	New	Income	Traffic Control Measures	5.0	(1,750)
Place	Place	New	Savings	Review of recharging of Place back office costs	7.0	(500)
Place	Place	New	Savings	Strategy to reduce Temporary Accommodation costs	7.0	(287)
Place	Place	New	Savings	Corporate Maintenance Facilities Management Operational Efficiency (Security, Cleaning, Staffing)	7.5	(100)
Place	Place	New	Income	Commercial waste	7.5	(100)
Place	Place	New	Income	Increased Temporary Accommodation rents aligned to Local Housing Allowance (LHA) rates for new tenants from 1st April 2022	7.5	(200)
Place	Place	New	Savings	Measures to address SEN Transport spend	5.0	(189)

Department	Directorate	FYE/New 2022/23	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2021/22 £'000
Resources	Resources	Full Year Effect	Savings	Reducing cost of maintaining staff laptops and devices	1.5	(60)
Resources	Resources	Full Year Effect	Savings	Reduction in mobile phone costs and usage	1.5	(50)
Resources	Resources	Full Year Effect	Savings	Customer Operations	1.5	(50)

Department	Directorate	FYE/New 2022/23	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2021/22 £'000
Resources	Resources	New	Savings	Exchequer Service Pension recharge	1.5	(50)
Resources	Resources	New	Savings	Audit Team budget review	1.5	(50)
Resources	Resources	New	Savings	Housing e-billing (reduced print & postage costs)	1.5	(25)
Resources	Resources	New	Savings	Cash collection saving in Exchequer	1.5	(25)
Resources	Resources	New	Income	Libraries: Additional Visa verification service income	1.5	(90)
Resources	Resources	Full Year Effect	Savings	Application Rationalisation - ongoing reduction of other applications	2.5	(200)
Resources	Resources	New	Savings	Digitalisation/ decentralisation of MEQ & Complaints Team responsibilities	2.5	(150)
Resources	Resources	New	Savings	Out of hours service: review existing service users, reduce service and reduce costs	4.5	(30)

[Return to Achievement of Savings Narrative](#)

Dedicated Schools Grant	Forecast Variance Q1 (£m)
Early Years Block	(0.105)
Schools and Central Services Blocks	0.047
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.	1.135
DSG Total	1.077

[Return to DSG Narrative](#)

This page is intentionally left blank

London Borough of Enfield

Cabinet

14 September 2022

Subject: Capital Programme Monitor Q1 2022
Cabinet Member: Councillor Tim Leaver, Finance & Procurement
Executive Director: Fay Hammond, Executive Director Resources

Key Decision: KD5494

Purpose of Report

1. The purpose of this report is to update Members on the forecast capital spend for the year 2022/23 of the Council's 10 Year Capital Programme 2022/23 to 2031/32, considering the latest information available for all capital schemes including funding.
2. The report sets out the estimated capital spending, the proposed arrangements for funding and the revenue budget relating to capital financing costs and Minimum Revenue Provision. The detail of the Housing Revenue Account (HRA) capital spend is reported separately, with a single summary line included in this report.

Proposal(s)

3. It is recommended that Cabinet notes the 2022/23 forecast of £332m against a budget of £486m, equivalent to 68%. The largest element of this is related to Meridian Water. Excluding Meridian Water, it is forecast that 74% of the capital budget will be spent in 2022/23.

Reason for Proposal(s)

4. A strong financial management framework, including oversight of the Capital Programme by Members, is an essential part of delivering the Council's priorities and statutory duties. This is particularly important in the current macro-economic environment of rising interest rates and inflation.

Executive Summary

5. The current forecast capital spend for 2022/23 is £332.0m compared to a budget of £486.4m (68%). The largest underspend variances are:
 - a. Meridian Water - £67.4m
 - b. Housing Revenue Account - £35.9m
 - c. Education - £17.4m
 - d. Housing Gateway - £13m

6. The £332.0m forecast spend for 2022/23 consists of £175.3m for the General Fund, £98.3m for the Housing Revenue Account (HRA) and £58.4m for Enfield Companies as shown in Table 1.
7. The largest variances in the funding of the programme are forecast reductions in
 - a. Capital Grants - £102.7m
 - b. Borrowing - £24.6m
8. The delivery of the 2022/23 capital programme is impacted by global external factors including the aftermath of the Covid19 pandemic, disruption of global supply chains and more recently soaring inflation and the economic impact of the war in Ukraine.
9. Inflationary increases, particularly construction, are a significant challenge to the financial viability of projects. The Consumer Price Index (CPI) in July was 10.1%, and forecast to increase, and overall construction inflation is significantly higher.
10. Work continues to understand the impact on individual project delivery timelines and costs of affected programmes, and this has been referenced, where relevant, in the body of the report. Where evidence indicates a current year programme will cost more to deliver, options including alternative delivery routes, reduction or pausing of the programme are considered.
11. The focus for the delivery of the capital programme during 2022/23 will be delivering value for money, which may result in some programmes being reconfigured or delayed, all of which will contribute to greater variability of financial forecasts through the year.
12. Unlike previous financial years, capital budgets will not be routinely revised to match the quarterly forecasts. This report focuses on explaining the reasons for variance to the budget.

Relevance to the Council Plan

13. The Capital Programme's aim is to invest in Enfield, delivering the Council's Corporate Plan. These plans are informed by the Council's strategic objectives as detailed in the Enfield Corporate Plan 2018 to 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
14. 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.
15. The largest element of the capital programme supports the objective to 'deliver good homes in well-connected neighbourhoods' (60% of the ten year capital programme).

Background

16. On 24th Feb 2022, Council approved the 2022/23 Capital Budget and noted the 2023/24 - 2031/32 10 Year Programme (KD5353), which included the Housing Revenue Account (HRA) budgets.
17. The Council's Capital Programme is regularly reviewed, and monitoring reports are submitted to Cabinet on a quarterly basis. In addition, the Capital Finance Board maintains a strategic overview of the financial management of the capital programme and provides an additional level of scrutiny for the major projects. 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.
18. This is the first monitoring report of 2022/23, the next report will be at the end of Quarter 2 (September), with a final report at Period 8 (November).
19. The Quarter 1 forecasts are based on programme managers estimation of actual spend during 2022/23. These forecasts are expected to change during the year as the full impact of the factors described above are understood on individual programmes.

Main Considerations for the Council

20. Cost Inflation has been rising steadily over the last year. The Bank of England is expecting inflation to rise to around 13% by the end of the year with energy and fuel prices contributing half of that amount. CPI currently stands at 10.1%, which is significantly above the Government's 2% target rate. Since early 2021, the UK construction sector has seen high inflation in materials and build costs, alongside materials and labour shortages affecting site activity. This is the combined effect of COVID working practices, supply chain disruption, and new immigration and trading requirements.
21. These factors have already had a direct impact on the Council's current capital programme for example:
 - a. the Winchmore School new 6th form building is being reprocured due to escalating costs and is unlikely to proceed on site until Quarter 4, 2022/23;
 - b. the scope and timescales of the Oaktree school expansion project and the Swan Annexe remodelling project that will deliver additional SEND places are to be redefined following inflationary pressures;
 - c. £30m exceptional cost inflation on Meridian Water Housing Infrastructure Fund works;
 - d. Meridian 4 will postpone spending whilst considering alternative delivery options following unprecedented cost inflation.

22. The Council has a number of options available through which to manage exceptional inflationary pressures in its capital programme including:
 - i. Review approach to procurement to try and increase pool of potential suppliers;
 - ii. Subject to open procurement processes, review the approach to contract award, including awarding contracts to suppliers who are able to hold prices or offer an appropriate balance of risk and reward;
 - iii. Redesign projects and/or value engineer projects to reduce costs whilst managing negative impacts on final design quality and expected outputs;
 - iv. Significantly delay, reprioritise or remove capital projects which are no longer financially viable or in the current environment represent poor value for money;
 - v. Accept additional costs and fund through existing council capital resources.

23. Interest rates have also increased in response to rising inflation. The Bank of England base rate has increased to 1.75% (for context it was 0.1% in March 2020), with the next review on 15 September 2022. Corresponding increases in gilt yields have also resulted in a rise in Public Works Lending Board (PWLB) borrowing rates. These increases have an acute impact on the revenue financing costs of borrowing undertaken to deliver the capital programme.

24. Table 1 overleaf summarises the 2022/23 forecast capital programme spend compared to the revised budget. The budget shown here is the budget that has been approved by Council as part of the 2021/22 Capital Outturn paper.

Table 1 – Capital Programme Q1 Forecast

Directorate	2022/23 Budget £m	2022/23 Q1 Forecast Spend £m	Variance (Forecast vs Budget) £m	Forecast to Budget
Resources	17.5	12.1	(5.4)	69%
People	34.3	16.7	(17.6)	49%
Place	75.4	56.9	(18.5)	75%
Meridian Water	157.0	89.6	(67.4)	57%
Total General Fund Excluding Companies	284.2	175.3	(108.9)	62%
HRA	134.2	98.3	(35.9)	73%
Total Capital Programme Excluding Companies	418.4	273.6	(144.8)	65%
Energetik	21.7	25.1	3.4	116%
Housing Gateway Ltd	46.3	33.3	(13.0)	72%
Total	486.4	332.0	(154.4)	68%

Funded by

	2022/23 Budget £m	2022/23 Q1 Forecast Spend £m	Variance (Forecast vs Budget) £m	Forecast to Budget
Borrowing	254.7	230.1	(24.6)	90%
Capital Grants	172.9	70.2	(102.7)	41%
Usable Capital Receipts	26.4	14.1	(12.3)	53%
HRA: Earmarked Reserves	21.6	3.8	(17.8)	18%
HRA: Major Repairs Allowance	8.0	11.3	3.3	140%
S106 & CIL	2.3	2.3	0	100%
Revenue Contributions	0.5	0.1	(0.4)	20%
Total Financing	486.4	332.0	(154.5)	68%

2022/23 Capital Programme Outcomes and Variances

25. The following paragraphs provide explanations for variances and a description of forecast outcomes from larger programmes.

Resources

Table 2 – Resources Q1 Forecast

	2022/23 Budget	2022/23 Q1 Forecast	(Under)/ Overspend
	£m	£m	£m
IT Investment	17.1	11.7	(5.4)
Libraries	0.1	0.1	0.0
Community Hubs	0.3	0.3	0.0
Total RESOURCES	17.5	12.1	(5.4)

Expected Outcomes

26. Completion of the infrastructure Phase 1 programme, including the migration of the remaining on premise Skype for business phones and lines to Teams as well as delivering the data repository to support mobile phone usage and the implementation of the new asset management system.
27. In addition, a managed service team will be employed to commence the discovery work and supplier procurement to commence the infrastructure rationalisation Phase 1B programme which is aimed at improving and upgrading the Council's IT infrastructure.

Forecast underspend explanation

28. The supply chain and ability to procure digital and IT equipment as quickly as expected. In some cases there are 6 to 12 month lead in times for equipment. This impacts the delivery of the Smart Devices, EUC/Hardware Replacement and Infrastructure Programmes.
29. Resources required to work on these priority programmes remain difficult to recruit to. The market is seeing increases of between 10% and 35% in salaries, which makes Enfield less competitive. While we are addressing this with some additional temporary staff, it has impacted on the pace of delivery. The resourcing issue is being addressed by using managed services to undertake discovery work. However this requires scoping and procuring of those contracts to do deliver what is required.

People**Table 3 – People Q1 Forecast**

	2022/23 Budget	2022/23 Q1 Forecast	(Under)/ Overspend
	£m	£m	£m
Schools Maintenance	16.6	8.0	(8.6)
Strategic Schools Places Programme Children & Families	17.0	8.2	(8.8)
	0.9	0.6	(0.3)
Total PEOPLE	34.5	16.8	(17.7)

Expected Outcomes

30. The Schools Capital Programme is continually reviewed on a project-by-project basis. The strategy of expansion of school places for SEND children continues during 2022/23, including the rebuild of Fern House (Aylands School) which is scheduled to complete in November 2022 and the expansion of Oaktree School with post 19 provision, scheduled to complete in 2024/25. The Winchmore School new 6th form building is being reprocurd due to escalating costs and is unlikely to proceed on site until Quarter 4, 2022/23.
31. The maintenance projects involve roofing, heating and domestic hot water systems, windows, power upgrades and electrical works in schools. Individual project designs are contributing to the Climate Change Agenda. The forecast spend includes professional fees and retention amounts.

Forecast underspend explanation

32. The main reason for the underspend is the re-alignment of project budgets with revised delivery timescales due to market (inflationary) pressures requiring project scope to be redefined resulting in programme slippage to future years. This includes the Oaktree school expansion project and the Swan Annexe remodelling project that will deliver additional SEND places. The Winchmore 6th Form New Build project procurement has resulted in exceptionally high build costs and project is therefore being re-scoped prior to retendering resulting in programme slippage. The requested addition for Strategic Schools and Schools Maintenance of £3m and £5m respectively was added to the programme upon approval from February 2022 Cabinet and will be reprofiled as it has yet to be allocated to specific projects which are still in inception stage.

Place**Table 4 – Place Q1 Forecast**

	2022/23 Budget	2022/23 Q1 Forecast	(Under)/ Overspend
	£m	£m	£m
Environment & Operations	28.4	22.6	(5.9)
Property & Economy	44.1	31.2	(12.9)
Housing & Regeneration	2.9	3.2	0.3
Total Place (General Fund excluding Meridian Water)	75.4	57.0	(18.5)

Environment and Operations – Expected Outcomes

33. Edmonton Cemetery – The build phase is complete and consisted of 144 mausolea, 200 vaulted chambers, and 144 cremation niches, providing capacity for 544 burials. The landscaping is near completion and the completion of the required repairs to the footways and skate park, used as access are expected to be completed by the end of September, within approved funding.
34. Flood Alleviation – Works progressing on a number of schemes including additional works at Turkey Brook & Albany park and works at Park Lane.
35. Highways & Street Scene - A target of 10km (6.3 miles) of roads to be resurfaced and 6km (3.8 miles) of pavements to be renewed and a target of 18,000 individual smaller defective areas on the highway network to be repaired as part of Enfield's overall highway maintenance programme. Approximately 1,000 new street trees will be planted, some of which will replace previously removed dead and decaying trees giving a net gain of approximately 700 street trees. The funding also includes several smaller bridge maintenance schemes and continuation with refurbishment and bridge strengthening schemes developed in 2021/22. Funding is also allocated to continue the TO programme of constructing sustainable drainage schemes, including rain gardens, wetlands and desilting of the New River Loop.
36. Expansion of trade waste service – Project currently in planning stage, investigating the potential client base, an update will be provided for Quarter 2.
37. Vehicle Replacement Programme - scheduled to deliver replacement fleet vehicles and electrical infrastructure.
38. Healthy Streets – The Healthy Streets programme receives external grant funding from a range of sources, with allocations provided at various times throughout the year. The main areas of spend are forecast on the following programmes:

- a. Upper Edmonton West - Delivery of North Middlesex Hospital Active Travel Improvements project. This project proposes an active travel route that will extend along Bull Lane N18, between the A406 North Circular Road underpass and the Enfield borough boundary with Haringey.
 - b. Enfield Town to Broxbourne Cycle Route - Delivery of Enfield Town to Broxbourne Walking and Cycling Route project. This project proposes a walking and cycling route that runs from the southern side of the M25 junction with the A10 (Junction 25) initially south along the New River and eventually on the local highway network towards Enfield Town.
 - c. 10 School Streets - aim to deliver ten new School streets across the borough. A School Street is an area around a school that becomes transformed into a Pedestrian and Cycle Zone at pick up and drop of times creating a safer environment for children to travel to school and encourage active travel.
 - d. Quieter Neighbourhood -Fox Lane - The aim of this project is to complete the first Low Traffic Neighbourhood in the Borough. Project was implemented in the summer of 2020 from Transport for London grants. The project was implemented by Experimental Traffic Orders. After a period of community consultation and project monitoring, a decision to make the scheme permanent was made.
39. Traffic and Transportation - £25k grant received for LIP (Local Implementation Funding) bus priority schemes. TfL decision expected on the £700k balance by end of August.
40. Corporate Condition Programme – The following works will be undertaken during 2022/23 improvement and upgrade works to accessible toilets in parks across the Borough, supporting the Public Sector Decarbonisation Scheme (PSDS) project at various corporate properties, Asbestos related safety works, essential external upgrade works to multiple buildings, installation of Automatic Number Plate Recognition (ANPR) to Civic Carparking and essential Health & Safety works across corporate buildings.
41. **Environment and Operations – Forecast underspend explanation**
42. The main reasons for the forecast underspend are
- a. the planned purchase of electric vehicles in the Vehicle Replacement programme, put on hold due to infrastructure installation delays; and
 - b. a reduction in Healthy Streets programme budget which included estimated grant amounts.

Property and Economy – Expected Outcomes

43. Build the change – work will continue on
- a. Hub 1 - Civic Centre. Works limited to finalising works on a number of meeting rooms, with all other works paused whilst a review of the future of Block South is undertaken

- b. Hub 2 - Thomas Hardy House (THH) & Dugdale. Construction and Demolition works will continue through the year at THH, alongside ongoing works at the Dugdale
- 44. Montagu Industrial estate. The budget is for site acquisitions, CPO approval estimated to be received in Quarter 4, which is when negotiations are likely to commence with owners.
- 45. Corporate Property Investment Programme – The programme covers the Council’s corporate properties that fall within the rural estate, corporate residential estate and parks estate. Programmes of work are currently being developed, costed and prioritised.
- 46. Genotin Road - The building is complete and operational with final payments to be made this financial year.
- 47. Dugdale Coffee shop renovation project on target to complete by December 2022, as planned.
- 48. Electric Quarter: it anticipated that 4 CPO claims will be settled this financial year, with all other land owners waiting for the outcome of the Compulsory Purchase Order process.
- 49. Energy Decarbonisation (RE:FIT): solar PVs, heat pumps, windows and roof lights installed at 3 schools and some corporate buildings.
- 50. Tottenham Park Cemetery – The project is currently on hold
- 51. Town Centre Regeneration - covers a number of projects delivering town centre improvements outlined in the Town Centre Action Plans. This programme allows the Council to take an active role in place stewardship and explore innovative and actionable projects with communities to develop town centres that are vibrant, safe and inclusive. Our five priority town centres are Enfield Town, Angel Edmonton, Edmonton Green, Palmers Green and Southgate – each need a locally focused approach that responds to place specific challenges and opportunities with locally driven responses driven through bespoke Town Centre Action Plans (TCAPs)
- 52. These projects cover the Town Centre Taskforce work to deliver public welcomes by replacing, repairing and improving public realm across all town centres as well as specific interventions such as delivering public art, community, cultural and work spaces. In addition, the Good Growth funded Angel Edmonton projects including the Living Room Library, Affordable Workspace, School Street, and Public Realm. All of these are either on site or have been delivered through this programme.

Property and Economy – Forecast underspend explanation

- 53. The forecast underspend is due to the removal of the budget of £7.5m allocated to the purchase of a piece of strategic land that is no longer required. Programmes for the rural, corporate and parks estate that are currently being developed but will not start during 2022/23. On Montagu it is anticipated that the

majority of property owners are waiting for the formal Compulsory Purchase Order (CPO) to commence negotiations.

Housing and Regeneration (General Fund) – Expected Outcomes

54. Disabled Facilities Grant is a statutory, ringfenced grant paid directly to Councils through the Better Care Fund. The fund pays for major adaptations to people's homes in order to enable them to live independently within their own homes for as long and as safely as possible (£2.3m in 2022/23). In 2021/22 146 major works projects were completed and additional residual funding used to fund capital costs of additional demand for community (items of equipment and adaptations to people's homes) equipment which has seen a 25% increase in demand over the last two years. The funding supports a significant number of people to continue living in their own homes and a reduction in the number of permanent placements into care homes, which is in line with the Better Care Fund plan jointly agreed by Enfield Council and North Central London Integrated Commissioning Board.

Housing and Regeneration (General Fund) - Forecast overspend explanation

55. The forecast overspend reflects the fact that the revised budget does not yet reflect the additional £300k allocated to Disabled Facilities work from the Better Care Fund. The budget will be adjusted to reflect this.

Meridian Water

Table 5 – Meridian Water Q1 Forecast

	2022/23 Budget £m	2022/23 Q1 Forecast £m	(Under)/ Overspend £m
Meridian One	21.2	21.2	0.0
Meridian Two	3.0	3.0	0.0
Meridian Three	0.4	0.4	0.0
Meridian Three and Meridian Four (50/50)	1.9	1.9	0.0
Meridian Four	12.2	7.0	(5.2)
Meridian Five	0.1	0.1	0.0
Meridian Seven	0.1	0.0	(0.0)
Meridian Eight	0.1	0.1	(0.0)
Meridian Nine	0.1	0.1	(0.0)
Meridian Ten	0.5	0.5	0.0
Meridian Water HIF	81.7	23.5	(58.2)
Meridian Water Scheme-wide	35.7	31.8	(3.9)
	157.0	89.6	(67.4)

Meridian Water - Expected Outcomes

56. The following deliverables are forecast for 2022/23
- a. Continued progress on critical early works related to strategic infrastructure, to finalise the preliminary stage of the HIF works;
 - b. Continuing work on the governance required for HIF rail works to complete GRIP(Governance for Railway investment Projects) stages 3 & 4 (Option and Option selection);
 - c. Continued progress on the development of the affordable homes on Meridian One;
 - d. Meridian Two land enabling works;
 - e. Land Acquisition on the East South/Phoenix site and the Clearance of a significant waste mound, both which are required for HIF works;
 - f. Delivery of the skills academy, and the demolition and refurbishment of F-block to bring the site into meanwhile use;
 - g. Continued work on the master plan including vision document and infrastructure plan, meeting planning requirements, discharging conditions.

Meridian Water - Forecast underspend explanation

57. Meridian Water HIF street Works - The original 2022/23 budget assumed that the Council would carry out enabling works in Spring 2022 and enter into the Main Works Contract to deliver the Infrastructure Works in summer 2022. However, due to significant budget pressure the construction start date has been delayed until early 2023 and consequently the 2022/23 budget revised to reflect the updated project programme.
58. The latest project Cost Plan, which is informed by the price offer for the Main Works from the preferred Framework Contractor (Vinci Taylor Woodrow) indicates a £42m budget pressure, mainly due to exceptional inflation cost increases (£30m) and fees related to prolongation and design changes (£12m). The budget overrun, excluding high inflation, is not unusual at this point in a project of this nature and can be attributed to prolongation costs, due to funding delays and other aspects of design development DLUHC will be asked to fund.
59. Negotiations have started with DLUHC to obtain additional HIF funding for the inflation and other cost increases. A DLUHC funding decision is expected in November 2022, which should, if positive, enable a construction start in early 2023. In parallel the team has identified different levels of descope and value engineering items that could be instructed to mitigate part of the budget pressure.
60. Meridian Water Rail Works – the previous forecast assumed that we would have entered the Main Works contract and the Contractor would be carrying out technical design and booking network rail possessions. Due to design delays and delays on the contractor procurement, this is now envisaged to start in September / October 22. The 2022/23 budget has been revised to reflect the updated project programme.
61. Meridian 4 will postpone spending whilst considering alternative delivery options following unprecedented cost inflation. Royal Institute of British Architects (RIBA) stage 4 works will no longer progress in 2022/23, pushing £5.2m of expenditure into next financial year.

Council Companies**Table 6 – Companies Q1 Forecast**

	2022/23 Budget	2022/23 Q1 Forecast	(Under)/ Overspend
	£m	£m	£m
Energetik	21.7	25.1	3.4
Housing Gateway Ltd	46.3	33.3	(13.0)
Total Companies	68.0	58.4	(9.6)

Housing Gateway - Forecast Outcomes

62. HGL has an overall approved budget of £46.3m. This consists of £44.4m loans and £1.85m GLA Rough Sleepers Accommodation Programme (RSAP). The Company forecasts to drawdown £31.45m in loans and utilise the GLA grant of £1.85m.
63. The forecast deliverables are a minimum of 70 Property Purchases:
16 - 1bed RSAP properties;
6 - 2bed RSAP properties;
48 - standard RSAP properties.
64. The delivery of a major works programme at Brickfield Housing and Greenway House consisting of the remediation of roofing defects at Greenway House and the replacement of fire doors and remediation of fire safety defects at Brickfield House and Greenway House.
65. The extension of 27 leases on properties owned by HGL, where the remaining term of the lease is less than 70 years and the retrofit of 20 properties to Energy performance certificate rating D/C.

Housing Gateway - explanation for underspend

66. Current year's budget includes £9.6m from 2021/22 that wasn't utilised in 21/22, mainly due to challenges in securing appropriate properties that met HGL's viability criteria. This situation continues and the company has requested that the £12.9m, inclusive of the £9.6m, will be utilised in 2025/26.

Energetik – Forecast Outcomes

67. Energetik has a 2022/23 approved budget of £21.7m, consisting of £21m Tranche 1, 2 & 3 loans, GLA Retrofit grant £450k & Section 106 £240k.
68. The forecast deliverables for 2022/23 are
- a. Completion of the Meridian Water energy centre build and installing of all plant (target date March 2023);

- b. Continue with the installation of phase 1 network to Meridian Water and inside the estate;
- c. Design of the Meridian Waters western extension and application for planning permission;
- d. Preparation and issue of tender and contractor appointment for works for Meridian Water western extension Phase 2;
- e. Start of build for Meridian Water northern extension sections A1 and A2.

Energetik – Forecast Overspend explanation

69. The deliverables above assume the drawdown of £3.45m currently profiled into 2023/24. The increase in borrowing, which has been brought forward from 2023/24, is to align with current programming.

Financing the Capital Programme

70. Appendix B sets out the overall 2022/23 capital financing and Appendices C and D, show the individual forecast for Borrowing and Grants at programme level.

Borrowing

71. Table 7 - Q1 Borrowing Forecast

	Borrowing Budget 2022/23 £m	Borrowing Forecast 2022/23 £m	Variance £m
Resources	17.4	12.0	(5.4)
People	0.8	0.5	(0.3)
Place	56.9	44.8	(12.1)
Meridian Water	52.6	65.1	12.5
Companies	65.4	55.9	(9.5)
Place – HRA	61.6	51.9	(9.7)
	254.7	230.2	(24.5)

72. The forecast borrowing variance of £24.5m (Table 7 below) is mainly due to forecast underspends in expenditure budgets, that, subject to the relevant approvals, will be reprofiled to future years. The outcomes for the forecasted spend is explained in the departmental outcomes section above.

73. In addition,

- a. Build the Change (Place) - £0.4m reduction in programme following the equivalent expenditure being charged to the Revenue budget (unqualifying capital expenditure); and
- b. Meridian Water – Following a detailed review of the programme’s funding structure, an increase in borrowing of £12.5m has been identified to be

brought forward to 2022/23, with £6.6m supporting the delivery of M1 and the remainder funding the wider Master Scheme costs.

Grants

74. We forecast to use or receive £70.2m grants to deliver the capital programme in 2022/23. The variance of £102.7m detailed in the table below is mainly due to forecast underspends in expenditure budgets, as described in the respective departmental sections above. Subject to the grant conditions and relevant Council approvals, the grant will be reprofiled to future years at year end.

Table 8 - Q1 Grants Forecast

	Grants Budget	Grants Forecast	Variance
	£m	£m	£m
People	33.5	16.2	(17.4)
Place	12.5	10.0	(2.6)
Meridian Water	104.4	23.5	(80.8)
Companies	2.3	2.3	(0.0)
Place – HRA	20.2	18.2	(1.9)
	172.9	70.2	(102.7)

Capital Receipts

75. The Council expects to use £12.2m less in capital receipts 23 than originally budgeted to fund 2022/23 capital expenditure.

Table 9 - Q1 Forecast - Capital receipts financing the Capital programme

	Budget Capital Receipts	Forecast Capital Receipts	Variance
	£m	£m	£m
Changes to Waste & Recycling Collections	0.0	0.1	0.1
Montagu Industrial Estate	3.6	0.0	(3.6)
Meridian One	0.0	1.0	1.0
HRA	22.8	13.0	(9.7)
Total Capital Receipts	26.4	14.1	(12.2)

76. Montagu Industrial Estate - the Capital receipt was built into the budget, based on project options being considered at that point. No capital receipts are expected to be received in 2022/23.
77. HRA - details available in the separate HRA report on the agenda KD5495.

Section 106 / CIL

78. The table below summarises the current S106 and Community Infrastructure Levy (CIL) receipts and other external contributions as at June Q1 2022/23, expected to be materially on budget.

Table 10: Q1 Forecast - Section 106 and CIL income financing the Capital programme

	Budget Section 106 / SCIL for capital programme	Forecast Section 106 / CIL	Variance
	£m	£m	£m
Energetik	0.2	0.2	0.0
Libraries	0.1	0.1	0.0
Healthy Streets	1.0	1.0	0.0
Highways & Street Scene	0.1	0.2	0.1
Dugdale Coffee Shop	0.8	0.8	0.0
Total	2.2	2.3	0.1

79. Much of the planned S106 spending will be focused on small-scale improvement works to directly mitigate the impact of development. This includes:
- supporting supply chains, apprenticeships and local employment opportunities (through the Build Enfield programme)
 - improvements to cycle lanes and routes
 - highway and streetscape improvement schemes as part of the healthy streets' agenda
 - school expansion schemes that will serve borough-wide needs including the specialist provision.
80. CIL spending is decided on an annual basis. Spending is allocated to support infrastructure projects that are in line with the priorities set out the capital programme.

Table 11 - Q1 Forecast - Revenue Contributions financing the Capital Programme

	Budget Revenue Contribution to Capital Outlay Applied	Forecast Revenue Contribution to Capital Outlay Applied	Variance
	£m	£m	£m
Alley Gating	0.1	0.1	-
Vehicle Replacement Programme	0.3	-	(0.3)

Total	0.4	0.1	(0.3)
--------------	------------	------------	--------------

Capital Budget Adjustments

81. Enfield's financial regulations require that as well as obtaining budget envelope approval from full Council, projects require a second level of approval to spend the budget allocation. The programmes that have not yet received approval to spend were described as 'Requested Additions' in the budget report. Table 12 below details those projects which have obtained the approval to spend since April 2022.

TABLE 12 – Approvals to spend since April 2022

	2022/23 £m	Approval & Funding Source
IT Investment	0.2	<i>signed ROD on 07/07/2022; Borrowing</i>
Resources total	0.2	
Flood Alleviation	0.3	<i>Report PL 21.084 P</i>
Healthy Streets	1.8	<i>S106 / CIL</i>
Highways & Street Scene	8.0	<i>Report PL 21.084 P; Borrowing</i>
Housing Adaptations & Assistance (DFG)	0.1	<i>Grant (BCF)</i>
Place total	10.2	
TOTAL Growth	10.4	

82. Table 13 overleaf shows that £5.5m expenditure budgets that has been added to capital budgets.

TABLE 13 - Q1 Additions to the Approved Capital Programme

	Total Growth £m	Funding Sources	Comments
Schools Maintenance	0.2	<i>Grant- DAR KD5443</i>	Bush Hill Park School – approval for the re-build school kitchen
Total (People)	0.2		
Changes to Waste & Recycling Collections	0.1	<i>Capital Receipt - KD4810</i>	Capital programme correction, to align programme budgets with original approval
Flood Alleviation	0.2	<i>Grant</i>	In year grant approval confirmed at Q1
Healthy Streets	3.1	<i>Grant</i>	In year grant approval confirmed at Q1
Highways & Street Scene	0.4	<i>Grant</i>	In year grant approval confirmed at Q1
Housing Adaptations & Assistance (DFG)	0.3	<i>Grant</i>	In year grant approval confirmed at Q1
Genotin Road (Metaswitch)	1.3	<i>Borrowing – KD4567/ KD5464</i>	Capital programme correction, to align programme budgets with original approval
Total (Place)	5.4		
TOTAL Growth	5.5		

83. The capital programme budgets have reduced by £15.6m, as detailed below. These mostly represent changes in grants which were estimated at budget setting.

TABLE 14 - Reductions in Capital Programme

	2022/23 £m	Description
Schools Maintenance	(1.3)	Schemes complete and budgets reduced
Total (People)	(1.3)	
Build the Change	(0.4)	Reduction in capital programme to reflect element of spend charged to Revenue budgets.
Land Investment	(7.5)	Scheme not progressing as Council was not successful in securing the Strategic Site.
Traffic & Transportation	(0.2)	Reduction in estimated grant
Healthy Streets	(6.1)	Reduction in estimated grant
Total (Place)	(14.2)	
TOTAL Reductions	(15.5)	

Capital receipts flexibilities

84. The revenue Medium Term Financial Plan includes £3.4m of transformation and savings projects assumed to be funded from capital receipts in 2022/23. It is forecast that £1.8m of this will be spent.
85. The current forecast for the capital receipts available to fund revenue transformation costs for 2022/23 is £2.7m, consisting of £1.1m from previous years plus 2022/23 forecast disposal receipts of £1.6m.

2022/23 Revenue impact of the capital programme

86. The revenue cost of the capital programme is from: (i) interest costs on borrowing and (ii) Minimum Revenue Provision (i.e. making a provision for repaying debt).
87. Where the Authority finances capital expenditure by debt, it must set aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as the Minimum Revenue Provision (MRP). The Council's MRP Policy is approved annually by Council and is set out in full in Appendix E of the Treasury Management Strategy Statement.
88. The forecast revenue expenditure for 2022/23 is £26.5m (made up of £19.9m MRP charge related to historic capital expenditure and £6.6m uncapitalised interest costs).
89. This will be financed by (i) £23.6m from existing revenue budget and (ii) £2.9m from capital financing smoothing reserves.
90. The table below shows scenarios if different amounts of borrowing are actually required for 2022/23. The Q1 Revenue monitoring report will be based on Scenario 2.

Table 15 - Capital programme revenue budget implications scenarios

	Capital Spend	2022/23 Total revenue financing costs estimate	Of which: Funded by existing budget	Of which: Funded by MRP/ interest equalisation reserve
	£m	£m	£m	£m
Scenario 0 – 2022/23 full budget spent	486.4	26.8	23.6	3.2
Scenario 1 - Q1 Forecast	331.9	26.5	23.6	2.9
Scenario 2 –70% borrowing vs Q1 (used for revenue forecast)	232.4	25.9	23.6	2.3
Scenario 3 - 60% borrowing vs Q1	199.2	25.8	23.6	2.2
Scenario 4 - 55% borrowing vs Q1	182.6	25.8	23.6	2.2
Scenario 5 - 50% borrowing vs Q1	166.0	25.7	23.6	2.1

Other Considerations to Note

Public Health Implications

91. 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.

Environmental and Climate Change Considerations

92. Environmental and climate changes implications are referenced as relevant in the body of the report.

Financial Implications

93. There are no direct financial implications from noting this report.

Legal Implications

94. 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.

Property Implications

95. Property implications are implicit in the report.

Conclusions

96. The year end forecasts and outputs described are against a backdrop of uncertainty within the wider economy. This is likely to result in a great degree of variability through the financial year. Additional work is ongoing to ascertain the impact of inflationary pressures on programme delivery and updates will be included in future reports.

Report Author: Olga Bennet
Director of Finance (Capital & Commercial)
Olga.Bennet@enfield.gov.uk
0208-379-5580

Date of report: 15 September 2022

Appendices :

Appendix A 2022/23 Capital programme forecast at Q1

Appendix B 2022/23 Capital programme financing forecast at Q1

Appendix C 2022/23 Borrowing Forecast

Appendix D 2022/23 Grant Forecast

Background Papers

The following documents have been relied on in the preparation of this report:

1. **Ten year Capital programme report (KD5353)**

APPENDIX A – 2022/23 Capital programme forecast at Q1

Directorate & Capital Programme	2022/23 Q1 Revised Budget	Q1 Forecast 2022/23	Q1 Expenditure	Variance
	£m	£m	£m	£m
RESOURCES				
<u>Digital Data & Technology</u>	-	-	-	-
IT Investment	17.1	11.7	0.2	(5.4)
Total Digital Data & Technology	17.1	11.7	0.2	(5.4)
<u>Customer Experience & Change</u>	-	-	-	-
Libraries	0.1	0.1	-	-
Community Hubs	0.3	0.3	-	-
Total Customer Experience & Change	0.4	0.4	-	-
Total RESOURCES	17.5	12.1	0.2	(5.4)
PEOPLE				
<u>Education</u>	-	-	-	-
Schools Maintenance	16.6	8.0	0.5	(8.6)
Schools' Future Programme	-	-	-	-
Strategic Schools Places Programme	17.0	8.2	0.9	(8.8)
Total Education	33.6	16.2	1.4	(17.4)
<u>Children's & Families</u>	-	-	-	-
Contribution to Property (Vulnerable Family)	0.2	0.2	-	-
Extensions to Foster Carers' Homes	0.4	0.1	-	(0.3)
Community Safety	0.3	0.3	-	-

Directorate & Capital Programme	2022/23 Q1 Revised Budget	Q1 Forecast 2022/23	Q1 Expenditure	Variance
	£m	£m	£m	£m
Total Children & Families	0.9	0.6	-	(0.3)
Total PEOPLE	34.5	16.8	1.4	(17.7)
PLACE				
<u>Environment & Operations</u>	-	-	-	-
Alley Gating	0.1	0.1	-	-
Edmonton Cemetery	0.6	0.6	0.2	-
Southgate Cemetery	-	-	-	-
Sloemans Farm	0.2	0.2	-	-
Workshops for External Commercialisation	0.3	0.3	-	-
Flood Alleviation	0.5	0.5	0.2	-
LED Street Lighting	-	-	-	-
Highways & Street Scene	9.1	9.7	1.2	0.6
Changes to Waste & Recycling Collections	-	0.1	0.1	0.1
Growth of Trade Waste Service	0.5	0.5	-	-
Tennis Courts Works at Broomfield Park	0.2	0.2	-	-
Vehicle Replacement Programme	5.5	2.5	0.2	(3.0)
Healthy Streets	10.5	7.1	2.8	(3.4)
Traffic & Transportation	0.9	0.7	-	(0.2)
Total Environment & Operations	28.4	22.5	4.7	(5.9)
<u>Meridian Water</u>	-	-	-	-
Meridian One	21.2	21.2	1.7	-

Directorate & Capital Programme	2022/23 Q1 Revised Budget	Q1 Forecast 2022/23	Q1 Expenditure	Variance
	£m	£m	£m	£m
Meridian Two	3.0	3.0	0.1	-
Meridian Three	0.4	0.4	-	-
Meridian Three and Meridian Four (50/50)	1.9	1.9	-	-
Meridian Four	12.2	7.0	0.3	(5.2)
Meridian Five	0.1	0.1	-	-
Meridian Seven	0.1	-	-	(0.1)
Meridian Eight	0.1	0.1	-	-
Meridian Nine	0.1	0.1	-	-
Meridian Ten	0.5	0.5	-	-
Meridian Water Scheme-wide	35.7	31.8	0.6	(3.9)
Meridian Water HIF	81.7	23.5	1.9	(58.2)
Total Meridian Water	157.0	89.6	4.6	(67.4)
<u>Property & Economy</u>	-	-	-	-
Build the Change	14.4	14.0	2.2	(0.4)
Corporate Condition Programme	5.4	5.4	0.4	-
Corporate Property Investment Programme	3.6	2.3	-	(1.3)
Dugdale Coffee Shop	1.5	1.5	-	-
Electric Quarter	1.5	1.5	0.1	-
Energy Decarbonisation (RE:FIT)	1.3	1.3	0.5	-
Forty Hall	-	-	-	-
Genotin Road (Metaswitch)	(0.8)	0.5	-	1.3

Directorate & Capital Programme	2022/23 Q1 Revised Budget	Q1 Forecast 2022/23	Q1 Expenditure	Variance
	£m	£m	£m	£m
Land Investment	7.5	-	-	(7.5)
Montagu Industrial Estate	6.5	1.5	0.1	(5.0)
Tottenham Park Cemetery	0.5	0.5	-	-
Town Centre Regeneration	2.6	2.6	0.2	-
Total Property & Economy	44.0	31.1	3.5	(12.9)
<u>Housing & Regeneration</u>	-	-	-	-
Housing Adaptations & Assistance (DFG)	2.4	2.7	0.4	0.3
Vacant Property Review	0.5	0.5	-	-
Total Housing & Regeneration	2.9	3.2	0.4	0.3
Total Place (Excluding HRA)	232.3	146.4	13.2	(85.9)
Total General Fund (Exclu Companies)	284.3	175.3	14.8	(109.0)
<u>Companies</u>	-	-	-	-
Energetik	21.7	25.1	14.5	3.4
Housing Gateway Ltd	46.3	33.3	-	(13.0)
Total Companies	68.0	58.4	14.5	(9.6)
Total General Fund (including Companies)	352.3	233.7	29.3	(118.6)
Housing Revenue Account:				
Total HRA	134.4	98.5	9.8	(35.9)
Total PLACE	366.7	244.9	23.0	(121.8)

Directorate & Capital Programme	2022/23 Q1 Revised Budget	Q1 Forecast 2022/23	Q1 Expenditure	Variance
	£m	£m	£m	£m
TOTAL CAPITAL PROGRAMME	486.7	332.2	39.1	(154.5)

APPENDIX B – 2022/23 Capital programme financing forecast at Q1

Directorate & Capital Programme	Q1 Forecast Capital Expenditure	Grant	Section 106/CIL	RCCO	Usable Capital Receipts	Major Repairs Allowance	Earmarked Resources / Reserves	Borrowing	Total Financing
	£m	£m	£m	£m	£m	£m	£m	£m	£m
RESOURCES									
<u>Digital Data & Technology</u>									
IT Investment	11.7	-	-	-	-	-	-	11.7	11.7
Total Digital Data & Technology	11.7	-	-	-	-	-	-	11.7	11.7
<u>Customer Experience & Change</u>									
Libraries	0.1	-	0.1	-	-	-	-	-	0.1
Community Hubs	0.3	-	-	-	-	-	-	0.3	0.3
Total Customer Experience & Change	0.4	-	0.1	-	-	-	-	0.3	0.4
Total RESOURCES	12.1	-	0.1	-	-	-	-	12.0	12.1
PEOPLE									
<u>Education</u>									
Schools Maintenance	8.0	7.9	-	-	-	-	-	-	7.9
Schools' Future Programme	-	-	-	-	-	-	-	-	-
Strategic Schools Places Programme	8.2	8.2	-	-	-	-	-	-	8.2

Directorate & Capital Programme	Q1 Forecast Capital Expenditure	Grant	Section 106/CIL	RCCO	Usable Capital Receipts	Major Repairs Allowance	Earmarked Resources / Reserves	Borrowing	Total Financing
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Total Education	16.2	16.1	-	-	-	-	-	-	16.1
Children's & Families									
Contribution to Property (Vulnerable Family)	0.2	-	-	-	-	-	-	0.2	0.2
Extensions to Foster Carers' Homes	0.1	-	-	-	-	-	-	0.1	0.1
Community Safety	0.3	-	-	-	-	-	-	0.2	0.2
Total Children & Families	0.6	-	-	-	-	-	-	0.5	0.5
Total PEOPLE	16.8	16.1	-	-	-	-	-	0.5	16.6
PLACE									
Environment & Operations									
Alley Gating	0.1	-	-	0.1	-	-	-	-	0.1
Edmonton Cemetery	0.6	-	-	-	-	-	-	0.6	0.6
Southgate Cemetery	-	-	-	-	-	-	-	-	-
Sloemans Farm	0.2	-	-	-	-	-	-	0.2	0.2
Workshops for External Commercialisation	0.3	-	-	-	-	-	-	0.3	0.3
Flood Alleviation	0.5	0.2	-	-	-	-	-	0.3	0.5
LED Street Lighting	-	-	-	-	-	-	-	-	-

Directorate & Capital Programme	Q1 Forecast Capital Expenditure	Grant	Section 106/CIL	RCCO	Usable Capital Receipts	Major Repairs Allowance	Earmarked Resources / Reserves	Borrowing	Total Financing
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Highways & Street Scene	9.7	0.4	0.2	-	-	-	-	9.1	9.7
Changes to Waste & Recycling Collections	0.1	-	-	-	0.1	-	-	-	0.1
Growth of Trade Waste Service	0.5	-	-	-	-	-	-	0.5	0.5
Tennis Courts Works at Broomfield Park	0.2	0.1	-	-	-	-	-	0.1	0.2
Vehicle Replacement Programme	2.5	-	-	-	-	-	-	2.5	2.5
Healthy Streets	7.1	5.1	1.0	-	-	-	-	1.1	7.2
Traffic & Transportation	0.7	0.7	-	-	-	-	-	-	0.7
Total Environment & Operations	22.5	6.5	1.2	0.1	0.1	-	-	14.7	22.6
Meridian Water									
Meridian One	21.2	-	-	-	1.0	-	-	20.2	21.2
Meridian Two	3.0	-	-	-	-	-	-	3.0	3.0
Meridian Three	0.4	-	-	-	-	-	-	0.4	0.4
Meridian Three and Meridian Four (50/50)	1.9	-	-	-	-	-	-	1.9	1.9
Meridian Four	7.0	-	-	-	-	-	-	7.0	7.0
Meridian Five	0.1	-	-	-	-	-	-	0.1	0.1
Meridian Seven	0.1	-	-	-	-	-	-	0.1	0.1

Directorate & Capital Programme	Q1 Forecast Capital Expenditure	Grant	Section 106/CIL	RCCO	Usable Capital Receipts	Major Repairs Allowance	Earmarked Resources / Reserves	Borrowing	Total Financing
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Meridian Eight	-	-	-	-	-	-	-	-	-
Meridian Nine	0.1	-	-	-	-	-	-	0.1	0.1
Meridian Ten	0.5	-	-	-	-	-	-	0.5	0.5
Meridian Water Scheme-wide	31.8	-	-	-	-	-	-	31.8	31.8
Meridian Water HIF	23.5	23.5	-	-	-	-	-	-	23.5
Total Meridian Water	89.6	23.5	-	-	1.0	-	-	65.1	89.6
<u>Property & Economy</u>									
Build the Change	14.0	-	-	-	-	-	-	14.0	14.0
Corporate Condition Programme	5.4	-	-	-	-	-	-	5.4	5.4
Corporate Property Investment Programme	2.3	-	-	-	-	-	-	2.3	2.3
Dugdale Coffee Shop	1.5	-	0.8	-	-	-	-	0.7	1.5
Electric Quarter	1.5	-	-	-	-	-	-	1.5	1.5
Energy Decarbonisation (RE:FIT)	1.3	1.3	-	-	-	-	-	-	1.3
Forty Hall	-	-	-	-	-	-	-	-	-
Genotin Road (Metaswitch)	0.5	-	-	-	-	-	-	0.5	0.5
Montagu Industrial Estate	1.5	-	-	-	-	-	-	1.5	1.5

Directorate & Capital Programme	Q1 Forecast Capital Expenditure	Grant	Section 106/CIL	RCCO	Usable Capital Receipts	Major Repairs Allowance	Earmarked Resources / Reserves	Borrowing	Total Financing
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Tottenham Park Cemetery	0.5	-	-	-	-	-	-	0.5	0.5
Town Centre Regeneration	2.6	0.4	-	-	-	-	-	2.3	2.7
Total Property & Economy	31.1	1.7	0.8	-	-	-	-	28.7	31.2
<u>Housing & Regeneration</u>									
Housing Adaptations & Assistance (DFG)	2.7	1.8	-	-	-	-	-	0.9	2.7
Vacant Property Review	0.5	-	-	-	-	-	-	0.5	0.5
Total Housing & Regeneration	3.2	1.8	-	-	-	-	-	1.4	3.2
Total Place (Excluding HRA)	146.4	33.5	2.0	0.1	1.1	-	-	109.9	146.6
Total General Fund (Exclu Companies)	175.3	49.6	2.1	0.1	1.1	-	-	122.4	175.3
<u>Companies</u>									
Energetik	25.1	0.5	0.2	-	-	-	-	24.5	25.2
Housing Gateway Ltd	33.3	1.9	-	-	-	-	-	31.5	33.4
Total Companies	58.4	2.4	0.2	-	-	-	-	56.0	58.6
Total General Fund (including Companies)	233.7	52.0	2.3	0.1	1.1	-	-	178.4	233.9
Housing Revenue									

Directorate & Capital Programme	Q1 Forecast Capital Expenditure	Grant	Section 106/CIL	RCCO	Usable Capital Receipts	Major Repairs Allowance	Earmarked Resources / Reserves	Borrowing	Total Financing
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Account:									
Total HRA	98.5	18.3	-	-	12.9	11.3	3.8	51.8	98.1
Total PLACE	244.9	51.8	2.0	0.1	14.0	11.3	3.8	161.7	244.7
Total CAPITAL PROGRAMME	332.2	70.2	2.3	0.1	14.0	11.3	3.8	230.1	332.0

Appendix C: Borrowing forecast 2022/23

	Budget Borrowing	Forecast Borrowing	Variance
	£m	£m	£m
RESOURCES			
<u>Digital Data & Technology</u>			
IT Investment	17.1	11.7	(5.4)
Total Digital Data & Technology	17.1	11.7	(5.4)
<u>Customer Experience & Change</u>			
Community Hubs	0.3	0.3	-
Total Customer Experience & Change	0.3	0.3	-
Total RESOURCES	17.4	12.0	(5.4)
PEOPLE			
<u>Children's & Families</u>			
Contribution to Property (Vulnerable Family)	0.2	0.2	-
Extensions to Foster Carers' Homes	0.4	0.1	(0.3)
Community Safety	0.2	0.2	-
Total Children & Families	0.8	0.5	(0.3)
Total PEOPLE	0.8	0.5	(0.3)
PLACE			
<u>Environment & Operations</u>			
Edmonton Cemetery	0.6	0.6	-
Sloemans Farm	-	0.2	0.2
Workshops for External Commercialisation	0.3	0.3	-
Flood Alleviation	0.4	0.3	(0.1)
Highways & Street Scene	9.0	9.1	0.1
Growth of Trade Waste Service	0.5	0.5	-
Tennis Courts Works at Broomfield Park	0.1	0.1	-
Vehicle Replacement Programme	5.1	2.5	(2.6)
Healthy Streets	1.3	1.1	(0.2)
Total Environment & Operations	17.3	14.7	(2.6)
<u>Meridian Water</u>			
Meridian One	12.6	20.2	7.6
Meridian Two	2.6	3.0	0.4
Meridian Three	0.2	0.4	0.2
Meridian Three and Meridian Four (50/50)	1.0	1.9	0.9
Meridian Four	7.3	7.0	(0.3)
Meridian Five	-	0.1	0.1
Meridian Seven	-	0.1	0.1
Meridian Ten	-	0.5	0.5
Meridian Water Scheme-wide	19.4	31.8	12.4
Meridian Water HIF	9.4	-	(9.4)
Total Meridian Water	52.5	65.1	12.6
<u>Property & Economy</u>			
Build the Change	14.4	14.0	(0.4)
Corporate Condition Programme	5.4	5.4	-
Corporate Property Investment	3.6	2.3	(1.3)

	Budget Borrowing	Forecast Borrowing	Variance
	£m	£m	£m
Programme			
Dugdale Coffee Shop	0.7	0.7	-
Electric Quarter	1.5	1.5	-
Forty Hall	-	-	-
Genotin Road (Metaswitch)	(0.8)	0.5	1.3
Land Investment	7.5	-	(7.5)
Montagu Industrial Estate	2.9	1.5	(1.4)
Tottenham Park Cemetery	0.5	0.5	-
Town Centre Regeneration	2.3	2.3	-
Total Property & Economy	38.0	28.7	(9.3)
<u>Housing & Regeneration</u>			
Housing Adaptations & Assistance (DFG)	0.9	0.9	-
Vacant Property Review	0.5	0.5	-
Total Housing & Regeneration	1.4	1.4	-
Total Place (Excluding HRA)	109.2	109.9	0.7
Total General Fund (Exclu Companies)	127.4	122.4	(5.0)
<u>Companies</u>			
Energetik	21.0	24.5	3.5
Housing Gateway Ltd	44.4	31.5	(12.9)
Total Companies	65.4	56.0	(9.4)
Total General Fund (including Companies)	192.8	178.4	(14.4)
Housing Revenue Account:			
Total PLACE	170.9	161.7	(9.2)
TOTAL	254.5	230.1	(24.4)

Appendix D: Grant forecast 2022/23

	Budget Grant Income	Forecast Grant Income	Variance	Grant & Awarding Body
	£m	£m	£m	
PEOPLE				
Education				-
Schools Maintenance	16.5	7.9	(8.6)	DFES School Condition Allocations Grant
Strategic Schools Places Programme	17.0	8.2	(8.8)	DFES Basic Needs Grant
Total Education	33.5	16.1	(17.4)	
Children's & Families				-
Community Safety	-	-	-	MOPAC Violence Reduction Unit
Total Children & Families	-	-	-	
Total PEOPLE	33.5	16.1	(17.4)	
PLACE				
Environment & Operations				-
Flood Alleviation	0.2	0.2	-	GLA (River Restoration; Groundwork Greener; Enfield Chase Restoration) £1,286k; Forestry Commission WCF £130k; NHMF Green Recovery £62k
Highways & Street Scene	-	0.4	0.4	Transport for London Grant
Tennis Courts Works at Broomfield Park	0.1	0.1	-	London Marathon Charitable Trust Grant
Healthy Streets	8.2	5.1	(3.1)	Transport for London Grant
Traffic & Transportation	0.9	0.7	(0.2)	Transport for London Grant
Total Environment & Operations	9.4	6.5	(2.9)	
Meridian Water				-
Meridian Four	12.7	-	(12.7)	MHCLG Housing Infrastructure Fund
Meridian Nine	-	-	-	MHCLG Housing Infrastructure Fund
Meridian Water Scheme-wide	18.0	-	(18.0)	MHCLG Housing Infrastructure Fund
Meridian Water HIF	73.7	23.5	(50.2)	MHCLG Housing Infrastructure Fund
Total Meridian Water	104.4	23.5	(80.9)	
Property & Economy				-
Energy Decarbonisation (RE:FIT)	1.3	1.3	-	BEIS PS Decarbonisation Scheme
Town Centre Regeneration	0.4	0.4	-	Good Growth Fund
Total Property & Economy	1.7	1.7	-	
Housing & Regeneration				-
Housing Adaptations & Assistance (DFG)	1.5	1.8	0.3	Better Care Fund Grant
Total Housing & Regeneration	1.5	1.8	0.3	
Total Place (Excluding HRA)	117.0	33.5	(83.5)	
Total General Fund (Exclu	150.5	49.6	(100.9)	

	Budget Grant Income	Forecast Grant Income	Variance	Grant & Awarding Body
	£m	£m	£m	
Companies)				
<u>Companies</u>				-
Energetik	0.5	0.5	-	BEIS Heat Networks Infrastructure Grant (£12m); GLA Heat Networks Grant (£750k)
Housing Gateway Ltd	1.9	1.9	-	Rough Sleeping Accommodation Programme / RSAP1
Total Companies	2.4	2.4	-	
Total General Fund (Inclu Companies)	152.9	52.0	(100.9)	
Housing Revenue Account:				
Total HRA	20.2	18.3	(1.9)	
Total PLACE	137.2	51.8	(85.4)	
TOTAL	173.1	70.2	(102.8)	

This page is intentionally left blank

London Borough of Enfield

Cabinet

Meeting Date: Cabinet – October 2022

Subject: Quarter 1 Performance Report

Cabinet Member: Cllr Erbil

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 Council Business Plan. The report attached at Appendix 1 shows the Quarter 1 performance for 2022/23 (April 2022 – June 2022) and compares it to the Council's performance across the previous four quarters for a series of Key Performance Indicators (KPIs).
2. The report also highlights service areas that are subject to additional scrutiny where performance has fallen short of target in recent quarters.

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.

The table below gives an overview of the performance indicators rated as Red, Amber or Green in Quarter 1 2022/23 compared with Quarter 4 2021/2.

	Q4 2021-2022 (Jan-March)	Q1 2022-2023 (April - June)
Number KPIS as Red	20	16
Number KPIS as Amber	10	15
Number KPIS as Green	27	35
Data only KPIS	45	49

12. Some service areas where performance has been rated as Red for a sustained period are subject to additional scrutiny by officers in order to bring about service improvements. These include:

- Temporary Accommodation-
- Waste and Recycling
- MEQs, FOIS and Complaints
- Staff Sickness Absence

Members will be updated on progress in these areas as the year progresses

Main Considerations for the Council

13. 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

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

Public Health Implications

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

Equalities Impact of the Proposal

16. 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.

17. 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

18. 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 indicators 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

19. 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

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

Financial Implications

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

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

Legal Implications

23. 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

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

Property Implications

25. None

Other Implications

26. None

Options Considered

27. None

Report Author: Richard Pain
Performance Solutions Lead
Richard.pain@enfield.gov.uk
0208 132 1347
Date of report: 8th September 2022

Appendices

Appendix 1: Q1 2022/23 Performance Scorecard

Background Papers

None

This page is intentionally left blank

Cabinet: Q1 2022-23 (April 2022 – June 2022)



Report Author: Richard Pain

Generated on: 8 September 2022



01. 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	↑	2021/22
PAF-AO/C72(B)	Enfield Population 65+	44,837	↑	2021/22
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	149,400	↑	2021/22
NOMIS 03	Number of adult population Qualified to at least NVQ Level 4 or higher	108,300	↑	2021/22
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 as a result of unemployment)	13,080	↑	June 2022
NOMIS 06a	Claimant Count as % of Working Age Population (Enfield)	6.1%	→	June 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))	38,668	↓	June 2022
FCRCP33c	Council Tax Support Caseload (All CTS whether HB or not)	35,524	↓	June 2022
FCRCP33d	Housing Benefits (HB) Caseload (whether receiving CTS or not)	20,332	↓	June 2022

Code	Indicator
PH003v	NHS Indicator - A&E Attendance: % where less than 4 hours from arrival to admission, transfer or discharge
UC 011	Universal Credit - Claimants in Receipt of Council Tax Support

Current Data	Up or Down on Last Period	Last Update
67.3%		Q1 2022/23
14,788		June 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

02. Priority 1: Good Homes in Well Connected Neighbourhoods

a) Build more and better homes for local residents

Indicator	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23		Annual Target 2022/23	Notes
	Value	Value	Value	Value	Value	Target		
NI156i Number of households living in temporary accommodation	3282	3212	3236	3163	3136	2691	2691	There is continuing pressure on the service. Details on this are in the September Cabinet report. Numbers in TA are continuing to decrease but at a slower rate than needed to meet the financial targets. As at 17/08/2022 there were 3077 households in TA
CHS053a Number of Prevention duties ended with positive prevention	156	179	210	244	166	Data only KPI		
CHS053b Number of Prevention Duties Ended	280	314	340	478	340	Data only KPI		
CHS053 Percentage of Successful Statutory Preventions (Accommodation Sustained or Straight into PRS)	55.7%	57%	61.8%	51%	48.8%	Not set	Not set	CHS053 indicators provide additional context to the Households in Temporary accommodation indicator
HD 08 Number of new dwellings started on Council Led Schemes	300	88	0	580	0	Data only KPI		

Indicator
HD 10 Number of new dwellings completed on council led schemes (net additional)

Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22
Value	Value	Value	Value
0	0	0	97

Q1 2022/23		Annual Target 2022/23	Notes
Value	Target		
0	Data only KPI		

b) Invest in and improve our council homes

Indicator
HO008 The percentage of council owned homes which have a current gas safety certificate

Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22
Value	Value	Value	Value
99%	99%	98.5%	98.9%

Q1 2022/23		Annual Target 2022/23	Notes
Value	Target		
98.8%	100%	100%	<p>Council Housing SMT agreed that from 2022/23 KPI would show as red if dropping below 100% to facilitate exception reporting (target always 100% but amber threshold removed). Number of non-compliant properties remains broadly similar every quarter:</p> <p>Q1 2022/23: 105 non-compliant</p> <p>Q4 2021/22: 95 non-compliant</p> <p>Q3 2021/22: 129 non-compliant</p> <p>Q2 2021/22: 88 non-compliant</p> <p>Q1 2021/22: 84 non-compliant</p> <p>Figure shows the combined compliance of Gas Safety Checks on both Council Stock and Gateway Properties. Total included 293 Gateway Properties with 6 non compliances.</p>

c) Deliver housebuilding and regeneration programmes with our residents

Indicator	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23		Annual Target 2022/23	Notes
	Value	Value	Value	Value	Value	Target		
ENV142b % Pre-application advice given within 30 working days of registration of a valid enquiry	68%	76.9%	70%	57.1%	63%	90%	90%	April: 9/11; May: 6/10; June: 2/6; Q1: 17/27 (63%). The performance on pre application has been affected by the recent turnover in staff the Planning Decisions Team has experienced with 7 vacancies currently subject to recruitment. This results in higher caseload for remaining staff as cases are reallocated which affects the ability of officers to process applications and pre applications as quickly
NI157a BV109a % MAJOR applications determined within target	100%	100%	100%	90.9%	50%	90%	90%	April: 0/2; May: 1/1; June: 2/3; Q1: 3/6 (50%). Of the 6 major applications determined in this period, three application were unacceptable and refused planning permission. In such cases, it is not always possible to obtain agreement from the Applicant to an extension of time to cover. This figure is also impacted by the small number of "major" applications that are processed which disproportionately impacts on the overall performance. It is of note that in terms of the Governments key performance indicator, the rolling two year performance indicator is at 93% of major applications determined within agreed timescales
NI157b BV109b % MINOR applications determined within target	90.6%	96.2%	87.3%	88.1%	79.9%	86%	86%	April: 36/45; May: 46/58; June: 33/41; Q1: 115/144 (79.9%).
NI157c BV109c % OTHER applications determined within target	93.4%	96.7%	92.5%	85.1%	87%	88%	88%	April: 100/117; May: 81/99; June: 81/85; Q1: 262/301 (87%); Q1 2021/22: 93.4%.
ENV247 % 2 year rolling MAJOR applications determined within target	92.2%	95.5%	95.6%	94.5%	93.2%	86%	86%	Q1: 68 of the 73 major planning applications determined within the last 24 months were processed within 13 weeks.
ENV247a % 2 year rolling MINOR applications determined within target	89.7%	91.8%	91.2%	91.3%	89.7%	85%	85%	Q1: 1,102 of the 1,228 (89.7%) minor applications determined within the last 24 months were processed within 8 weeks.
ENV247b % 2 year rolling MINOR & OTHER applications determined within target	93%	94.1%	94.2%	94.3%	93.6%	85%	85%	Q1: 2,288 of the 2,445 (93.6%) minor and other applications determined within the last 24 months were processed within 8 weeks.
ENV319 Undetermined applications validated over 6 months ago	381	406	468	462	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.

03. Priority 2: Safe, Healthy and Confident Communities

a) Keep Communities Free from Crime

Indicator	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23	Notes
	Trend arrow compares offences to the previous quarter. Q1 2021/22 is comparing to Q4 2020/21					
CS-SSCB009 Burglary - Residential Offences	330	392	503	409	371	There were 1,684 Residential Burglaries in Enfield in the year ending June 2022, compared with 1,719 the previous year, a decrease of 2.0%. In London, there was also a higher reduction of 8.3% in the same period, from 43,597 in 2020/21 to 39,979 in 2021/22.
CS-SSCB010 Domestic Abuse Incidents	1,613	1,644	1,665	1,548	1,609	In the year ending June 2022 there were 6,340 Domestic Abuse Incidents in Enfield, compared to 6,340 the previous year, a decrease of 0.3% (n=-22). London experienced increase of 0.7% over the same period. In the capital, there were 154,664 incidents recorded in year ending June 2022, compared to 153,553 in the previous year or a difference of 1,111 offences.
CS-SSCB011 Domestic Abuse Violence with Injury Offences	214	216	217	221	253	In Enfield by end of June 2022, there was a 2.6% decrease in this offence type. The numbers of Domestic Abuse Violence with Injury offences were 901 by the year ending June 2022 while there were 925 in previous 12 months, a difference of 24 less offences. In London there was a reduction of 0.2% (n=-54) in the same period, reducing from 22,891 offences in 2020/21 to 22,837 in 2021/22 - a borough annual average of 714 offences.
CS-SSCB012 Serious Youth Violence	106	73	61	74	64	The number of Serious Youth Violence victims in Enfield reduced by 10.7% in the year to June 2022, a difference of 36 less victims. Enfield is ranked 4th for the number of SYV victims when compared to 32 London boroughs. The average increase across London in the same period was 7.1%. There was capital average of 200 victims per borough in the past 12 months.
CS-SSCB013 Anti Social Behaviour Calls	3,131	2,797	2,328	2,376	2,461	There has now been a 35.9% decrease in the number of Anti-Social Behaviour calls recorded in the borough in the year to June 2022 when compared to last year with 5,229 less calls. London's call levels also continue their return to normal with an overall decrease of 37.7% in the last year.
CS-SSCB014 Hate Crime Overall Total - 5 Strands Combined	208	201	181	195	237	Hate Crime decreased by 3.0% in the year ending June 2022 recording 787 offences, compared with 764 the previous year i.e. 23 more offences were recorded in Enfield. Racist and religious hate crime formed the majority of such crime reported in the borough, followed by homophobic crime. Although much lower numbers, homophobic crime increased by 31.3% in the borough, also rising in London by 17.8%.
CS-SSCB015 Non Domestic Abuse Violence with Injury Offences	504	465	494	457	555	In the year ending June 2022 there were 2,001 non-domestic abuse violence with injury offences recorded, compared with 1,716 the previous year, equating to a 16.6% rise or 285 more offences in Enfield. In London, there was a similar increase of 19.1% rising from 45,645 to 54,376 by June 2022 – equating to an average of 1,699 offences per borough.
CS-SSCB016 Violence against the Person Offences	2,414	2,330	2,406	2,273	2,460	In the year ending June 2022 there were a total of 9,514 Violence Against the Person offences (VAP) recorded in Enfield, compared with 8,884 offences the previous year. This equates to an increase of 7.1% or a difference of 630 more offences. In London, there was a similar increase of 7.2% in the same period, rising from 226,968 offences in the year to June 2021 to 243,374 by June 2022, equating to 7605 average borough offences or 513 more offences per borough in the past 12 months when compared to the same period last year.
SGB500 Number of knife crime offences YTD	153	126	105	104	126	In the year ending June 2022, Knife Crime in Enfield had reduced by 2.0%, compared with the previous year. Numbers reduced by 11 from 563 to 552 offences by the end of June 2022. London experienced a lower 4.9% increase in the same period, with an average of 358 offences per borough.

b) Inspire and Empower Young Enfield to reach their Full Potential

Education								
Indicator	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23		Annual Target 2022/23	Notes
	Value	Value	Value	Value	Value	Target		
YOS 045 Young offenders' engagement in suitable education, training and employment (Post Court) (At the end of the Order)	82.4%	75%	88%	57.1%	70.6%	85%	85%	Quarter 1: 70.6% - 12 of 17 young offenders in suitable education, training or employment (8/10 above school age and 4/7 of school age)
ED 003 % All Secondary Schools judged as good or outstanding by Ofsted (as at 31August)	Ofsted inspections not carried out during the pandemic.			90.0%	n/a	n/a	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
ED 004 % All Primary Schools judged as good or outstanding by Ofsted (as at 31August)	Ofsted inspections not carried out during the pandemic.			88.0%	n/a	n/a	95.0%	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% and England 88% Data sourced from Ofsted
SCS117 % of 16-17 year olds not in education, employment or training (NEET) AND Not Known (NK)	2.8%	4.2%	7.3%	4%	4.4%	3.6%	3.6%	June 2022: 4.4% Represents 1% NEET (91) and 3.4% not known (304), out of the 8,862 16-17 year old cohort. Numbers of not known can be high with the end of the school year and we expect these to reduce over time. NEET: England average = 2%, London = 1.6%, SN = 1.9% NK: England average = 2%, London = 1.6%, SN = 1.8% New 2022/23 target set to 3.6% from 5%
SGB134 Number of Education Health Care Plans (EHCP's) completed within 20 Weeks (Excluding exceptions)	78.4%	83.8%	65.2%	75.0%	85.2%	85.0%	85.0%	Q1 2022/23: 104 Issued within 20 weeks out of 122 Total EHCP's issued in the quarter. Target increased from 70% to 85%

c) Deliver essential services to protect and support vulnerable residents

Adults

Indicator	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23		Annual Target 2022/23	Notes
	Value	Value	Value	Value	Value	Target		
PAF-AO/C72 New Admissions to supported permanent Residential and Nursing Care (65+) per 100,000 population over 65	149.4	256.5	343.5	412.6	84.8	111.5	516.0	This represents 38 admissions in Q1. In 2020/21, we were the 11th best performing Local Authority nationally for this measure
PAF-AO/C73 New Admissions to Residential and Nursing Care 18-64 (per 100,000 population)	1.47	3.91	4.40	5.38	0.00	1.46	5.87	No admissions so far this year. In 2020/21, we were the 6th best performing Local Authority nationally for this measure
PAF-AO/D40s Number of clients reviewed in the year (of clients receiving any long term service)	16.3%	28.1%	38.8%	52.7%	19.2%	16.3%	65.0%	19.2% for Q1. This is over 100 more reviews completed in Q1 compared to the same period last year and represents our best Q1 figures since 2019.
NI130s(%LTSs) Percentage of Current Social Care Clients accessing Long Term Support (LTS) who receive Self Directed Support	100%	100%	100%	100%	100%	99.5%	99.5%	3,112 Total clients
NI130s(LTS-DP%) Percentage of current clients with Long Term Support (LTS) receiving a Direct Payment	55.2%	55.2%	54.8%	55.3%	56.0%	56.0%	56.0%	In 2020/21, we were the top performing Local Authority nationally for this measure
ASCOF 1F The proportion of adults in contact with secondary mental health services in paid employment	5%	5%	6%	7%	6%	7%	7%	65 people aged 18 to 69 in employment out of the 1,060 cohort. Figures published on NHS Digital Power Bi Mental Health Dashboard and reflects the most recent data available. Target of 7% implemented for 2022/23
ASCOF 1H The proportion of adults in contact with secondary mental health service living independently, with or without support	68.7%	69%	69.8%	71%	70.8%	71%	71%	750 people aged 18 to 69 living independently out of the 1,060 cohort. Target of 71% implemented for 2022/23
NI135 Carers receiving needs assessment or review and a specific carer's service, or advice and information (Including Carers Centre)	17.3%	32.3%	50.8%	56.6%	15.8%	14.0%	56.0%	15.8% for Q1. Last year (56.6%) represents our highest ever end of year performance for this measure
NI145 Adults with learning disabilities in settled accommodation	86.8%	86.6%	86.6%	86.5%	85.5%	85.0%	85.0%	711 adults of 832 clients with a learning disability know to the service (85.5%)

Children's Safeguarding									
Indicator	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23		Annual Target 2022/23	Notes	
	Value	Value	Value	Value	Value	Target			
LAC18 (PAFCH39) Children looked after (CLA) per 10000 population (84,386) age under 18	46.6	48.3	47.3	46.9	47	Data only KPI		397 looked after children at the end of June, 54 children with a disability (13.6%)	
NI060A % of Children & Family Assessments for children's social care that were authorised within 45 working days of their commencement	89.3%	87.2%	78.2%	71.9%	60.7%	80%	80%	There continues to be a demand on the service with currently around twice as many referrals progressing to C&F Assessment. The service has successfully recruited permanent staff that are in the process of joining the council, the trajectory of performance is improving as expected. In June 2022 68.4% were authorised within timescale.	
SG11 No. of Children on a Child Protection Plan per 10,000 Children	32.8	37.7	42.2	39.5	33.7	Data only KPI		33.7 Rate per 10,000 of 84,386 population with a Child Protection Plan, this equates to 284 total children. There were 30 new plans and 38 cessations. 17 (6%) young people with a disability.	
NI065 % Children Subject to a CPP for a second or subsequent time (within past 2 years)	5.3%	4.9%	5.5%	5.9%	5.8%	Data only KPI		This is a measurement of children who have had a previous child protection plan in the past two years. Of the 381 who became subject to a plan during the past 12 months, 22 had previously been on a plan in the past two years (5.8%).	
YOS 029 Total number of Young People sentenced at Court that are given a Custodial sentence in the period	1	1	2	1	1	Data only KPI		YTD: 0 (April and May data only) Young people sentenced at court given a custodial sentence.	

d) Create healthy streets, parks and community spaces

Environment

Indicator	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23		Annual Target 2022/23	Notes
	Value	Value	Value	Value	Value	Target		
NI195a % of inspected land that has an unacceptable level of litter			3.00%	5.33%	5.33%	6.20%	6.20%	Same results for Q4 and Q1 surveys

Public Health

Indicator	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23		Annual Target 2022/23	Notes
	Value	Value	Value	Value	Value	Target		
DAAT-001 NDTMS Partnership Successful Completion Rate (%) for all Drug users in treatment (aged 18+), excluding alcohol-only users:	22.40%	23.90%	20.20%	18.60%	Q1 most up to date data	2022/23 Not Yet Set	2022/23 Not Yet Set	The successful treatment rate for the partnership has seen a drop in figures across the last two quarters as fewer clients are exiting successfully from the treatment system. A service development plan with mitigating actions has been implemented across the treatment system to improve this rate going forward ensuring that more clients exit the system successfully and are supported in their recovery.
PH002c New Baby Reviews completed (10-14 days after birth)	99%	98%	99%	97%	Q1 most up to date data	2022/23 Not Yet Set	2022/23 Not Yet Set	
PH002o Substance Misuse: Proportion of Young People exiting treatment in a planned way of all treatment exits (EMT)	84%	85%	75%	74%	Q1 most up to date data	2022/23 Not Yet Set	2022/23 Not Yet Set	From April 2021 until the end of March 2022, 74% of all young people exiting treatment did so in a planned way which is equivalent to 98 young people and for the second quarter in a row is below the National Average. This increase in unplanned discharge is mainly due to the YP SM Provider implementing a new discharge and re-engagement policy which was first applied in Q3.
PH003i % completed treatment within a month of diagnosis at Enfield Sexual Health Clinics	92%	92.7%	93.3%	94.1%	Q1 most up to date data	2022/23 Not Yet Set	2022/23 Not Yet Set	

04. Priority 3: An Economy that Works for Everyone

a) Create more high-quality employment

Indicator	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23		Annual Target 2022/23	Notes
	Value	Value	Value	Value	Value	Target		
ENV 210 Business Start-Ups in Enfield	994	897	916	877	794	Data only KPI		794 business start-ups in Quarter 1 2022/23: April - 256; May - 282; June 256
NI146 % of Adults with learning disabilities in employment	14.3%	14.2%	14.1%	15.2%	16%	15%	15%	New target of 15% for 2022/23 (previously 16%). In 2020/21, we were the 4th best performing Local Authority nationally for this measure

b) Enhance skills to connect local people to opportunities

Indicator	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23		Annual Target 2022/23	Notes
	Value	Value	Value	Value	Value	Target		
HR0001p Apprentices Headcount	19	17	17	21	21	Data only KPI		

c) Develop town centres that are diverse, safe and inclusive

Indicator	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23		Annual Target 2022/23	Notes
	Value	Value	Value	Value	Value	Target		
ENV335 Number of Visitors to the Active Enfield Programme (Young People)	374	137	376	731	1,126	Data only KPI		Data is the number of attendees for the quarter.
ENV336 Number of Visitors to the Active Enfield Programme (Older People)	1,175	2,211	4,270	4,916	3,420	Data only KPI		Data is the number of attendees for the quarter.
LC05 Leisure Centre - overall attendances	107,456	183,715	185,168	211,738	211,239	199,980	800,000	Annual target for 222/23 increased to 800,000 from 660,000 in 2021/22

d) Craft a cultural offer for Enfield to support London's status as a world class city

Indicator	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23		Annual Target 2022/23	Notes
	Value	Value	Value	Value	Value	Target		
ENV 401 Number of Admissions to Culture Venues: All Venues	N/A	58,812	50,410	90,210	29,810	30,000	150,000	Total includes 8000 at Pride event on Library Green in June
ENV 404b Number of Participants in Children's / Family / Youth Activities offered by Culture	N/A	371	1,511	6,497	521	1875	7,500	Dugdale: 460 Forty Hall: 61
ENV 404a Number of Child / Young Person admissions to council cultural venues	N/A	2,028	5,984	5,962	3,602	3000	16,000	Millfield: 1375 Dugdale: 469 Forty Hall: 1758

05. Cross Cutting Theme 1: A Modern Council

a) An empowered, responsive and happy workforce

Average Sickness Days

Indicator	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23		Annual Target 2022/23	Notes
	Value	Value	Value	Value	Value	Target		
BV012a Average Sick Days - Council Staff (rolling 4 quarters)	10.12	10.58	10.90	10.81	10.67	7.96	7.96	<u>Annual sickness 1st July 2021 - 30th June 2022</u> Average sickness days per employee in each Department for this period Chief Executives: 5.8 days.; Resources: 8.1 days; People: 11.5 days Place: 12 days Absence includes sickness relating to or due to Covid-19
BV012b Average Sick Days: SHORT TERM ABSENCE - Council Staff (rolling 4 quarters)	3.33	3.66	4.16	4.48	4.64	2.80	2.80	Days lost due to short term sickness has seen a slight increase and is above the corporate target. Absence includes sickness relating to or due to Covid-19. Covid-19 was the highest reason for short-term absence in Q1 followed by 'gastrointestinal problems', 'anxiety/stress' and 'coughs/colds/flu'.
BV012c Average Sick Days: LONG TERM ABSENCE - Council Staff (rolling 4 quarters)	6.78	6.81	6.74	6.32	6.02	5.16	5.16	Long-term absence has seen a gradual reduction since Q1 & Q2 2021/22. The specialist Absence & Attendance team have been focusing on long-term absence to ensure cases are proactively managed and potential bottlenecks removed. 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. The team have reviewed cases that are not progressing and providing additional support

Indicator
HR0008a Average Sick Days per FTE per Month - Chief Executive's
HR0008bb Average Sick Days per FTE per Month - Resources
HR0008cc Average Sick Days per FTE per Month - People
HR0008dd Average Sick Days per FTE per Month - Place

Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22
Value	Value	Value	Value
1.08	1.32	1.73	1.85
2.23	2.66	2.12	1.88
2.28	2.92	3.29	2.98
2.55	3.02	3.43	3.18

Q1 2022/23		Annual Target 2022/23	Notes
Value	Target		
0.95	1.99	7.96	for managers to progress these cases. A review of sickness absence training has been completed and will be rolled-out to ensure managers are equipped with the necessary skills and confidence when dealing with staff sickness and absence
1.48	1.99	7.96	April 0.32 days; May 0.25 days, June 0.38 days Average sick days per FTE for the Chief Executive's Directorate is 0.95 which remains below the corporate target.
2.29	1.99	7.96	April 0.44 days; May 0.46 days, June 0.58 days Average sick days per FTE for the Resources Directorate is 1.48 which remains below the corporate target. April 0.72 days; May 0.76 days, June 0.81 days Average sick days per FTE for the People Directorate is 2.29 which is lower than the previous three quarters but remains above the corporate target. It should be noted that the People Directorate have a larger manual workforce. Sickness absence levels tend to be higher for manual workers, a trend typical across most organisations
2.35	1.99	7.96	April 0.79 days; May 0.79 days, June 0.77 days Average sick days per FTE for the Place Directorate is 2.35 which continues to see a gradual reduction but remains above the corporate target. It should be noted that the Place Directorate have a larger manual workforce. Sickness absence levels tend to be higher for manual workers, a trend typical across most organisations.

Profile of Sickness Absence

Indicator
HR 0030 Long Term - Still Absent*: Employees who have a sickness absence of 28 days or more and is still absent
HR 0031 "3+ Occasions in 3 Months": Employees who have had 3 or more periods of sickness absence in the last 3 months (regardless of duration)

Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22
Value	Value	Value	Value
64	71	63	59
91	75	101	118

Q1 2022/23		Annual Target 2022/23	Notes
Value	Target		
56	Data only KPI		Based on position at 30.6.2022: CEX - 1; People - 16; Place - 27; Resources - 12 The number of staff on long-term sickness absence is steadily reducing.
100	Data only KPI		Based on position at 30.6.2022: CEX - 3; People - 39; Place - 31; Resources - 27

Indicator
HR 0032 "5+ Working Days in 6 Months": Employees who have accumulated 6 or more working days of short term sickness absence (duration less than 28 calendar days) in the last 6 months

Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22
Value	Value	Value	Value
477	479	547	535

Q1 2022/23		Annual Target 2022/23	Notes
Value	Target		
457	Data only KPI		Based on position at 30.6.2022: CEX - 17; People - 182; Place - 177; Resources - 81 Covid-19 is the highest reason for short-term absence. Both the People and Place Directorate's have high numbers of front-line manual workers who cannot work from home if they are infectious and therefore their absence will be recorded as sickness.

Profile of Workforce

Indicator
BV011a Top 5% of Earners: Women
BV011b Top 5% of Earners: Ethnic Minorities
BV011c Top 5% of Earners: with a disability
BV017a CORP % of BAME Staff in LBE Workforce

Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22
Value	Value	Value	Value
51.1%	50.3%	51.9%	52.4%
19.5%	22.3%	22.4%	24.3%
5.6%	5.1%	4.9%	4.9%
35.6%	36.2%	36.3%	36.7%

Q1 2022/23		Annual Target 2022/23	Notes
Value	Target		
54%	Data only KPI		95 of 176 of top 5% earning staff are female
23.9%	Data only KPI		42 of 176 of top 5% earning staff are from ethnic minorities.
5.1%	Data only KPI		9 out of 176 of top 5% earning staff have a disability
36.6%	Data only KPI		1359 staff from 3714 are recorded as having a BME ethnicity

b) Accessible and efficient services

Library, Digital and Web

Indicator	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23		Annual Target 2022/23	Notes
	Value	Value	Value	Value	Value	Target		
CE 007 Customer Satisfaction: Webchat	83.2%	84.5%	85.5%	85.7%	85.2%	85.0%	85.0%	April – 83.0%; May – 86.4%; June – 86.3% Refresher training in June has helped to cement the previously solid performance.
CE 005 Enfield Website: Total Users for the Month	563,916	453,787	470,119	577,128	732,024	341,565	1,366,260	
GWH 007a "Enfield Connected" - Sign Ups: Residential (Overall Cumulative Total)	184,770	189,877	194,093	197,989	Q1 not available – see notes	Data only KPI		Enfield Connected update not currently available during conversion from MS Dynamic to Verint
LM04 Enfield Library Visits (Total - All Libraries)	105,794	183,241	190,838	199,008	256,433	Data only KPI		
LM07 Issues plus renewals - All Libraries	141,573	167,528	154,420	148,740	157,181	Data only KPI		
LM31.05 Digital - Total Issues (E-Newspapers, E-Books, E-Audiobooks, E-Comics and Magazines)	140,418	169,943	188,062	186,930	228,668	Data only KPI		Quarter 1 (approximate totals) E-Newspapers - 208.5k; E-Books - 11k; E-Audiobooks - 5.5K; -Comics - 3.5k

Telephones

Indicator	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23		Annual Target 2022/23	Notes
	Value	Value	Value	Value	Value	Target		
CE 009a Customer Satisfaction: Telephone Advisor 'Professional' Rating	75.2%	83.1%	85.4%	80.9%	85.2%	85%	85%	April - 84%; May - 89.2%; June - 82.4% Additional coaching has contributed to the improvement from 80.9% last quarter. Survey changes will show in next quarter. In addition an agent is spending 3 months from July 2022 working with the Waste team to improve the customer journey. - Compliments are at an all time high with triple the number of compliments versus complaints in 2022; - Key stakeholders have been shadowing agents and have given positive feedback; - Mandatory weekly training quizzes introduced to embed learning and ensure consistent messaging; - Fresh approaches to call and chat monitoring introduced
GWH 002 Gateway Telephones - Answer Rate	91%	90%	86%	85%	92%	85%	85%	April – 88% May - 94% June – 94%

Indicator	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23		Annual Target 2022/23	Notes
	Value	Value	Value	Value	Value	Target		
								A programme of cross training in May and June has led to a significant improvement in answer levels as senior staff on General can now cover the Homelessness workgroup.
GWH 003 Gateway Telephones - Average Wait Time	00h 02m 38s	00h 03m 01s	00h 05m 07s	00h 04m 08s	00h 02m 04s	00h 03m 00s	00h 03m 00s	April - 3m 06s May - 1m 31s June - 1m 36s Stability in the workforce has helped us dramatically reduce wait times in May and June as high turnover ties up resources for training and shadowing by new starters.
GWH 014b Customer Services: % of Calls Answered Within 5 Minutes	83%	82%	76%	74%	89%	90%	90%	April - 80% May - 94% June - 93% Cross training has also contributed to a substantial improvement in performance with our highest % of calls answered in 5 mins over the past year.

c) Financial Resilience and Good Governance

Complaints, MEQS, FOIs, SARS

Indicator	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23		Annual Target 2022/23	Notes
	Value	Value	Value	Value	Value	Target		
COMP 01a Initial Review Complaints - Council Overall (% inside target)	84%	81%	79%	77%	88%	95%	95%	Quarter 1: 375 of 428 inside target (88%) Case management system replaced in June, new staff structures and processes also implemented.
COMP 02a Final Review Complaints - Council Overall (% inside target)	74%	70%	68%	58%	88%	95%	95%	Quarter 1: 29 of 33 inside target (88%) Case management system replaced in June, new staff structures and processes also implemented.
FOI 01a All Departments - FOIs answered within 20 days	78%	70%	66%	82%	76%	100%	100%	Quarter 1: 303/401 inside statutory 20-day target (76%). Some responses marginally missed the 20-day target and 85% (341 of 401) of FOIs received a response within 22 days of receipt.

Indicator
MEQ 01a All Departments - MEQS responded to within 8 days
SAR 001 SAR Requests ALL DEPARTMENTS - Enquiries closed inside target of 40 days

Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22
Value	Value	Value	Value
77%	76%	84%	81%
86%	63%	43%	44%

Q1 2022/23		Annual Target 2022/23	Notes
Value	Target		
			There have been a number of staff vacancies in the corporate team which have impacted performance. However, key posts are now filled and recruitment to supporting roles continues which is expected to improve overall FOI performance. Case management system replaced in June.
77%	95%	95%	Quarter 1: 1,415 of 1,831 (77%) Response performance has fluctuated each month throughout the quarter, notably dipping in May when case management system was replaced. Member and Staff training was undertaken post go-live and continues into Q2 as the new system, processes and staff structures are embedded throughout the organisation. Further system enhancements are now in place, and continue throughout Q2 to improve user experience and performance
46%	100%	100%	Quarter 1: 18/39 (46%) Backlog continues to reduce using temporary additional resource resulting in a month-on-month performance increase during Q1. Recruitment to vacant posts post restructure in the central team is underway to continue performance improvements.

Income & Arrears

Indicator
HO002b Council Housing - Current Tenants: Total Arrears
BV009 % of Council Tax collected (in year collection)
BV010 % of Business Rates collected (in year collection)
BV079b(i) % of Housing Benefit Overpayments recovered (in year collection).
FCRCP32 Processing New claims - Housing Benefit (average calendar days - cumulative)
FCRCP33 Processing Times for Benefit Change in Circumstances (average number of calendar days) Cumulative YTD

Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22
Value	Value	Value	Value
£1,733,939	£1,761,364	£1,766,254	£1,661,119
28.84%	54.39%	80.24%	93.74%
20.78%	43.79%	73.41%	90.89%
100.66%	94.24%	93.78%	92.35%
24.76	25.00	25.53	23.79
3.53	3.91	4.6	4.51

Q1 2022/23		Annual Target 2022/23	Notes
Value	Target		
£1,612,115	£2,300,000	£2,300,000	July 2022: Current tenant arrears: £1,676,825. July 2021: Arrears £1,799,168.
28.19%	27.00%	96.00%	£51.5m collected - £182.5 overall debit
24.51%	24.5%	92.5%	£27.94m collected; overall debit £114m
83.49%	83.00%	83.00%	2022/23: £1,323,932 recovered of £1,585,685 overpayments identified (83.49%).
19.91	23.00	23.00	April 2022 to Date: 508 new claims / 10,115 days - Average 19.91.
6.44	7	7	April 2022 to Date: 22,388 new claims / 144,136 days - Average 6.44.

Invoices								
Indicator	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23		Annual Target 2022/23	Notes
	Value	Value	Value	Value	Value	Target		
INV004 Invoices Council Overall: Invoices Paid within 30 days	98.2%	98.0%	98.8%	98.8%	98.9%	100.0%	100.0%	YTD 98.9% - 20,474 invoices paid inside 30 days from 20,708 paid.
INV004 CEX CEX Group: Invoices Paid within 30 days	95%	91%	98%	99%	100%	100%	100%	YTD 100% - 469 invoices paid inside 30 days from 471 paid.
INV004 PEOP People Group: Invoices Paid within 30 days	98%	98%	99%	99%	99%	100%	100%	YTD 99% - 13,044 invoices paid inside 30 days from 13,154 paid.
INV004 PLACE Place Group: Invoices Paid within 30 days	99%	98%	99%	99%	98%	100%	100%	YTD 98% - 5,204 invoices paid inside 30 days from 5,299 paid.
INV004 RES Resources Group: Invoices Paid within 30 days	96%	99%	99%	97%	98%	100%	100%	YTD 98% - 1,757 invoices paid inside 30 days from 1,784 paid.

06. Cross Cutting Theme 2: Climate Action								
Indicator	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23		Annual Target 2022/23	Notes
	Value	Value	Value	Value	Value	Target		
CA 001 Climate Action - % reduction in Carbon Emissions (Corporate tCO2e)	n/a	n/a	n/a	n/a	Not yet available	See notes	See Notes	2019/20 – 0.9% target 7.3% 202/21 – 19% target 14.6% Target is based on a flat line trajectory of 7.3% reduction per annum to 2030, 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.
CA 002 Climate Action - Emissions per employee (tCO2e per FTE)	n/a	n/a	n/a	n/a	Not yet available	See notes	See Notes	2018/19 – 7.3 (Target 7.3) 2019/20 – 6.6 (Target 6.8) 2020/21 – 5.4 (Target 6.23) 2021/22 – not yet available (Target 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.
NI191 Residual Waste Per Household (kg)	157.5 kg per h/h	314.3 kg per h/h	462.6 kg per h/h	600.3 kg per h/h	Data available to Q4	150 kg per h/h	600 kg per h/h	Q4 Provisional 75,663 tonnes of h/h waste not sent for recycling/re-use: 600.3 kg per h/h
NI192 % of household waste sent for reuse, recycling and composting	31.9%	32.3%	29%	30.2%	Data available to Q4	40%	40%	Q4 provisional data 2021/22: 33,847 tonnes of h/h waste sent for recycling of 109,510 tonnes of

Indicator
Overall Recycling Rate (PLACEHOLDER)

Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22
Value	Value	Value	Value
n/a	n/a	n/a	n/a

Q1 2022/23		Annual Target 2022/23	Notes
Value	Target		
n/a	n/a	n/a	h/h waste collected (30.9%). New indicator – target to reach 49% over next 4 years. Cumulative improvements. Details to be confirmed

07. Cross Cutting Theme 3: Fairer Enfield

Indicator
HR 0034a 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
HR 0034b 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

Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22
Value	Value	Value	Value
Annual update	Annual update	Annual update	2021/22 2.5%
Annual update	Annual update	Annual update	0%

Q1 2022/23		Annual Target 2022/23	Notes
Value	Target		
Next data release 31 st March 2023 update in June 2023			2018/19 – 3.9% 2019/20 – 2.6% 2020/21 – 1.8% 2021/22 – 2.5% After positive trends in the last three years, the Mean (average) gap has increased (1.8% for 2021/22 increased to 2.5% in 2021/22) Hourly rate for Men: £19.77 per hour; Women - £19.28 per hour
Next data release 31 st March 2023 update in June 2023			2018/19 – (-) 6.1% 2019/20 – (-) 3.1% 2020/21 – (-3.2%) 2021/22 – 0% Median (mid-point) gap = 0% Men and Women both £17.15 per hour

08. Cross Cutting Theme 4: Early Help

Indicator	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23		Annual Target 2022/23	Notes
	Value	Value	Value	Value	Value	Target		
COV 003g Community Hub Financial Advice Calls	409	339	414	777	401	Data only KPI		
COV 003h Community Hub Food Calls	441	243	543	747	666	Data only KPI		
COV 003i Community Hub Isolation Calls	355	475	429	735	344	Data only KPI		
COV 003j Community Hub Other Advice Calls	201	90	144	178	193	Data only KPI		
COV 003k Community Hub Total Calls	1,787	1,488	1,530	2,437	1,604	Data only KPI		
CHS051 Number of Housing Advice Cases	782	719	259	23	0	Data only KPI		
DHP 001 Total amount of Discretionary Housing Payments paid out	£856,918	£1,593,104	£2,167,649	£2,753,578	£558,965	Data only KPI		
LI23Total% Financial Assessments - % completed within 21 days	91.3%	90%	89.7%	87.8%	85.7%	95%	95%	508 of 593 assessments within 21 days to end of June

This page is intentionally left blank

FINANCE AND PERFORMANCE SCRUTINY PANEL WORK PROGRAMME

Date of meeting	Topic	Report Author	Lead Members	Executive Director/ Director	Reason for proposal	Other committee/ Cabinet/Council approvals?
20 July 2022	Work Programme Planning					
19 October 2022	Procurement, including update on legislative changes.	Michael Sprosson	Cllr Tim Leaver	Fay Hammond	Update to the Panel following a Council review and legislative changes	
	P-card payment monitoring.	Julie Barker	Cllr Tim Leaver	Fay Hammond	Update to the Panel following a Council review	
	Information on Quarterly Monitoring Reports (Revenue, Capital and Performance)	Olga Bennet (capital) James Newman (revenue) Eleanor Brown (performance)	Cllr Tim Leaver	Fay Hammond	This item was recommended by the Executive Director.	
11 January 2023	Housing Revenue Account budget overview	Clare Eldred	Cllr Tim Leaver	Olga Bennet Joanne Drew	This was recommended by the Executive Director.	
	Adult Social Care funding reform 2023		Cllr Tim Leaver & Cllr Alev Cazimoglu	James Newman	An area of interest for the Panel	
	Commercial property assets and investment return/income generation	Adrian Smallwood	Cllr Tim Leaver	Peter George	An area of interest for the Panel	

	Information on Quarterly Monitoring Reports (Revenue, Capital and Performance)	Olga Bennet (capital) James Newman (revenue) Eleanor Brown (performance)	Cllr Tim Leaver	Fay Hammond	This was recommended by the Executive Director.	
29 March 2023	Fair funding: Impact for Enfield	tbc	Cllr Tim Leaver	James Newman	Discussed and agreed at the work planning session as an area of interest.	
	Performance, with particular focus on customer service and the Council Website	Lee Shelsher	Cllr Ergin Erbil	Sue Nelson	Discussed and agreed at the work planning session as an area of interest.	
	Information on Quarterly Monitoring Reports (Revenue, Capital and performance)	Olga Bennet / James Newman	Cllr Tim Leaver	Fay Hammond	This was recommended by the Executive Director.	
Additional Meeting date tbc	Council Companies how these are developed and how they operate	Will Wraxall	Cllr Leaver	Fay Hammond	This was recommended at the work planning meeting as an item the Panel may want to discuss.	
	Medium Term Financial Plan/Strategy Overview			James Newman	An area of interest for the Panel	