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FINANCE & PERFORMANCE SCRUTINY PANEL

Wednesday, 29th March, 2023 at 7.00 pm in the Conference Room, Civic Centre, Silver Street, Enfield, EN1 3XA

Membership:

Councillor: (Chair) Nawshad Ali, Sabri Ozaydin (Vice Chair), Mahym Bedekova, Guney Dogan, Alessandro Georgiou, 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 - 6)

To agree the minutes of the previous meeting held on 11 January 2023.

4. TEMPORARY ACCOMMODATION PRESSURES AND THE HOUSING RENTAL MARKET AND REGULATION (Pages 7 - 20)

To receive an update report from Richard Sorensen, Head of the Housing Advisory Service.

5. PERFORMANCE, WITH PARTICULAR FOCUS ON CUSTOMER SERVICE AND THE COUNCIL WEBSITE (Pages 21 - 56)

To receive a presentation from Simon Pollock, Interim Director of Customer Experience.

6. QUARTERLY MONITORING REPORTS (Pages 57 - 170)

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

7. WORK PROGRAMME 2022/23 (Pages 171 - 174)

To note the completion of the Work Programme for 2022/23 and that the Finance and Performance Scrutiny Panel Work Programme for 2023/24 will be discussed at the first meeting of the new municipal year.

8. DATE OF NEXT MEETING

To note the dates of the future meetings will be confirmed following Annual Council on Wednesday 10 May 2023.

MINUTES OF THE MEETING OF THE FINANCE & PERFORMANCE SCRUTINY PANEL HELD ON WEDNESDAY, 11TH JANUARY, 2023

MEMBERS: Councillors (Chair) Nawshad Ali, Sabri Ozaydin (Chief Whip), Mahym Bedekova, Alessandro Georgiou (Leader of the Opposition and the Conservative Group), Paul Pratt and Julian Sampson

Officers: Fay Hammond (Executive Director Resources), Tony Theodoulou (Executive Director People), Joanne Drew (Director of Housing and Regeneration), Tinu Olowe (Director of HR and OD), Julie Mimnagh (Head of HR Operations), Adrian Smallwood (Head of Strategic Property Services), Justin Caslake (Head of Property Asset Management), Claire Eldred (Finance Manager) and Jane Creer (Secretary)

Also Attending: Councillor George Savva (Cabinet Member for Social Housing), Councillor Gina Needs (Cabinet Member for Community Safety & Cohesion), local press representative

1. WELCOME & APOLOGIES

Cllr Nawshad Ali (Chair) welcomed everyone to the meeting and invited Panel Members and Officers to introduce themselves.

Apologies for absence were received from Cllr Tim Leaver (Cabinet Member for Finance and Procurement), and Peter George (Director of Development).

2. DECLARATIONS OF INTEREST

There were no declarations of interest registered in respect of any items on the agenda.

3. MINUTES OF THE PREVIOUS MEETING

With an amendment to record apologies for absence received from Cllr George Savva, the minutes of the meeting held on 19 October 2022 were agreed.

4. PERFORMANCE MONITORING - AVERAGE SICKNESS DAYS

RECEIVED the report of Julie Mimnagh, Head of HR Operations.

NOTED

1. The report provided an update on actions taken to address sickness absence and interventions to support staff back to work or to remain at work. The update was provided at the request of the Panel further to the quarterly performance monitoring report presented at the last meeting.
2. Officers highlighted recent increases in the Council's workforce, including as a result of insourcing of services and transfer of adult social care services back to the Council. Those services contained high numbers of manual staff, and sickness absence was typically higher for that category of workers.
3. More recently, sickness levels had started to decline, but this was not yet reflected in the data.
4. Informal benchmarking against other London Councils put Enfield's staff sickness rates into context; similar to neighbouring boroughs with in-house services.
5. Paragraph 26 of the report set out the actions and interventions put in place.
6. In response to Members' queries, officers described management actions around long-term sickness cases. There had been a conscious effort by the HR team to tackle long term absence first, and that cases were managed in a more timely manner. Intervention and training had led to improvement.
7. Officers confirmed the effects of the Covid-19 pandemic on sickness absence.
8. Officers clarified Council policies, and that on the eighth day of continuous sickness absence, staff were required to produce a fitness for work certificate. There was the same consistent approach for all types of sickness. Medical evidence was still required for pregnancy-related illness; appropriate actions were taken and reasonable adjustments and support given if needed.
9. Members welcomed the bespoke training for managers to manage sickness absence for areas where absence levels were typically higher. It was confirmed that the HR team were looking at ongoing improvement, intervention and training. Managers were given the knowledge and skills to manage staff sickness absence.
10. Officers were optimistic that a trend of reducing sickness absence would continue to be seen.
11. The Chair thanked officers for the update and for their attendance this evening.

5. COMMERCIAL PROPERTY ASSETS AND INVESTMENT PERFORMANCE

RECEIVED the presentation from Strategic Property Services.

NOTED

1. Adrian Smallwood (Head of Strategic Property Services) highlighted the high number (around 1200 assets) of operational and investment properties in the Council's property portfolio. Approximately 30% of the borough was owned ultimately by the Council. The attached map showed the current position.

2. Direction was provided by the Strategic Asset Management plan. The top priorities were set out on the presentation.
3. Justin Caslake (Head of Property Asset Management) highlighted performance in investment yields.
4. In response to Members' queries, it was confirmed that the Council charged market rent for all assets, as set out in the strategy, and that the levels varied from location to location. The measurement of investment strength was clarified. Officers would continue to maximise opportunities across the portfolio, review that properties were fit for purpose, and seek to generate revenue. The target was for a 5% p.a. increase in returns.
5. In response to queries about greenbelt land, it was advised that the £800m of capital value was a maximum estimated value if there was a change in planning status of land to permit it to be unlocked, in line with sites currently allocated within the Local Plan. The site list had been agreed by the previous Finance and Procurement portfolio holder. There was not a predetermination for selling greenbelt land. The assumptions were not part of the current budgetary process or medium term financial plan. The Local Plan would be just the first step and there would be many steps that would need to be gone through to cash in on any value.
6. Members queried data set out in the Investment Estate Benchmarking table. It was likely the table had been recycled from a previous presentation. It provided a guideline of how local authorities performed and to show the relative performance of Enfield, though it may not be like-for-like comparison.
7. Officers confirmed that a number of leases were known to be expired and there was work taking place to move to all being regularised and brought up to date. The data was being assembled. Officers agreed that written clarification would be provided to Cllr Georgiou as requested.

   ACTION: Adrian Smallwood
8. In response to Members' queries regarding revitalising industrial estates, it was advised that a joint venture was being led from the Director of Development. Only day-to-day management of Claverings was under the Director of Development as the other estates were on long leases.
9. Fay Hammond responded to a query in respect of business rates. The way the rateable value was calculated was based on the rental value. She would be able to share information on business rateable value by type of business, and that an appropriate colleague would be able to attend a future meeting of the Panel to answer Members' questions.

   ACTION: Fay Hammond
10. In response to Members' queries regarding processes between the Council's departments, it was confirmed that the local authority was treated as any other applicant into the process. In respect of officer satisfaction that all potential sites has been reviewed, officers would provide that information to Cllr Georgiou.

    ACTION: Adrian Smallwood

6. HOUSING REVENUE ACCOUNT BUDGET OVERVIEW

RECEIVED the presentation on 30 Year Housing Revenue Account (HRA) Business Plan 2022/23 to 2052/53.

NOTED

1. The introduction by Councillor George Savva (Cabinet Member for Social Housing) highlighting the pressures experienced particularly as a result of rising prices and interest rates. The HRA business planning assumptions were reviewed each year to ensure they remained viable and sustainable. Lobbying for improved funding would continue.
2. The Director of Housing and Regeneration confirmed the strategy which framed how the HRA ring-fenced account was used. The business plan review in December 2022 and the current priorities were highlighted. Borrowing costs had been hit, and strategic ways to mitigate risks were sought.
3. In response to Members' queries regarding negative Net Present Value (NPV) in the Financial Assumptions 2022/23, officers highlighted the importance of creating affordable housing, that new stock was less expensive to maintain, and that growth provided revenue.
4. The criteria for decency were clarified by officers, and that new requirements for building safety were separate to decency standards.
5. It was confirmed that good quality value for money new homes were created. Scope to bring existing stock to required standards often involved high costs and was challenging: the Department for Levelling Up, Housing and Communities were due to discuss these issues with Council officers in the next week.
6. The repayment period of 50 years referenced was valid due to the confidence in the housing stock being created.
7. In respect of energy efficiency / sustainability, around 250 new homes were connected to energetik's network; and in existing homes insulation of roofs and external walls, particularly for properties with low EPC ratings, was an area of focus and priority.
8. Investment should reduce the revenue used on reactive repairs by replacing rather than repeated visits for patch repairs.
9. The Council also aimed to work supportively with private landlords.

7. QUARTERLY MONITORING REPORTS

RECEIVED for information the quarterly monitoring reports (revenue and capital Q2 reports).

NOTED

1. Fay Hammond, Executive Director Resources, responded to Members' queries regarding the capital overspend in respect of Meridian Water.
2. The finite Covid-19 earmarked reserve was clarified, and that the longer term impacts in the future would be built into the Council's budgeting.
3. Key cost pressures in the Place Department were confirmed as Temporary Accommodation and SEN Transport. There had also been reduction in income.

4. Councillor Georgiou raised the General Fund key issues within Place Department and would like a breakdown of numbers for comparison with previous years in respect of homeless residents. He noted that landlords were leaving the market in Enfield. Temporary accommodation pressures and the rental market and regulation were suggested as a good topic for discussion by this Panel.

   ACTION: Fay Hammond / Joanne Drew
5. In response to a question regarding the under-recovery of Parking income, it was advised this was not expected to be a cost pressure in the next medium term financial plan.
6. It was queried if mitigating actions were being taken in respect of the additional pressure resulting from the award of appeal costs incurred relating to rejected / overturned planning appeals. A response would be sought in writing.

   ACTION: Fay Hammond / Brett Leahy
7. In response to queries regarding the Finance function £450k residual forecast overspend, it was confirmed that there would be a report to the next meeting of the General Purposes Committee. Agency staffing had been reduced, but there would be recruitment to the corporate team.
8. In respect of work backlog in Place Department, it was advised that the Director had a timeline in place and was confident this would be resolved. Impacts from recovery from the pandemic were expected to taper off.
9. In respect of pressures relating to Digital Services, it was advised that a report was being presented to Cabinet on 18/1/23.
10. In respect of Meridian Water, it was advised that a report would be submitted to Cabinet in March regarding review of the model.
11. A response would be sought in respect of the Q2 approved capital programme entry in respect of 'Genotin Road (Metaswitch)'.

    ACTION: Fay Hammond

8. WORK PROGRAMME 2022/23

1. Fay Hammond would check with counter fraud team on the appropriate time to provide an update report on P-card payment monitoring to the Panel.

   ACTION: Fay Hammond
2. Fay Hammond advised that Fair Funding impact was not a live issue at the present time and suggested that it be deferred on the work plan. Members agreed that there were more immediate topics for discussion at the next meeting, and that an item in respect of Temporary Accommodation should be added to the work programme instead.

   ACTION: Fay Hammond / Joanne Drew
3. Cllr Georgiou expressed disappointment that the Cabinet Member for Finance and Procurement had not been in attendance at this meeting, and hoped he would be able to attend the next meeting of the Panel.

9. DATE OF NEXT MEETING

The next meeting of the Panel was scheduled for Wednesday 29 March 2023.

The meeting ended at 9.27 pm.

London Borough of Enfield

Finance and Performance Scrutiny
29th March 2023

Subject: Temporary Accommodation Pressures and the Housing Rental Market and Regulation

Cabinet Member: Cllr Savva
Executive Director: Sarah Cary

Purpose of Report

1. To update the Panel on Temporary Accommodation within the London Borough of Enfield. The report will include commentary on current pressures being experienced by residents who cannot find affordable accommodation and who are at risk of homelessness and on the Housing Advisory Service.

Relevance to the Council Plan

2. Good homes in well-connected neighbourhoods

   In seeking to drive up the quality and availability of properties in the private rented sector, the service aims to increase the number and quality of homes available to low-income households in the borough.

3. Sustain strong and healthy communities

   Poor quality housing and homelessness have been identified as key factors in health inequality. Through reducing the number of households reaching crisis point and increasing the supply and quality of rented homes we help to reduce the impact of homelessness and poor housing on the health and wellbeing of our residents.

4. Build our local economy to create a thriving place

   The service aims to ensure a thriving, high quality private rented sector that is accessible to low income households. By acting proactively to engage with and support landlords we aim to increase the supply of rented homes.

Background

5. As outlined in our Homelessness Prevention Strategy, the Council is committed to using all its resources and creativity to make the experience of homelessness rare, brief and non-recurring. We are determined to enable everyone to access a stable, secure and decent home.

6. In 2019 the Smith Institute was commissioned to carry out research into the drivers of homelessness in the borough and how the Council should respond to a 246% increase in the rate of homelessness acceptances between 2010 and 2017.

7. The core message of the Smith Institute's research was that poverty is the key driver of homelessness. What set Enfield apart from other London

boroughs was the high number of poorer households living in the private rented sector. This combination of households with low levels of financial resilience living in a relatively fluid private sector housing market led to a 246% increase in the rate of homelessness acceptances in Enfield over a seven-year period compared with 35% across London.

8. The increased rate of homelessness had led to a steady rise in the number of households in temporary accommodation with over 3450 households living in long term temporary accommodation in September 2019.

9. In response to the report, Cabinet approved a new strategy to address the rising numbers of households experiencing homelessness and in long term temporary accommodation. The key strands of the strategy were:

   - Private Rented Sector as the solution
   - Clear communication and messaging with residents on their options
   - Prevention and support are better than relief
   - Temporary Accommodation should be genuinely temporary
   - Give residents informed choices
   - Focus on outcomes for residents

10. Subsequent Cabinet reports were approved on partnering arrangements with Capital Letters and the Single Homelessness Prevention Service, and the allocation of housing covering temporary accommodation, private rented sector placements, intermediate housing and social housing. Taken together these were designed to create a holistic approach to the distribution of homes across all housing tenures.

11. The business case for the transformation was based on two principles:

   - Improving the quality of service and outcomes for residents
   - Reducing the financial burden placed on the Council

12. This recognised that the highest cost to the Council was the provision of long-term temporary accommodation. The business case was therefore based on an invest to save model with increased staffing on prevention and early intervention being paid for through a reduction in the number of households in temporary accommodation. Based on historic performance we forecast that the number of households in temporary accommodation would rise by 10% each year without action.

13. The vision for the service is therefore:
   - To enable everyone to access a stable, secure and decent home regardless of tenure.
   - Step in to prevent people from becoming homeless at the earliest possible stage, rather than waiting until they have a crisis
   - Equip people with the skills to manage a tenancy in the PRS through training and support
   - Reshape the housing market to improve access to housing in the private rented sector for residents whilst improving quality

14. The core aims are to:

- Have fewer than 500 household in temporary accommodation within five years
- No one being in temporary accommodation for more than six months

15. The service model was developed pre covid, and the operating environment and Central Government policy have changed significantly over the last three years. This report sets out progress against the original plan, and changes and pressures in a post covid world.

Main Considerations for the Panel

Operating Environment

Covid Pandemic

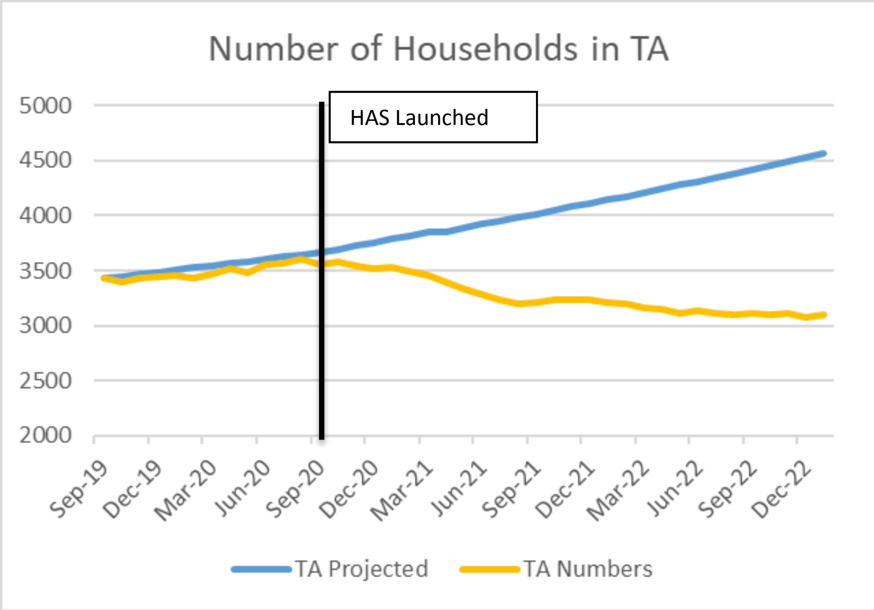
16. The impact of Covid cannot be overstated. In the first days of the initial lockdown the government asked the Council to bring all rough sleepers off the streets and to move those accommodated in night-shelters into self-contained units.

17. Between April and August 2020, the Council provided emergency accommodation to over 500 people and the number of households in temporary accommodation climbed to 3665 by June 2020. Edmonton Travelodge was converted into a hostel for three months.

18. The Council was successful in securing over £10m of additional capital and revenue funding to secure move on accommodation and develop support services for rough sleepers. This formed the basis for the new Street Homelessness Team. The experience of running Travelodge informed the design and delivery of a new Somewhere Safe to Stay Hub which opened in January 2021, this has now been expanded to provide an additional 22 bedspaces. This provides accommodation for verified rough sleepers, rapid assessment and move on services.

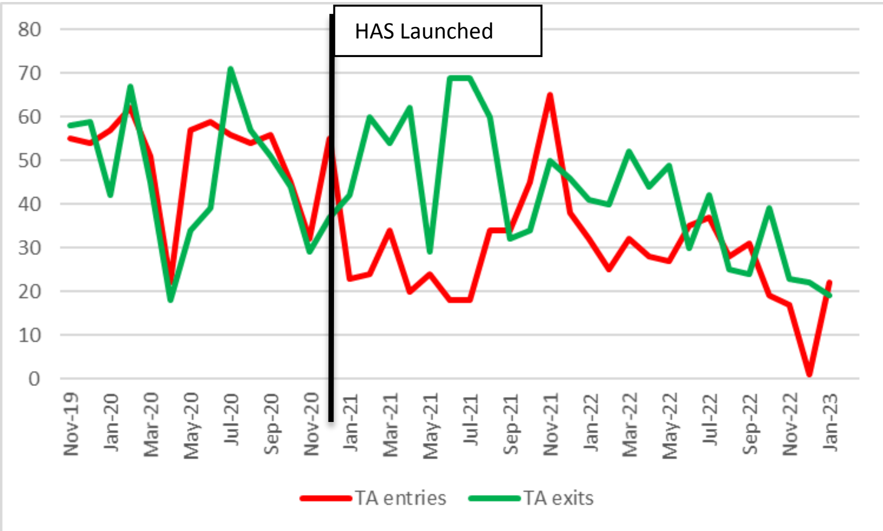
19. Recruitment to the Housing Advisory Service was delayed by the first lockdown and its aftermath and so did not commence until September 2020. This in turn delayed the launch of the new service to the end of October 2020.

20. During the pandemic, private landlords were barred from evicting tenants. This meant that most of the people approaching the service for help did so as a result of relationships breakdown. The number of homelessness approaches remained fairly constant at around 200 per month throughout the pandemic. This was similar to pre-pandemic levels, reflecting the increased strain on relationships as a result of the successive lockdowns.



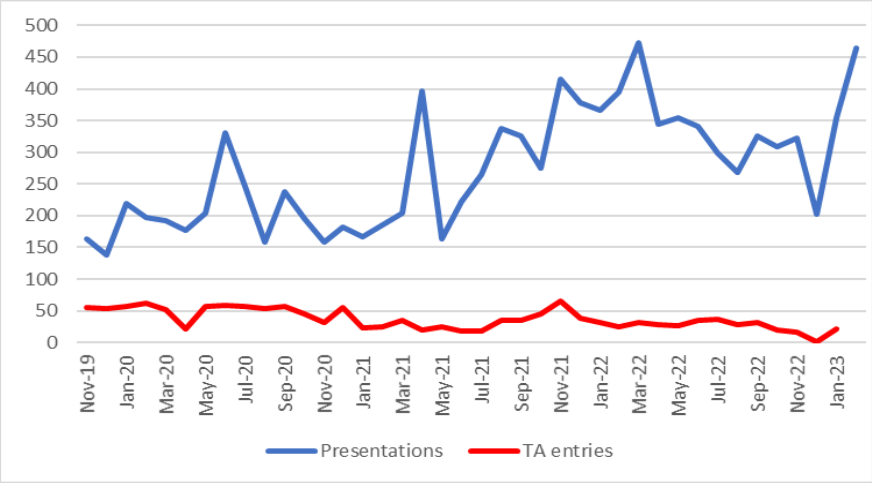
21. Covid therefore suppressed the number of evictions, but it also made it much more difficult to secure privately rented accommodation as fewer people were moving and parts of the housing market had effectively paused during the pandemic.

22. The impact of our focus on prevention was immediate. The service launched in October 2020, and the increased prevention activity meant that fewer households needed to move into temporary accommodation.



23. Initiatives to help residents to move to the private rented sector included the launch of Enfield Let (our ethical lettings agency), Capital Letters procurement increasing supply, and changes to the allocations scheme that both encouraged residents to move out of temporary accommodation and prioritised those unable to do so for social housing. This in turn led to the number of households living in temporary accommodation falling for the first time in many years, bucking the national trend.

24. The end of the last lockdown in April 2021, resulted in a surge of households presenting as homeless. However, our focus on prevention meant that this was not reflected in the number of households moving into temporary accommodation.



25. In August 2021, the government lifted the ban on evictions. This produced an immediate surge in the number of households entering temporary accommodation. However, the number of households entering temporary accommodation remained low in comparison with previous years due to the impact of our prevention-based service.

26. The impact of landlords evicting tenants, combined with the on-going cost of living crisis has meant that the number of households approaching the Council for help has risen from 196 in October 2021 to 464 in February 2023. We anticipate that the high number of households in need of assistance will continue for at least the next two years, reflecting wider changes in the housing market.

27. Despite these high figures the service has effectively intervened so that the number of households needing emergency accommodation remains relatively low, with only 22 out of the 355 households needing temporary accommodation in January 2023.

28. The table below provides a snapshot across the last three years:

	Oct-19	**Oct-20**	**Oct-21**	**Oct-22**
Homelessness Approaches	184	196	275	308
TA Entries	71	45	45	19

29. Despite a consistent rise in the number of households approaching the Council for help, the number of households needing emergency housing has been reduced dramatically. In October 2019, 38% of households approaching the Council needed emergency accommodation. By October 2022, this figure had dropped to just over 6%.

Market Changes

30. House prices were initially boosted by the waiving of stamp duty on purchases for a limited time. Prices continued to climb until the autumn of 2022. Changes to the tax regime for buy to let investors have also meant much lower returns for many landlords.

31. Through the Renters Reform Bill several proposals to increase the regulation of the private rented sector have been made. The key elements of the proposals are:

- Removal of s21 ‘no fault’ evictions
- Decent homes standard extended to cover private rented properties

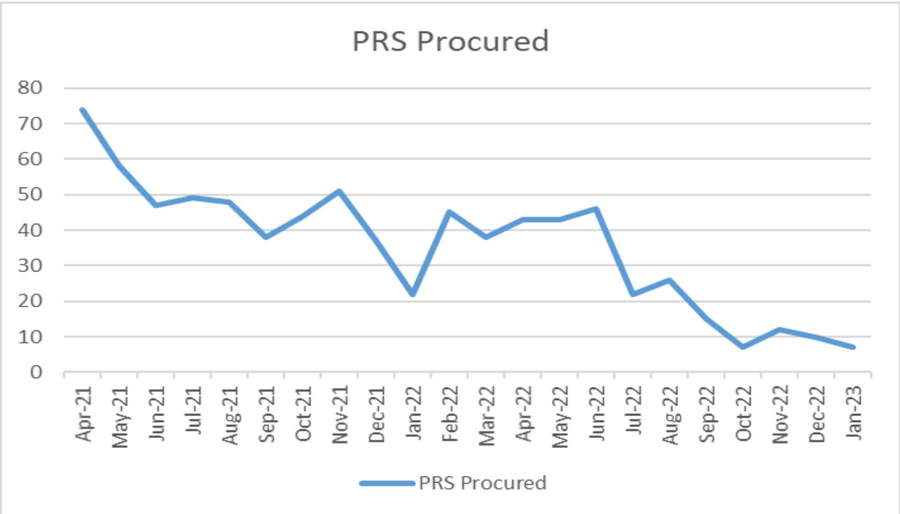
- Minimum EPC rating for new lets to be EPC band C from April 2025
- Minimum EPC rating for all lets to be EPC band C from April 2028

32. These proposals are all welcome developments in improving the quality of properties in the private rented sector. Our Licencing scheme plays a vital role in driving up the quality of properties in the private rented sector. Since its introduction in 2021 it has registered some 13,500 properties and ensured compliance with gas and electrical safety for these properties. The Council has received £4.7m in license fees to date with another £3.7m pending payment. Five cases are being progressed for prosecution and the team have imposed 59 financial penalties for housing related offences. It will have an ongoing role in ensuring the enforcement of new standards in the Renters Reform Bill.

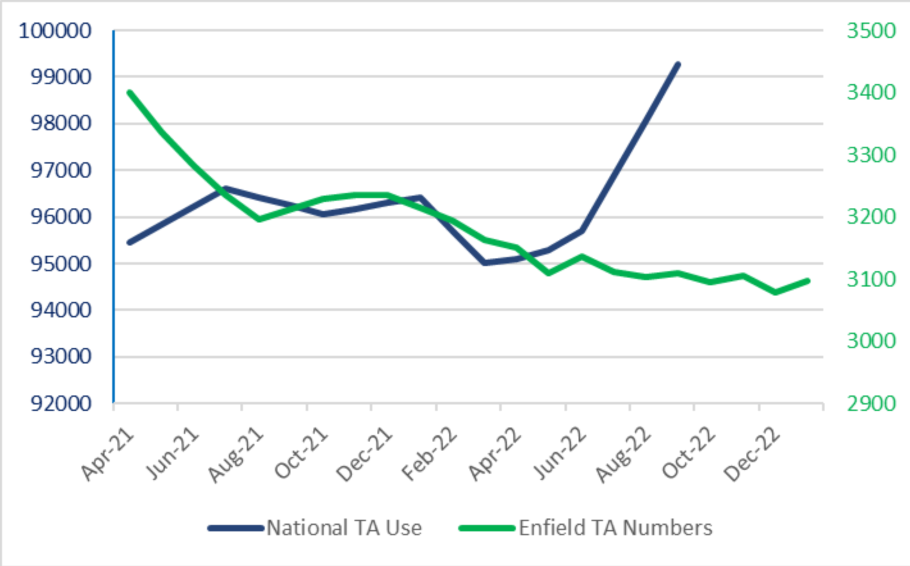
33. However, for landlords, the high market value combined with the cost of improving their properties and changes to the tax regime means that many are exiting the market. This trend has been further exacerbated by the rise in interest rates over the last few months.

34. These factors have led to a shortage of the supply of privately rented properties and a rise in rent levels. Research carried out by Savills (on behalf of Capital Letters last summer) suggested that rents had increased in Enfield by between 4% and 6%. They also found that there had been a 42% reduction in the supply of private rented properties in Enfield over the last two years.

35. These figures match the experience of the Housing Advisory Service. The supply of private rented properties at Local Housing Allowance (LHA) rents has reduced by 90% since April 2021 and 84% since April 2022. With LHA frozen at 2020 rates there is little prospect of an increase in supply of affordable private rented accommodation within the borough.

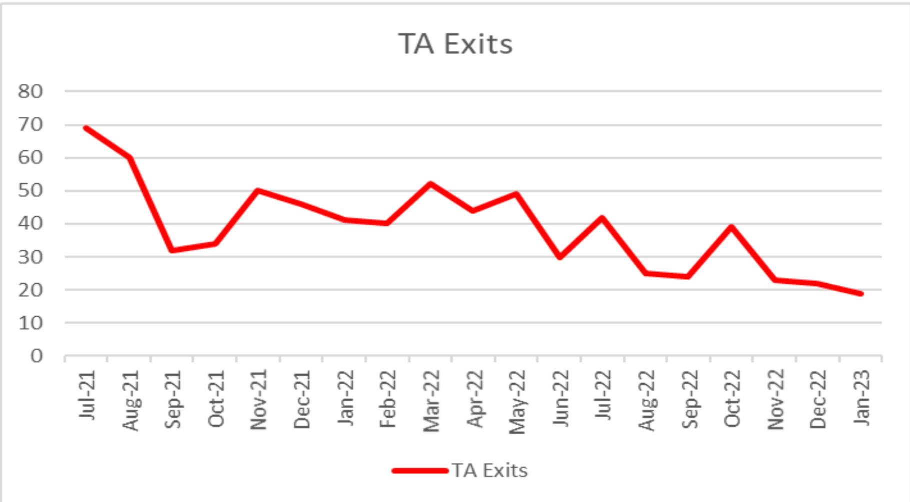


36. This challenge is happening at a national level and is reflected in both the number of homelessness approaches and the use of temporary accommodation. The effectiveness of our prevention activity has mitigated the impact in Enfield but nationally the use of temporary accommodation has risen from 95,000 households at the end of March 2022 to 99,270 households at the end of September 2022 (the most recent figure available).



37. In Enfield, the number of households in temporary accommodation has remained relatively static at just under 3100 due to the focus of our service model.

38. The number of Enfield households in temporary accommodation securing private rented accommodation has fallen in line with the supply. This is reflected in the number of households moving out of temporary accommodation.



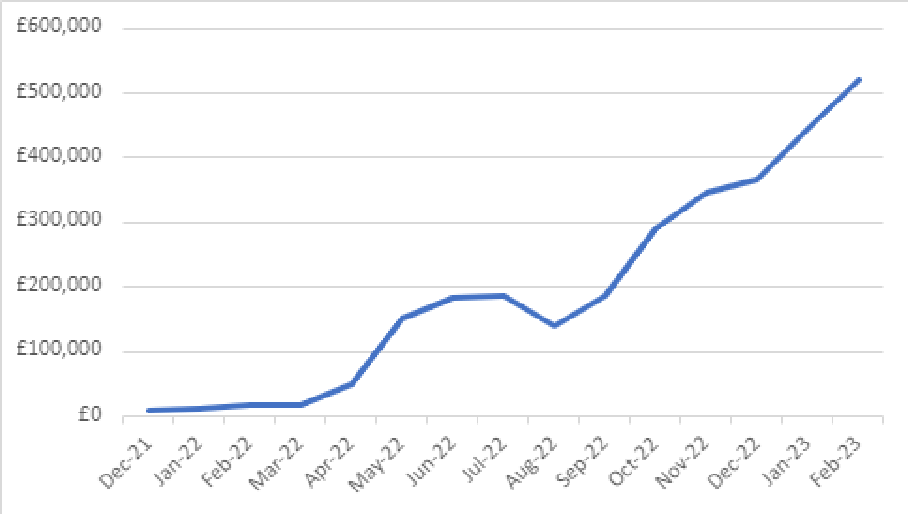
39. This shortage of affordable private rented homes has meant that the service has failed to achieve its targets in reducing the number of households in temporary accommodation.

40. The changes in the housing market have also impacted the supply of temporary accommodation. Nightly paid accommodation is below Local Housing Allowance rent levels and so supply has also been impacted by the rise in rent levels. The lower numbers of households moving out of temporary accommodation has increased this pressure as this has increased the need for more temporary accommodation.

41. This shortage of temporary accommodation means that the service has been dependent on commercial hotels and shared accommodation in recent months. This is not suitable for residents, particularly those with

children, for any length of time and it is also very expensive for the Council.

42. The chart below shows the financial spend on commercial hotels. As a statutory service we are obliged to provide accommodation regardless of its cost or availability.



43. These pressures are not unique to Enfield and are being felt nationally. The problem is most acute in London and London Councils have been collating data from boroughs to monitor the effect of the current challenges. The table below shows the year-on-year changes to November 2022 across Greater London.

Homelessness pressures

	November 2021	November 2022	
Total number of homelessness presentations	5,899	6,949	+17.8% +1,050
Total number of households owed a prevention or relief duty	5,822	6,283	+16.9% +983
Total number of households in TA	51,639	53,250	+3.1% +1,611
Total number of Children in TA	64,868	66,318	+2.2% +1,450
Families in Bed and breakfast (B&B) hotels (including shared annexes)	1,545	1,882	+21.8% +337
Families in B&B hotels (including shared annexes) for longer than 6 weeks	292	817	+179.8% +525

Welfare Benefits

44. Welfare benefits play a key role in trapping people in temporary accommodation. Most people are aware of the benefit cap, and this limits single people and households with more than two children who are not in employment. However, whilst a household is in temporary accommodation, they are entitled to full Housing Benefit provided they

have a Universal Credit claim, regardless of their income. Their Housing Benefit is not included in the benefit cap calculation. If they move to a private rented property, they will be worse off as their housing costs will be included in the calculation. This effectively traps people on Universal Credit as it means that it is always cheaper for them to live in temporary accommodation than any other tenure.

45. The acceleration of the transition from legacy benefits to Universal Credit has recently been announced. This is important because it will mean that more people in temporary accommodation will be entitled to full housing benefit.

46. The lack of alignment of the benefit system and temporary accommodation rents is therefore trapping households in temporary accommodation, as even households securing Council Housing tenancies at social rent are financially worse off if they leave temporary accommodation.

47. This is exacerbated by the freeze in Local Housing Allowance at 2020 rates. Rents have increased significantly over the last three years, but Local Housing Allowance has been frozen. The table below sets out the monthly Local Housing Allowance rates for Enfield alongside the average private rent:

	1 bed	**2 bed**	**3 bed**	**4 bed**	**5 bed**
LHA	£1,067	£1,296	£1,596	£1,895	£1,895
Average Rent 2021	£1,000	£1,400	£1,780	£2,090	£2,780
Average Rent 2022	£1,070	£1,510	£2,000	£2,490	£3,060
Annual change	6.80%	7.60%	12.00%	18.90%	10.10%

48. The above figures are based on research by Hamptons. As a result, most properties within Enfield are out of reach of households reliant on benefits to assist in paying their housing costs. This in turn means that we are unable to secure in borough accommodation in the private rented sector. Similar scenarios are playing out across Greater London and are leading to the number of out of borough placements increasing both in terms of number and distance from the host authorities.

Competition for Accommodation

49. There are approximately 25,000 privately rented properties in Enfield. Of these the Council uses around 2000 homes as temporary accommodation. However, we estimate that there are around 3000 private rented properties used by other local authorities within Enfield. There are currently 21 boroughs who are actively procuring in Enfield, and this means that we are effectively competing for available properties.

50. Within Greater London there is an agreement in place to mitigate the effects of this competition. Each borough publishes the maximum rate that it will pay for both temporary accommodation and incentives for privately rented homes. This is administered through the Inter-borough Accommodation Agreement (IBAA). Boroughs make quarterly returns on

the implementation of the agreement. However, other boroughs are not the only organisations procuring in Enfield. In particular, the Home Office is embarked on a large scale procurement programme to rehouse refugees currently in hotels. The contractor, Clearsprings, is not subject to the IBAA and regularly outbids local authorities.

Increased rates for temporary accommodation

51. Given the pan London experience and the risk of further homes being taken out of TA use, London Council's Housing Directors approved an increase of 10% on existing rates. These were to be implemented from 1 March. The effect of this is across Greater London.

52. Enfield Council provides TA to just over 3000 households. There are five main types of accommodation:

    a. 2000 Nightly Paid Properties (NPA) which are procured from private landlords on a night-by-night basis

    b. 550 leased properties (PSL) that are leased from private landlords with a term of between three and five years

    c. 600 properties that have been leased from managing agents who in turn have leased the property from a private landlord (PLA)

    d. Accommodation at Brickfield House and Greenway House. These blocks are owned by Housing Gateway and leased to the Council. There are 124 flats at Brickfield House and 84 flats at Greenway House.

    e. Commercial hotels and bed and breakfast. These rooms are booked on a nightly basis and are inherently unsuitable for families.

53. The Council procures temporary accommodation through three separate schemes each of which has a different maximum monthly rate. The previous rates are set out below:

Size	**NPA**	**PLA**	**PSL**
1 bed	£1,031.33	£860.00	£900.00
2 bed	£1,274.00	£1,150.00	£1,100.00
3 bed	£1,456.00	£1,375.00	£1,350.00
4 bed	£1,698.67	£1,600.00	£1,575.00
5 bed	£1,971.67	£1,600.00	£1,575.00

54. The arrangements therefore encouraged landlords to contract with the Council on a nightly basis. This option meant that the Council had little longer-term certainty of the accommodation and has led to the growth of NPA at the expense of our arrangements.

55. In implementing the increase in rates, we are changing the balance between NPA and PLA to incentivise landlords to switch to longer term agreements. Maximum NPA rates will be increased by 5% whilst

maximum PLA rates will be significantly increased to the equivalent of the old NPA rate plus 10%.

Size	NPA	PLA	PSL
1 bed	£1,031.33	£1134.46	£990.00
2 bed	£1,274.00	£1401.40	£1210.00
3 bed	£1,456.00	£1601.60	£1485.00
4 bed	£1,698.67	£1868.54	£1732.50
5 bed	£1,971.67	£2168.84	£1732.50

56. The aim is to rebalance the portfolio to ensure that we can retain existing properties and procure additional units. Moving towards longer term lease arrangements also has the advantage of providing a level of comfort that the property will continue to be available to us at current prices.

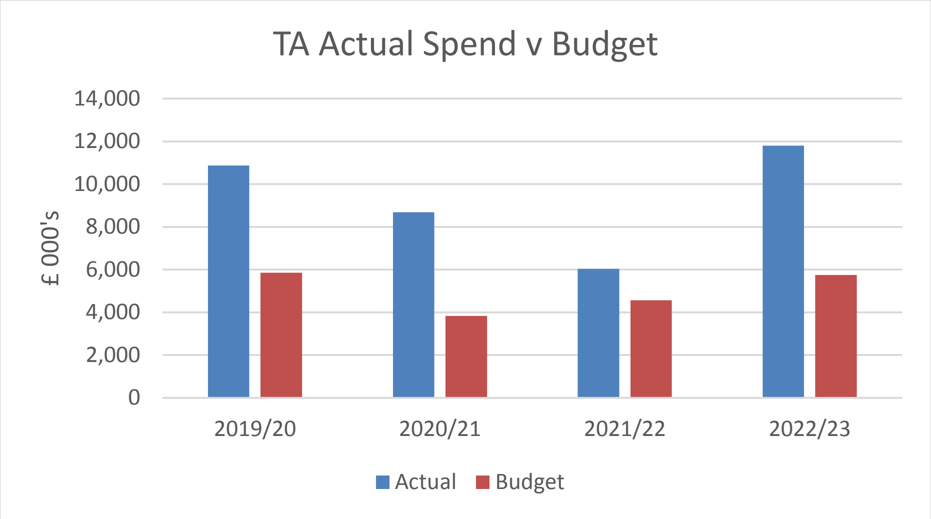
57. We expect the upward pressure on rates for temporary accommodation to continue. This means that it is important to secure properties on a longer-term basis now to protect against future increases.

58. Increasing the rates paid to landlords has a financial impact but is less expensive than the ongoing use of commercial hotels. Without this increase we would lose our existing portfolio of accommodation as other local authorities would be paying a higher rate. The change in rate does not impact on residents living in temporary accommodation as the charges paid by them will not increase. Equally we will always negotiate the best possible rate to minimise the financial impact on the Council whilst ensuring that we are able to secure the property.

59. This increase in rates has already begun to have an impact. In the first week of offering higher payments to landlords eight properties were secured – more than in the whole of December or January.

Finance comments

60. Temporary accommodation (TA) represents one of the four main demand led pressures within local government (the others being Childrens and Adult social care services, and Special Educational Needs). The chart below shows the financial performance of Enfield’s TA over the past four years, with 2022/23 being the latest forecast, as we near year-end.



61. The reduction in spend between 2019/20 and 2021/22 was driven first by Covid and then by targeted intervention on the demand side, however the subsequent deterioration of market conditions (supply side) is driving a rebounding budget pressure of £6m in 2022/23 (these points are covered in the main body of the report).

62. The growing use of hotel accommodation for nightly paid accommodation is a key budget pressure within the 2022/23 position. On average, the use of a single hotel room for one year represents £20k more cost than traditional TA options, which in itself is loss making for Enfield.

63. Enfield currently house approximately 200 families in commercial hotel accommodation (such as Travelodge) with a nightly cost per room of c.£100. Larger families often require more than one room. It is likely that the cost of commercial hotel rooms will be higher in the summer months putting further strain on Enfield's finances in the new financial year. The deteriorating market conditions and the inevitable increase in demand we are likely to see over the coming months for TA mean that without further actions, the budget pressure for 2023/24 could well be greater than what we have seen in 2022/23.

64. The increasing challenge of TA is a common trend across London, and is on the agenda of pan London groups such as Society of London Treasurers, and the Housing Director group.

Mitigating Actions

65. In response to the current pressure on the service, we are reviewing our overall approach and piloting new ways of working. Pilots include:

- Creating a Rapid Assessment and Resettlement Hub for families
- Piloting voluntary resettlement out of London
- Alternative management arrangements for temporary accommodation to improve the quality and focus of the service

66. We are conscious that none of the potential options available to improve the supply of properties are easy and all carry risks to the Council on both a reputational and financial basis.

Conclusions

The Homelessness Prevention Strategy has successfully supported greater intervention to reduce and minimise the impact of homelessness in the Borough. However, market conditions have changed significantly and the strategy of supporting residents into the private rented sector is challenged by the severe lack of availability of accommodation. A review of the strategy is underway to tackle this.

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Date of report 17/03/2023

Appendices

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

N/A

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F&P Scrutiny 29th March 2023

Customer Experience

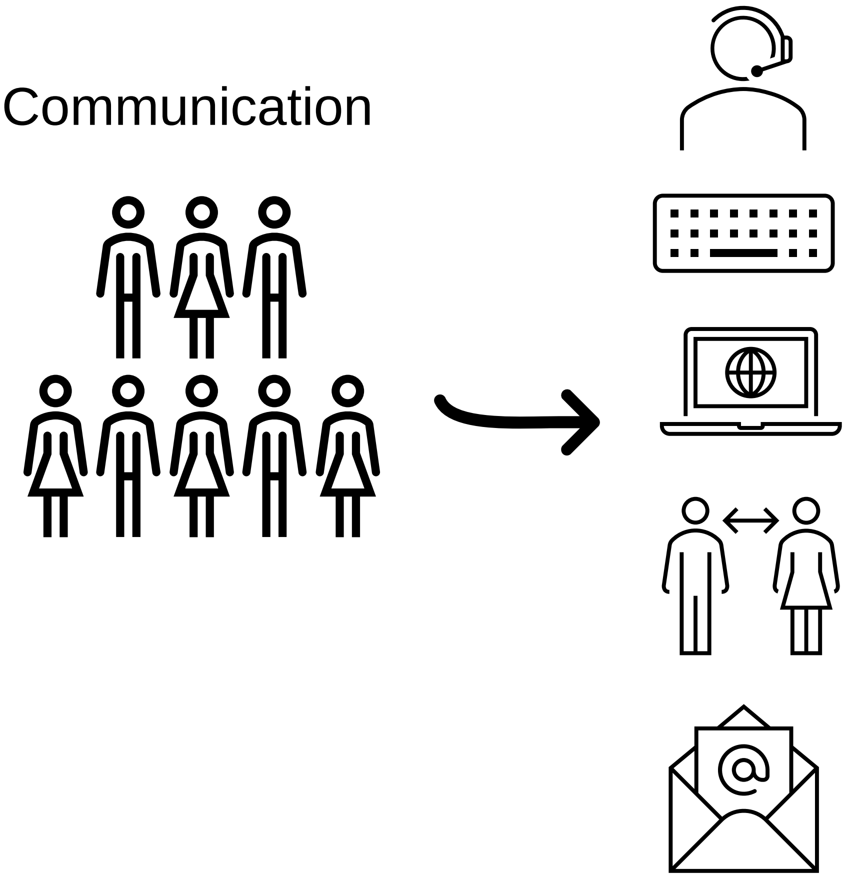
Agenda

- Review of the year customer services
- Customer improvements
- Project updates
- Plans moving forward
- Customer Approach

- Q and As

Services as front door

Communication



- Libraries (F2F)
- Community hubs (F2F)
- Contact centre/telephony
- Webchat
- Web

Libraries

- Growth in online offer and activity
- Hundred partners and growing
- Space for both council and stakeholder delivery
- National and local outputs
- Volunteer growth
- Successful and developing income – visa verification
- New initiatives – sensory and maker spaces and good growth fund (Fore Street)
- Warm Spaces and support Cost of Living
- Scribeeasy
- New audiences

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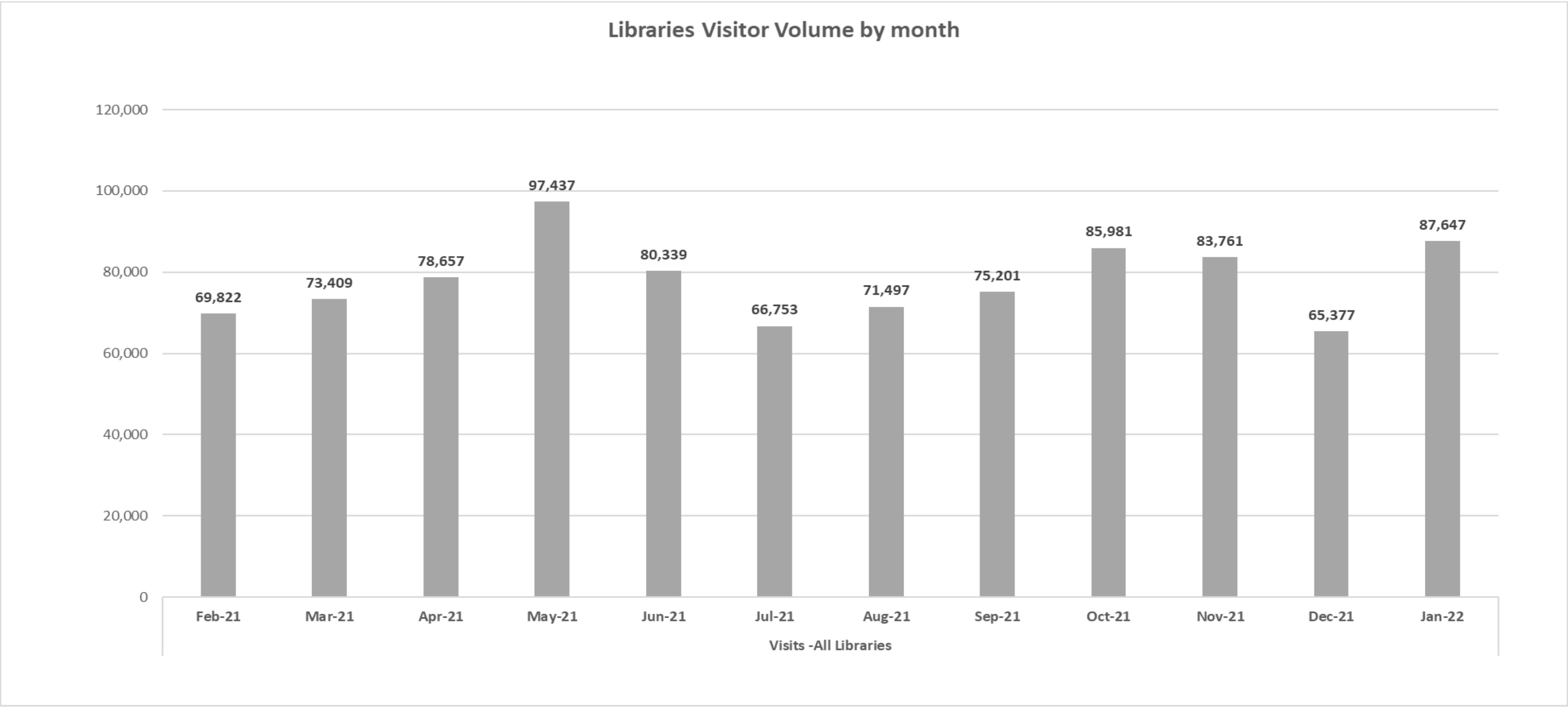
Libraries physical visits

Trend on emergence after Covid continues well, averaging 235k visitors per quarter in FY 2022/23



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Libraries online visits

TOTAL FIGURES	APRIL 2022 – PRESENT (JAN 2023)
PressReader e-newspapers & e-magazines	1,191,166
e-books	34,782
e-audiobooks	20,927
e-comics & e-magazines	12,039
	1,258,914
New Joiners	1,238
Social Media Impressions	206,600
Social Media Reach	306,267
Social Media Followers	7,369

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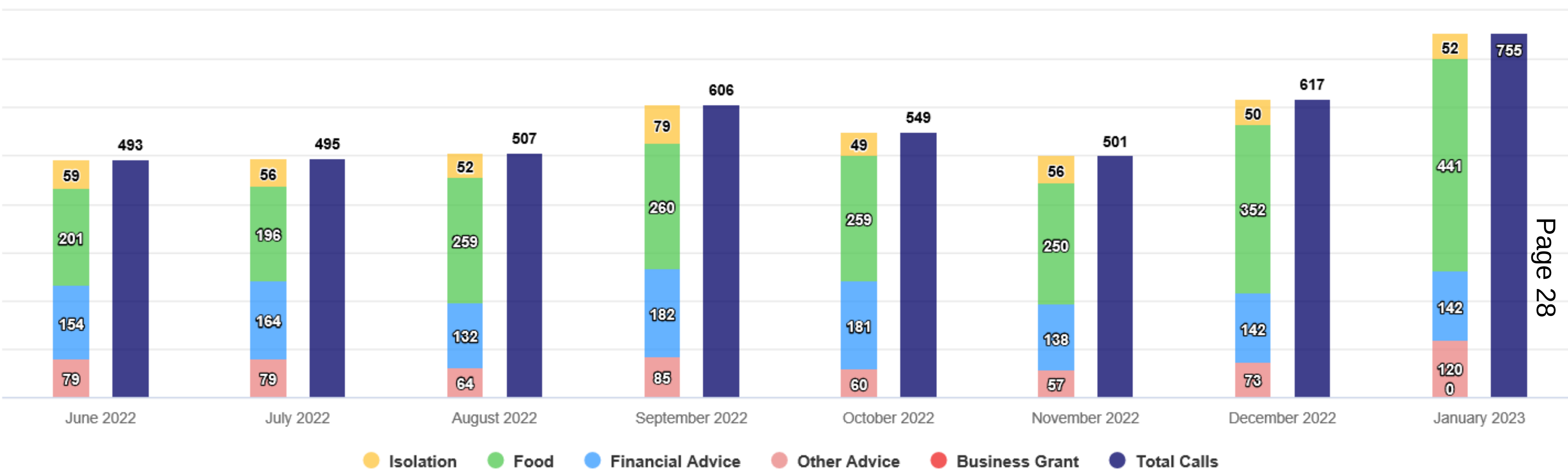
Community Hubs contact with customers 2022/23

Face to Face

32,673 enquiries dealt

2,450 complex cases whereby customers given in-depth support.

Community Line



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Contact Centre KPIs

Telephones								
Indicator	Q3 2021/22	Q4 2021/22	Q1 2022/23	Q2 2022/23	Q3 2022/23		Annual Target 2022/23	Notes & Actions
	Value	Value	Value	Value	Value	Target		
CE 009a Customer Satisfaction: Telephone Advisor 'Professional' Rating	85.4%	80.9%	85.2%	77.2%			85%	GovMetric indicator will be included in Quarter 4 report to replace the existing measure
GWH 002 Gateway Telephones - Answer Rate	86%	85%	92%	91%	90%	85%	85%	
GWH 003 Gateway Telephones - Average Wait Time	00h 05m 07s	00h 04m 08s	00h 02m 04s	00h 02m 13s	00h 02m 39s	00h 03m 00s	00h 03m 00s	
GWH 014b Customer Services: % of Calls Answered Within 5 Minutes	76%	74%	89%	89%	84%	90%	90%	

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Contact Centre

Highlights

- Govmetric surveys introduced fully in Jan 2023
- Overall answer rates well above target
- Cross training has had a positive impact on cover for Housing Assessment line
- Excellent monitoring procedures in place and gamification for teams
- Constantly reviewing training/recognition ideas e.g. staff engagement forums and pledges to take responsibility for performance
- Comprehensive training bank of resources including videos and how to guides and launch of a Customer Excellence guide
- Mandatory weekly training quizzes introduced to embed learning and ensure consistent messaging/product knowledge
- Increase in compliments from residents and colleagues shadowing from across the organisation
- Reduction in complaints
- Budget for permanent staff

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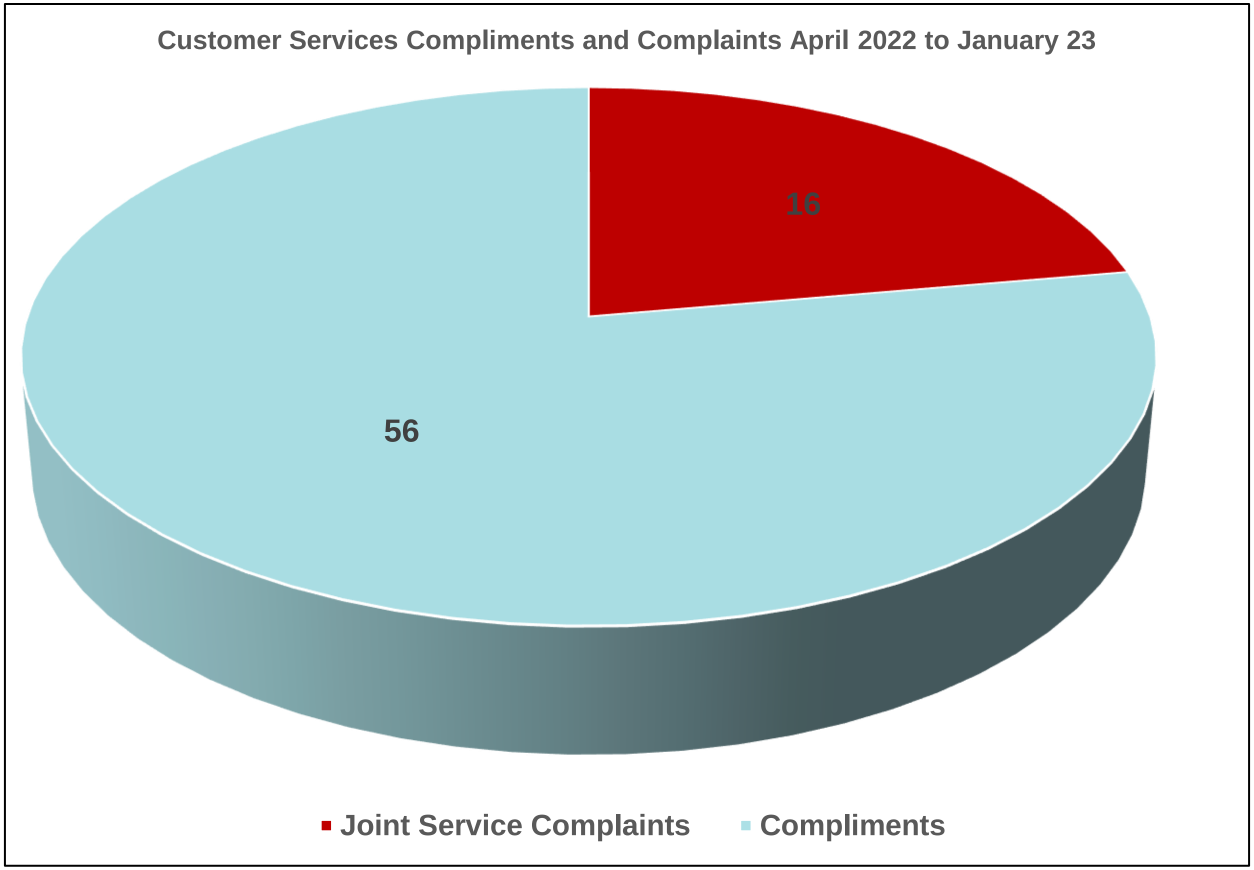
Contact centre complaints vs compliments



Call Demand top volumes Apr. 22 – Jan. 23

	2022/2023 Performance Indicators (RAG) Type R, A or G for traffic lights												
	Q1			Q2			Q3			Q4			YTD/Average
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	
Tel Volume Breakdown													
Tel Registrar Enquiries	1,836	1,895	1,756	1,832	1,881	1,687	1,692	1,755	1,429	1,899			**17,662**
Tel Fin. Assessment Enquiries	15,652	16,122	15,222	13,234	11,754	14,234	13,564	12,167	8,957	12,658			**133,564**
Tel Housing Advisory Enquiries	3,344	3,919	3,433	3,176	4,017	3,729	3,589	3,170	2,839	3,924			**35,140**
Tel Environmental Services Enquiries	5,617	5,699	5,970	5,944	5,851	6,232	5,444	5,483	4,372	4,907			**55,519**
Tel Payment Enquiries	759	796	586	576	529	542	520	447	370	508			**5,633**
Tel Council Housing Enquiries	6,853	7,016	6,508	5,902	6,419	7,786	7,911	9,650	8,225	8,773			**75,043**
Tel Various Other General Service Enquiries	7,329	6,310	7,164	7,677	6,893	7,819	7,241	7,181	5,043	7,043			**69,700**

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Webchat

Highlights

- All staff cross trained on webchat as of Jan 2023
- Chatbot introduced in November 2022
- All staff taking dual chats
- Regular service meetings to keep updated of new capabilities to use webchat at full potential
- Working closely with web team to identify further ways to self serve via chatbot
- Using webchat, telephony and libraries as a training source to channel shift customers online

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Webchat top volumes Apr. 22 – Jan. 23

Enquiry Type	Webchat Enquiries 2022/23										YTD
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	
Environmental Services Enquiries	796	1,117	1,328	1,385	1,525	1,435	1,158	1,197	1,460	1,474	**12,875**
Fin. Assessment Enquiries	802	1,280	1,689	1,449	1,363	1,124	1,243	1,285	689	842	**11,766**
Various Other Services Enquiries	1,176	1,271	989	1,202	1,153	928	870	846	587	905	**9,927**
Council Housing Enquiries	162	219	203	183	229	202	282	500	564	491	**3,035**
Homelessness Enquiries	66	95	138	138	212	183	203	176	181	270	**1,662**
Registrar Enquiries	59	86	66	76	72	61	65	84	80	107	**756**
Payment Enquiries	18	28	30	45	31	37	38	40	41	65	**373**
Totals	**3,079**	**4,096**	**4,443**	**4,478**	**4,585**	**3,970**	**3,859**	**4,128**	**3,602**	**4,154**	**40,394**

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Website analytics - key statistics

Period: 15 March – 15 Feb - 2021-22 vs 2022-23 (11 months)
Source: Google Universal Analytics

Metric	2021-22	2022-23	Change	Comment
Page views	8,267,645	5,209,298	-37%	Fewer steps in key journeys result in a decrease in overall page views
Sessions	2,312,147	2,366,836	2.3%	Maintained and grew total sessions during launch and early life support
Users	1,202,235	1,811,269	33.6%	Good growth in users to the website
Bounce rate	42.29%	22.51%	-46.8%	Number of people landing and leaving the site with no action decreased by nearly half
Pages per session	3.57	2.20	-38.4%	Website visits are more efficient; people visit fewer pages to complete tasks
Avg. session duration	03:11	02:15	-29.3%	People spend less time per visit; tasks are completed more quickly
Avg. page load time	5.02	2.61	-48%	Pages are loading nearly 50% faster on average across all devices

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Results

Successes since go live 14/03/2022

- First of many new sites since launch, such as Safeguarding Enfield, Cost of living support | Enfield Council has gone live with excellent feedback and we can move more services online whilst reviewing customer and commerciality
  - **Consolidation of the wider web estate underway**
  - **Creating online presences for services such as Housing Repairs/Planning etc**
  - **Agile response changes from programmes in environment services**
  - **Winner of Digital Engagement Industry Award 17/11/22**
  - **Built a chatbot inhouse and Web Chat traffic up by 20,000 PA**
- We can monitor end to end journeys far better from the click of the mouse to the bin being collected
- New agent dashboard and monitoring tool examples
- Scottish and English local authorities siting Enfield Council for CX design leadership and now USA!

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Improved Data and Insight tools

Our CMS cloud hosting provider uses **ThousandEyes** for uptime and incident monitoring.

Google Lighthouse gives the Web Team benchmarks for page speed and other performance scores.

Website analytics data and goal tracking come from **Google Analytics** and **Google Tag Manager**.

Search analytics are provided by **Funnelback** and **Google Search Console**.

Accessibility, content quality and SEO scoring are provided **by Sitemorse**.

The Web Team has trialled and would like to procure **HotJar** for heatmaps and click tracking.

End to end journey analytics to make improvements

GovMetrics implementation

Site Uptime & Page Performance

Thousand Eyes

Lighthouse

Website Data & Analytics

Google Analytics

Google Tag Manager

Search Analytics

Squiz Funnelback

Google Search Console

Accessibility, SEO & Content Quality

Sitemorse

Heatmaps & Click Tracking (planned)

hotjar

Project updates

- Next stage of CRM/CMS in plan for add ons such as status updates
- Govmetric implemented Customer Services but also rolling out to Adult Social Care etc
- Full customer solutions programme underway
- Unified Communications and telephony replacement specification complete and started market test
- Upgrade of Contact Centre agent/customer tool planned
- Working with Learning and Development around the new learning tools for CX
- Creating new dashboards for decision making and improvements
- Service improvement plans under way and continuous

CRM/CMS objectives recap March 2022

- Deliver **agile**, seamless, unified case management of Verint through the enfield.gov.uk website, including integration with Squiz CMS to enable, quick and effective interaction with us
- Enable omnichannel support at the initial point of contact.
- Deliver 2,000+ services using 300 Forms and 20 integrations.
- Complete 150 different – sometimes complex – customer journeys.
- Build 600 web pages, move towards WCAG 2.1 compliance and reduce the web estate
- Create agnostic device use with our systems ie mobiles
- Bake in useful analytics for end to end journeys

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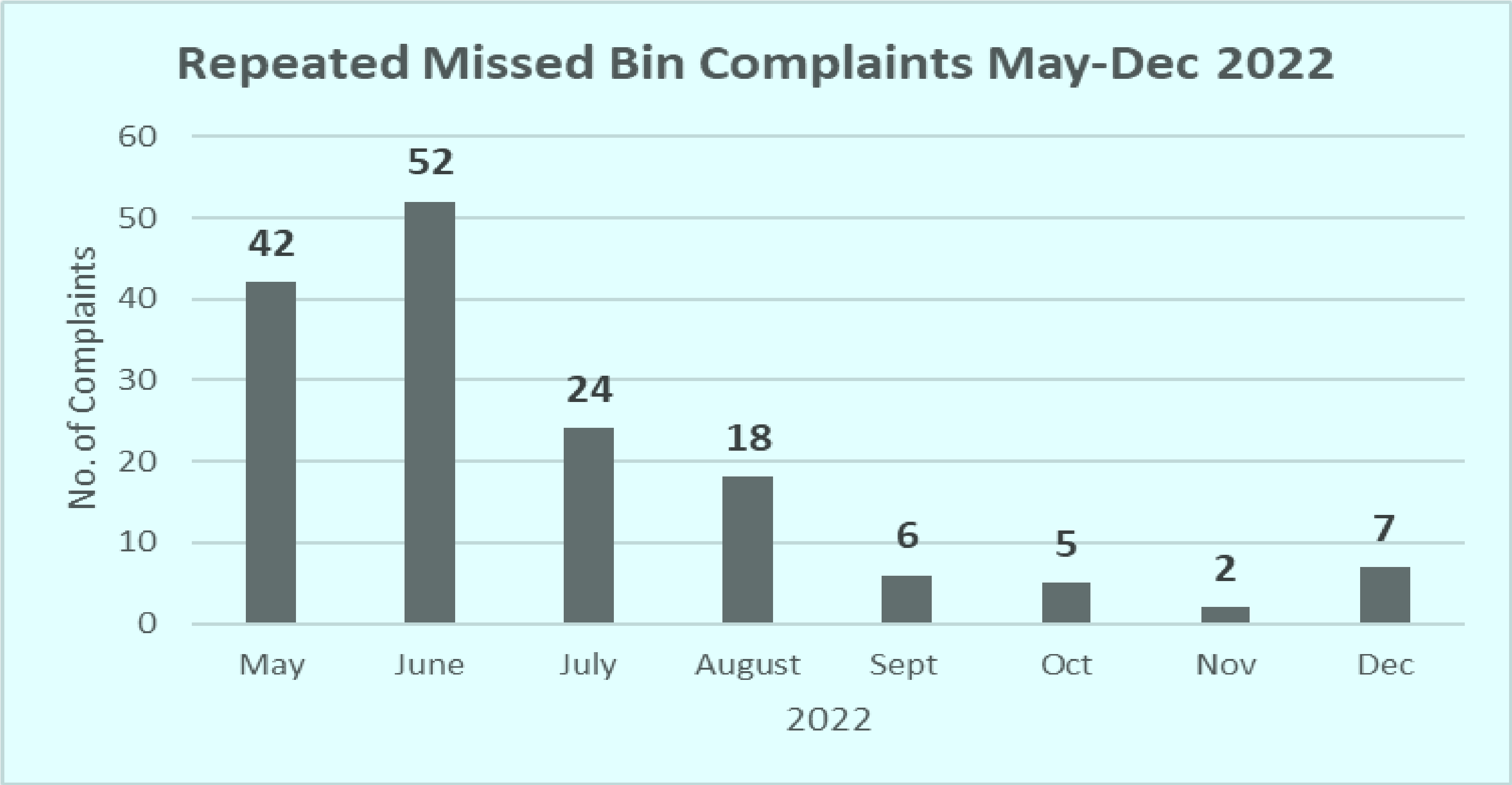
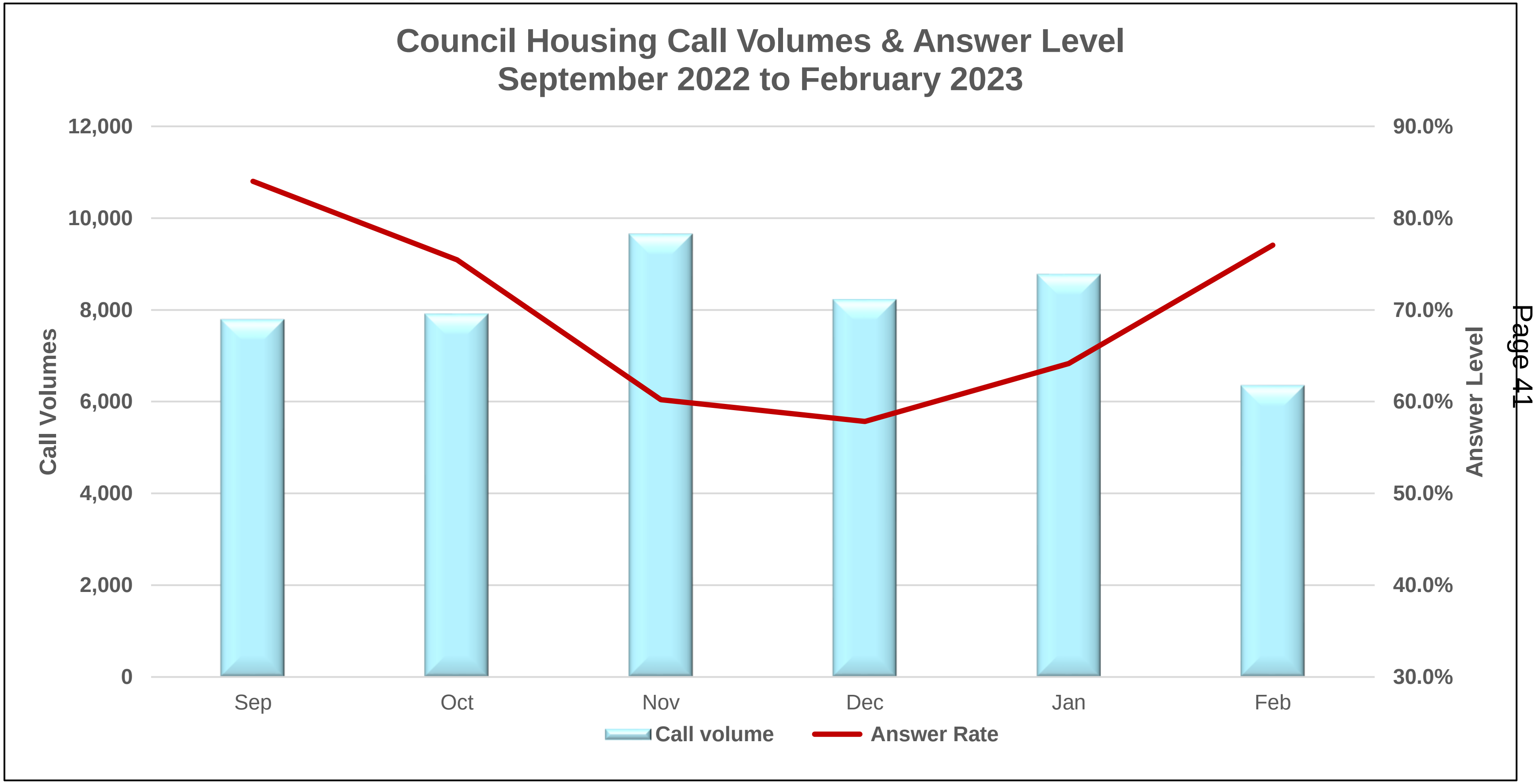
Service improvements

- Waste – bin collection project



Service improvements

- Housing repairs

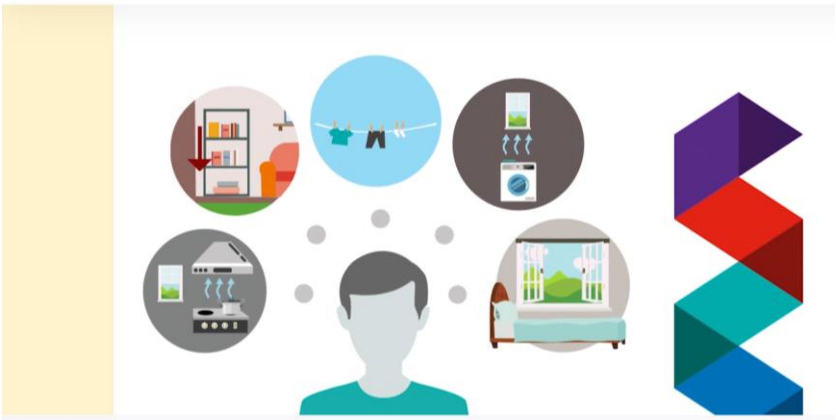


Support films for CX

- 56% of businesses have opted for a video strategy in 2022
- 52% of videos produced are product education videos
- 50% of are videos produced on brand awareness
- 36% of product awareness videos received the most engagement

- Reviewing approach for CX ie Housing repairs, Waste, Planning, Council Tax etc
- Branded and available in all languages

https://premiercx.wistia.com/projects/upthqglhr5 EXAMPLE



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Customer Service Strategy 2023

A simple cup of coffee paid for on the app

But what has made this experience work properly?

This is where we experience customer service

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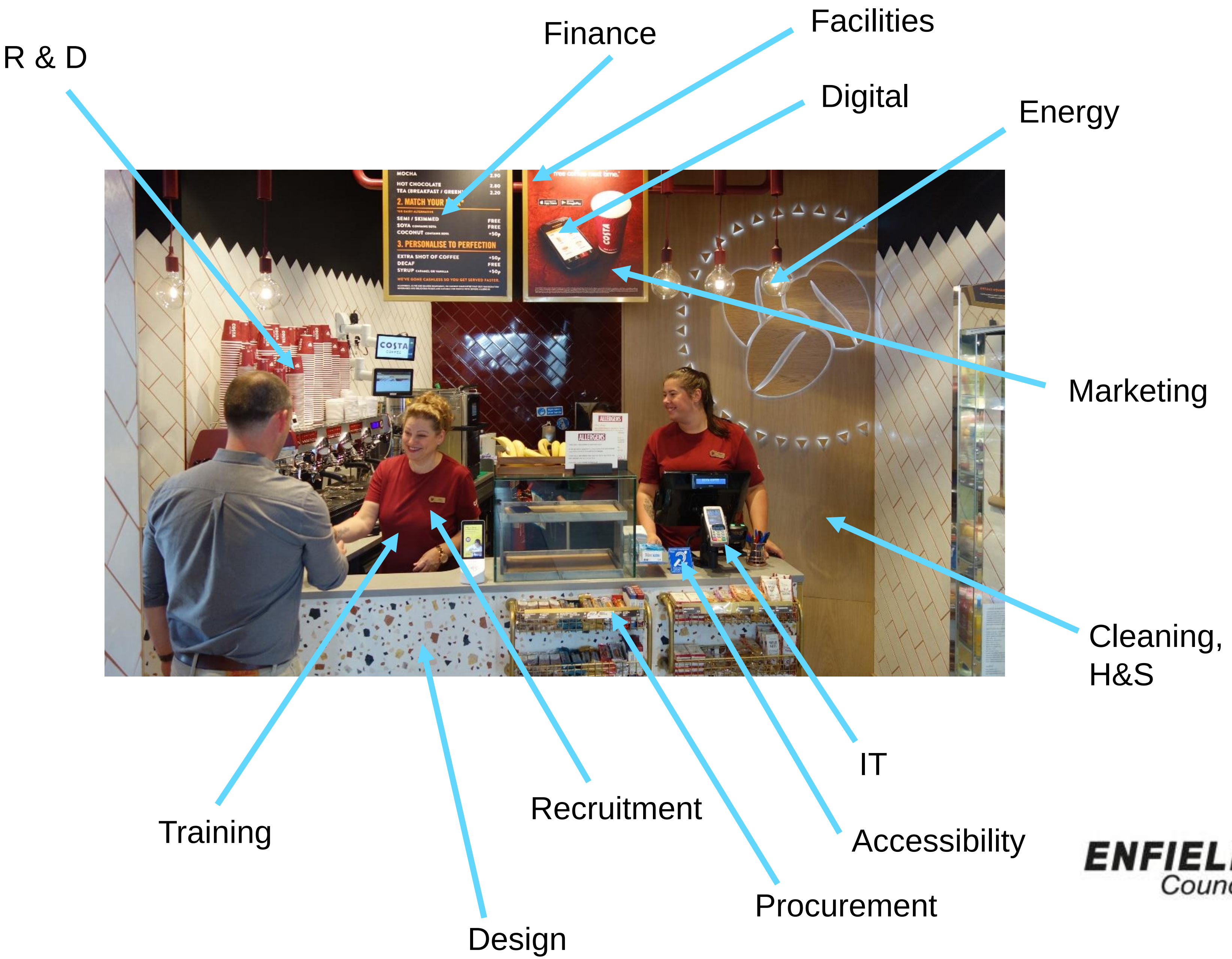
A simple cup of coffee paid for on the app



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Pick one area to fail and imagine what the result will be…

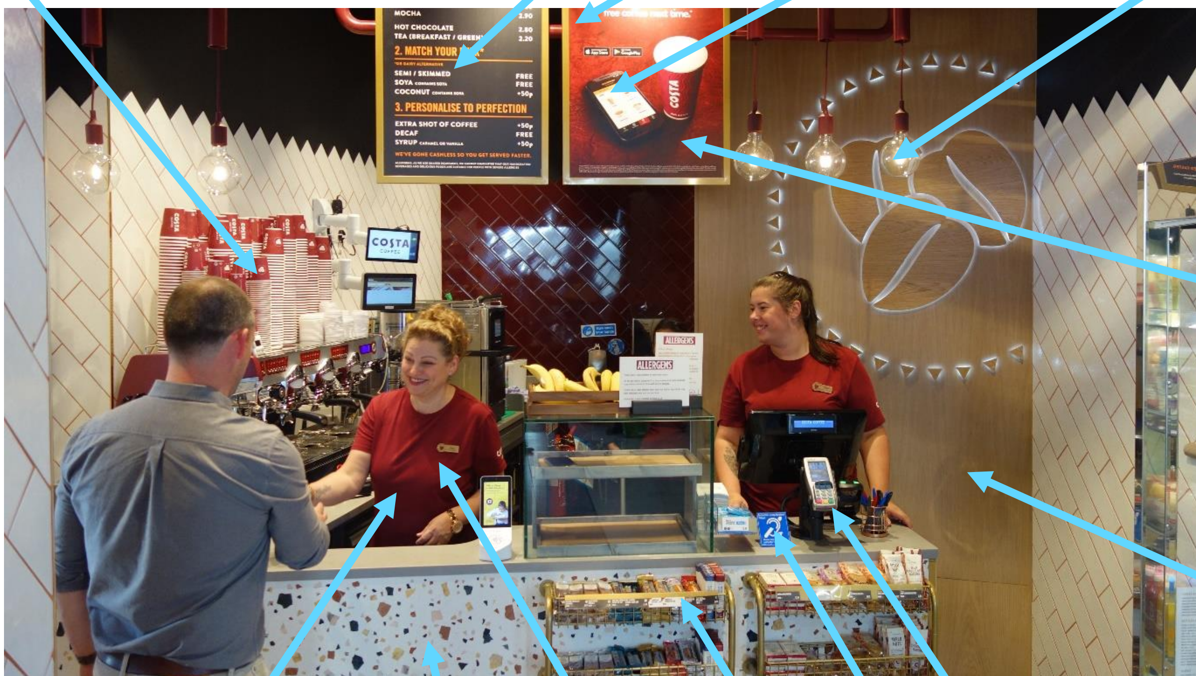
R & D

Finance

Facilities

Digital

Energy



Marketing

Cleaning, H&S

IT

Training

Recruitment

Accessibility

Procurement

Design

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Without everyone working for the customer, the front-line employee's role becomes to apologise for failings of the organisation

There is no quick fix to this
(there are a lot of moving parts)

There is a way to fix it though…..

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Data Driven

Continuous Improvement

Data Driven Continuous Improvement

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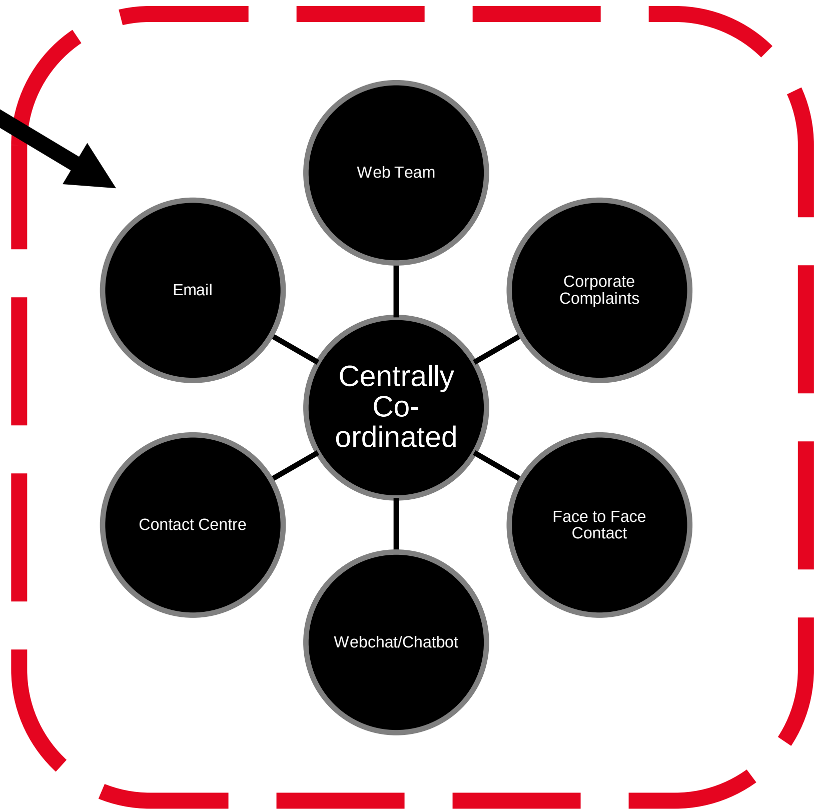
What we need to do?

CRM/Unified Comms layer

Customer contact

collects contact data



Data and Insight

CSI Enfield

Re-engineering/training

Reduced & improved contact

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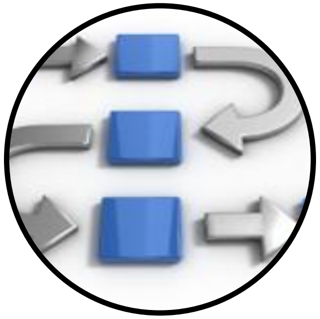
CSI Enfield

Data

Insight

Business Analyst

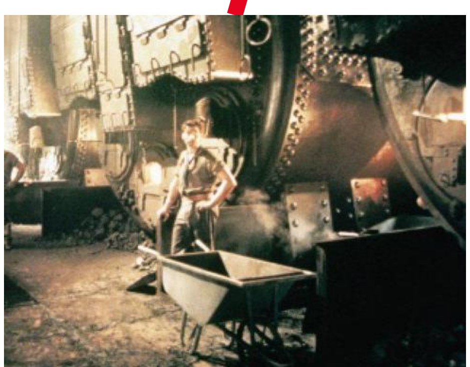


Process Engineering

Robotic Process Automation

From Engine Room to Bridge

The front line provides the intelligence to operate the ship effectively



The front line is hidden away from the corporate leaders and customer contact happens somewhere else

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What would our customers expect from us?

- Things to work properly
  - A result
  - Quick response times
  - Simple processes with agnostic devices
  - No backlogs
- Easy 24/7 transactions
- Consistency and joined up working
  - Not giving the same info over and over again
  - Feels like the same place
  - Single front door
- Artists at work
  - Proactive staff
  - Well trained staff
  - The right staff

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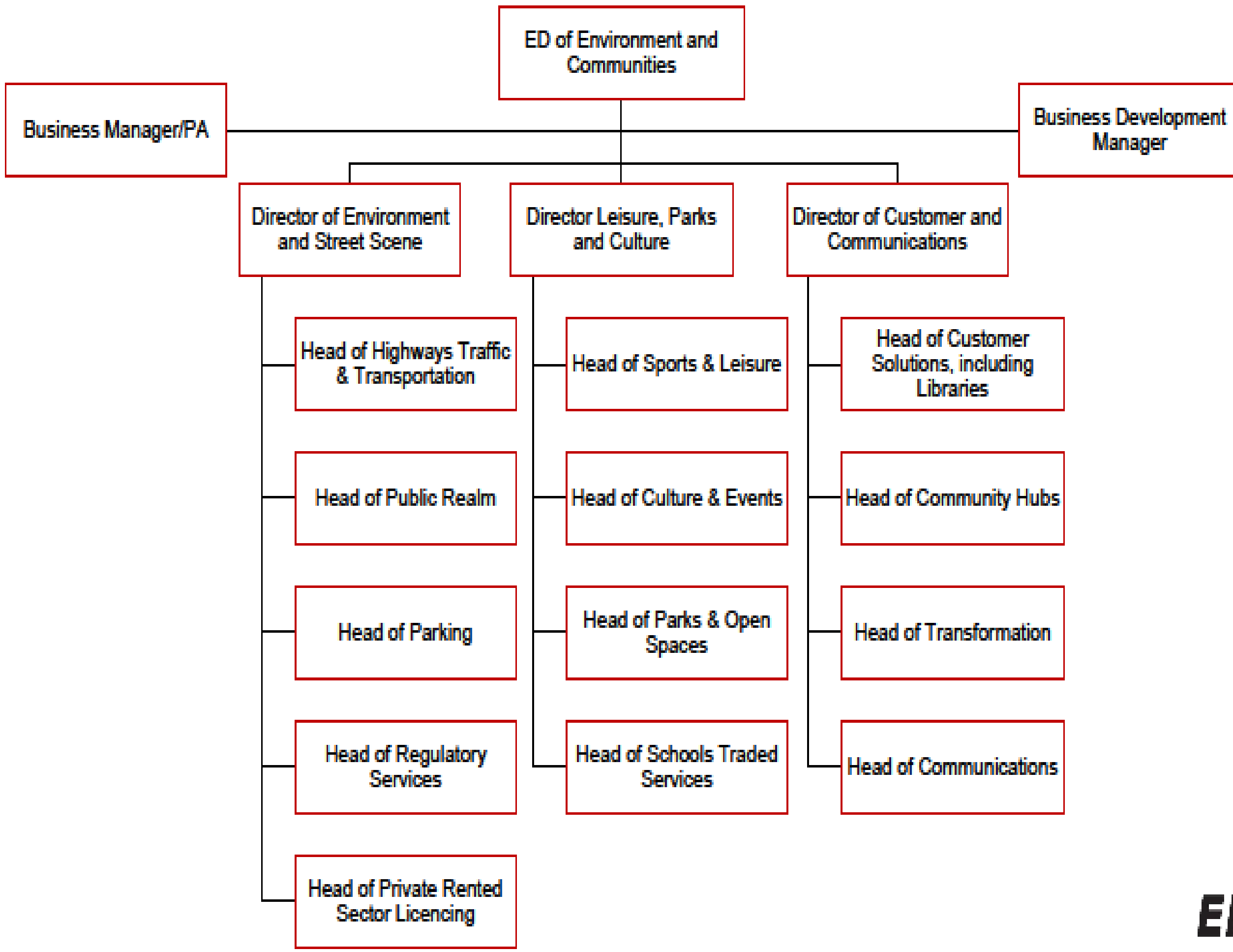
Environment and Communities



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Questions please?

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London Borough of Enfield

Cabinet

8th February 2023

Subject:	**Third Revenue Update: 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:	**5489**

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 November 2022. The report also provides the forecasted outturn for the Dedicated Schools Grant (DSG). This is the third update for 2022/23 presented to Cabinet following the period 5 report in December 2022.

2. This report is set out as follows:

Executive Summary

3. A number of factors are combining and continue to present a very challenging and unprecedented financial position for the London Borough of Enfield, and this is reflected within the third 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 £32.8m. Planned use of reserves (including Covid-19 reserve) brings this overspend down to a residual £18.4m which reflects an increase of £1.6m on period 5. In summary, the key themes and notable changes from the last report are:

5. Table 1: Gross Variance and Key Themes

Department	Gross Variance	Key Themes
CEx	£0.9m	a. The demand for legal support across the Council, with greatest demand caused by the increase Children's Social Care placements. This in part is driven by the impact of the pandemic hence £0.5m is funded from the Covid reserve.
People – Adult Social Care & PH	£4.6m	b. Demographic and inflationary pressures across the care groups but particularly in Learning Disabilities and Older People Services. c. Includes £1m Covid related pressure reflecting the on-going impact of the pandemic.
People – Children's & Families	£7.7m	d. Demographics demand particularly seen in external child care placements and overnight breaks and direct payments. e. Increase investment in Social Workers to manage the increasing workload. f. Ongoing Covid impact leading to £4.7m funded from Covid reserve.
People - Education	£0.6m	g. Nexus project funding of £0.5m.
Place	£11.9m	h. The Housing market, specifically that of the Private Rented Sector has stagnated resulting in shortages in supply of temporary accommodation provision. This has led to the need for more expensive accommodation such as commercial hotels resulting in £4.9m pressure in Homelessness services. i. SEN Transport £0.6m of which £0.5m are

		inflationary pressures. j. £3.4m of unrealised income forecast in parking, cemeteries, culture and planning. This reflects an improvement in the cemetery's income forecasts. k. £0.6m in year pressure resulting from the award of appeal costs incurred relating to rejected/overturned planning appeal. l. £0.4m from the delayed implementation of new management of Millfield centre and security costs. m. A further £1.1m of inflationary pressures e.g. fuel price increases.
Resources	£6.2m	n. £2.1m of cost pressures in digital services. o. £0.5m in unrealised income as an on-going impact of the pandemic. p. £0.4m additional resources required to manage 3 years audit of accounts. q. Additional resources of £1.7m in Financial Assessments and Income Collection required to manage demand. r. £0.9m on Transformation support funded by the Flexible Use of Capital Receipts.
Corporate	£0.7m	s. Notable inflationary pressures for energy and pay award costs in excess of those budgeted for. This reflects the estimated increase from national pay award negotiations and recent property rationalisation in the Civic centre to reduce costs. t. £0.9m planned use of capital financing reserves to fund MRP and interest payments. u. Offset by £3m contingency held for this purpose.

6. Table 2: Notable Changes

Most notable movements between 2nd and 3rd report 2022/23	**£m's**
Total Gross Forecast Variance @ P5	31.8
▪ Increase in Homelessness	1.5
▪ Parking receipts	1.0
▪ Culture - Millfield	0.2

▪ ASC - closure of LD home and increase in demand for care	0.4
▪ Children's – increase in external care packages and increase in grant funding	0.4
▪ Digital Services – refined recruitment forecasts	-0.3
▪ Withdrawal from Civica On Demand	-0.1
▪ Corporate – revised cost of borrowing	-2.0
Total Gross Forecast Variance @ P8	**32.8**

7. 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.

8. Financial resilience has always been a top priority for this Council and the current financial position continues to require management and is in a context of inadequate local government funding. 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, is 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 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.

9. Forming part of the overall position outlined above, the Covid-19 impact continues to be monitored as a discrete element and totals £9.8m. 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 have and are working on exit strategies for those areas with additional funding. Where necessary, additional on-going cost has been built into the MTFP.

10. 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.

11. 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 materially impact on our cost pressures in the current financial year. It will have an impact in future years for new borrowing and the refinancing of existing debt at the end of its term and this is reflected in the MTFP.

12. The impact of the cost of living crisis is also resulting in unfunded financial pressures on the Council of discretionary housing payment of £455k, down slightly from the period 5 forecast. 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.

13. 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.

14. The potential impact on our available reserves as a result of this latest forecast remains considerable – a £39m reduction in earmarked General Fund reserves (including £18.5m unplanned use of the risk reserve; £9.8m Covid-19 planned use of reserve), leaving a potential year-end balance of £104m. There is a balance to be struck between using these reserves for the purpose for which they are intended (to smooth the impact of risk arising from this exceptional year) and to ensure financial resilience going forward in the context of an uncertain environment and financial settlement. The in-year budget cost reduction and savings strategy include controls on staffing costs, cost pressure reviews, bringing savings forward and pausing capital projects. The Council aims to protect reserves in order to maintain financial resilience to ensure that our key services can be maintained.

15. The Dedicated Schools Grant outturn position is forecast to be £2.5m 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 £15.1m.

16. 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.

17. 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

18. Cabinet is recommended to note:

a. The 2022/23 financial year the General Fund revenue forecast outturn position of £18.4m 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 in place 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 £2m will also be required.

d. The Covid-19 impact on the General Fund of £9.8m which will be funded from the Council specific Covid-19 earmarked reserve.

e. The Dedicated Schools Grant (DSG) revenue overspend of £2.5m, which is reflected in the balance sheet.

19. 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.

20. 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

21. 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

22. 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

23. 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.

24. The budget covers the day to day operational expenditure and income of the Council and is funded from a combination of government grants, council tax and business rate income, to a limited extent fees and charges and reserves. Note, that the agreed original budget includes a prudent planned £3m contingency that for unforeseen inflationary and demographic pressures. The financial position in considered quarterly at Cabinet and by the Finance and Scrutiny Panel.

25. The body of the report will focus on the key issues contributing towards the change in forecasted position. The Appendices to the report provide further details on the other variances of at least £50k whether adverse or favourable.

26. 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 £9.8m, meaning that £5.2m remains to manage any increases in year and pressures in 2023/24.

27. The Council remains in a position for 2022/23 where it needs to manage its financial position. 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 period 5 revenue forecast reflects these pressures and the Medium Term Financial Plan will reflect the impact in 2023/24 and beyond.

28. The financial management key performance indicators set out in Appendix A.

Main Considerations for the Council

29. **General Fund Forecast**

30. The forecast aggregate adverse variance for 2022/23 against the base £260m General Fund budget that was agreed in February, prior to application of any reserves, is £32.8m. Planned use of reserves brings this adverse variance down to a residual £18.4m.

31. 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.

32. 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.

33. The Covid-19 impact continues to be reported separately and totals £9.8m. 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 reflects the longer term impacts of Covid-19 where this can be evidenced.

34. 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.
- Increased expenditure controls including for example key contract reviews and ceasing non-essential spend.
- Developing strategies in Homelessness to manage current and future demand.
- 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.
- Support more robust contract management activity to drive better value for money and identify potential cost avoidance or savings.
- Review the use of higher weighting of quality over price in procurement.
- Look for invest to save opportunities with automation; Civica module to reduce/remove on demand service, Digitalisation to remove printing.
- In view of increasing interest rates, reviewing the capital programme to slow, pause, stop schemes which will then reduce the Council's borrowing requirement and therefore reduce Minimum Revenue Provision and interest payments.

35. The year-end budget position is set out in Table 3 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 4 sets out the Covid-19 associated pressures the Council is experiencing by department.

Table 3: General Fund Departmental Variances 2022/23 at Period 8

Department	Net Budget £m	Net Actuals @ P8 £m	Net Forecast £m	Total Gross Forecast Variance £m	Flexible use of Capital Receipts £m	Covid-19 £m	Specific Reserves £m	Total Forecast Variance £m
Chief Exec	12.209	5.828	13.164	0.955	(0.041)	(0.504)	0.000	0.410
People - Adult Social Care & Public Health	85.021	47.875	89.588	4.567	0.000	(1.000)	0.000	3.567
People – Children's	47.752	36.993	55.473	7.721	(0.247)	(4.737)	(1.066)	1.671
People – Education	4.790	153.698	5.415	0.625	(0.500)	(0.280)	0.000	(0.155)
Place	36.484	32.000	48.433	11.949	(0.068)	(2.723)	0.000	9.158
Resources	29.752	44.174	35.997	6.245	(1.748)	(2.057)	0.000	2.440
Service Net Costs	**216.008**	**320.569**	**248.070**	**32.062**	**(2.604)**	**(11.301)**	**(1.066)**	**17.091**
Corporate Expenses	25.247	33.328	22.536	(2.711)	0.000	1.508	(0.031)	(1.234)
Inflation	(2.730)	0.000	2.770	5.500	0.000	0.000	0.000	5.500
Minimum Revenue Provision	17.508	0.000	18.422	0.914	0.000	0.000	(0.914)	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	**259.824**	**353.897**	**292.589**	**32.765**	**(2.604)**	**(9.793)**	**(2.011)**	**18.357**
Expenditure financed by:								
Business Rates	(97.426)	(29.272)	(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)	(19.078)	(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	**(0.000)**	**305.547**	**32.764**	**32.765**	**(2.604)**	**(9.793)**	**(2.011)**	**18.357**

Table 4: Summary of Covid-19 Impact by Department 2022/23

Department	Net Budget £m	Covid-19 Additional Expenditure £m	Covid-19 Loss of Income £m	Covid-19 Impact on Savings Programme £m	Covid-19 Total Impact £m
Chief Exec	12.209	0.504	0.000	0.000	0.504
People - Adult Social Care & Public Health	85.021	1.000	0.000	0.000	1.000
People – Children's	47.752	4.737	0.000	0.000	4.737
People - Education	4.790	0.280	0.000	0.000	0.280
Place	36.484	1.397	1.326	0.000	2.723
Resources	29.752	1.605	0.452	0.000	2.057
Service Net Costs	**216.008**	**9.523**	**1.778**	**0.000**	**11.301**
Corporate Expenses	25.247	(1.508)	0.000	0.000	(1.508)
Inflation	(2.730)	0.000	0.000	0.000	0.000
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	**259.824**	**8.015**	**1.778**	**0.000**	**9.793**
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
Reserves	(1.985)	0.000	0.000	0.000	0.000
General Fund Corporate Financing	**(0.000)**	**8.015**	**1.778**	**0.000**	**9.793**

Budgets shown in Tables 3 and 4 are controllable departmental budgets excluding capital and asset impairment charges, which are not directly controlled by departments.

General Fund – Key Issues since P5

People Directorate – Adult Social Care

36. 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 result in a £3.6m forecast overspend, which is a £0.5m increase on the period 5 forecast. This is composed of inflationary impact of £1.1m, a further £2.5m of demand led pressure in excess of budget.

37. 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.

38. Two specific issues have occurred in the last three months leading to a £0.6m increase in the Learning Disability budget, these being the closure of a private Learning Disabilities home has led to the need to move service users at greater cost and a family breakdown.

39. 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.

People Directorate - Children's Social Care

40. In Looked After Children, the biggest challenge is the increased costs of residential care and enhanced support packages, causing an adverse variance of £1.3m due to the residential care market facing an extraordinary set of cost pressures and staffing sufficiency issues. The £0.3m increase from period 5 reflects the new placements made in the last 3 months.

41. The receipt of the Asylum Dispersal Grant results in an improved forecast for the Unaccompanied Asylum Seekers costs.

42. 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 £50k in Children in Need.

Place Directorate

43. The residual budget pressure after Covid reserve funding of £2.7m for the Place directorate is £9.1m. Homelessness remains the major constituent part of this pressure with a forecast adverse variance of circa £4.0m which represents an increase of £1.5m since the last report.

44. The market conditions effecting the temporary accommodation and homelessness sector in England and noted in previous reports have continued to deteriorate and is the main contributing factor to the increasing pressure being reported. Costs for buy to let landlords have increased dramatically (increase in mortgage rates, taxed on net income not net profits) are forcing landlords to either exit the market altogether by selling their properties or forcing them to charge a far higher rent for their units than the Council can afford to pay and also increasing eviction risk.

45. As a result, households are having to be placed in higher cost hotel accommodation and for longer periods as there is inadequate accommodation for residents to move out of TA.

46. The second major contributing factor to the Place budget pressure is an under-recovery of Parking income against budget of £2.3m. It is proposed and reflected in the monitor to apply £0.7m from the Covid-19 reserve reflecting the financial impact of behavioural changes.

47. The other notable change to the last report is an increase to the adverse variance relating to the Millfield centre from the delayed implementation of new management of Millfield centre and on-going security costs.

Resources

48. The residual Resources overspend after Covid reserve funding of £2.1m is £2.4m, an improvement of £0.7m on the previous forecast.

49. A key element of this continuing to Digital Services, which has a budget pressure of £1.6m. This does represent an improved position on period 5 and is due to refined forecasts resulting from revised recruitment activity for the remainder of 2022/23.

50. The Finance function has a £0.45m residual forecast overspend, mainly in Corporate Finance. 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.

51. The position for Customer Experience is improving despite forecast unachieved savings on financial assessments. Income Collection services have placed additional controls on contract spend helping to mitigate the previous reported variances.

Chief Executives

52. The demand for legal support across the Council and most predominantly in Children’s Social care remains the departments most significant pressure. Along with the need to cover staff sickness with agency this creates a gross £0.9m variance. Covid-19 reserves funding is planned to be applied to meet the Social care demand, whilst the remainder is partly mitigated by favourable variances across other services.

Corporate Items

53. The Corporate Items residual overspend of £0.7m consists primarily of a £5.5m overspend against inflationary pressures, mitigated by accumulated underspends across a number of other budget headings of £2.7m and the £3m corporate contingency.

54. The final pay award and increased National Insurance Employers Costs for 2022/23 was closer to 6% equating at an estimated £11m, up from an originally estimated 2%. A further £1.9m of pressure relates to energy costs overspend, with 90% of the indicative volume requirement already purchased. The use of the Civic Centre is being reviewed under a range of property rationalisation proposals and these are expected to reduce utility and Business rates costs.

55. 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.

56. The Minimum Revenue Provision forecast is £18.4m 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. The forecast has been reduced to £0.9m (was £2.3m at period 5) following the latest capital programme forecasts.

57. **Other Departmental Monitoring Information – Budget Pressures and Mitigating Actions (net variance, excluding Covid-19)**

58. A breakdown of all other variances greater than £50k are detailed in Appendices B to E.

Covid-19 Impact (Appendix F)

59. **Chief Executive's: net budget is £12.2m; the total additional costs of £0.5m (4%)**

60. 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.

61. **People: Adult Social Care (ASC) and Public Health – net budget is £82.6m; the total additional costs of £1m (1%)**

62. 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 £1m. 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.

63. **People: Education – net budget is £4.6m; the total additional costs are £0.3m (6%)**

64. 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 cost £0.2m.

65. **People: Children & Families – net budget is £47.7m; the total additional costs of £4.7m (10%)**

66. The most significant cost relates to circa £2.9m 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. It should be noted that this is an increase on previously reported figures.

67. The need for additional staffing resources remains in 2022/23 due to increased demand, with circa £1.3m for addition staff predominantly sourced via agencies and fixed term posts, and a further £0.1m required to recruit and retain social workers.

68. The continuing high numbers of referrals to the service has led to an operational decision to spend £0.4m 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.

69. **Place – net budget is £36.5m; the total additional costs and income loss of £2.7m (7%)**

70. 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 £0.1m the cost in this year and was included in the Covid-19 pressures noted at budget setting.

71. Some costs of providing the Testing Units, Covid Marshals and Locally Supported contact tracing have slipped into 2022/23 at a cost of £14k.

72. The Covid-19 related cost in Housing is £0.9m, 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.

73. 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, Youth Centres and now includes the continuing impact of behavioural changes on parking receipts. The total estimated loss of income is £1.3m.

74. **Resources: net budget is £29.8m; the total estimated additional costs of £2.1m (7%)**

75. The most significant impact identified in Resources services relate to additional resources required in the Financial Assessments Team (£0.8m) and the Income Collection (£0.6m) to manage and recover from the pandemic.

76. There is a loss of income across services in the department of £0.4m with the most significant being in school catering which continues from last year though not at the same extent.

77. **Corporate Items: net budget is £54.9m (including corporate contingency); reduction in spend of £1.5m**

78. 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.

79. Further details of Covid-19 variances are provided in Appendix F.

Collection Fund

80. 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)

81. 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.

82. 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.

83. 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.

84. 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 remains at a total of £2.6m with the full details provided in Appendix G.

Achievement of Savings (Appendix H and Appendix I)

85. 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:

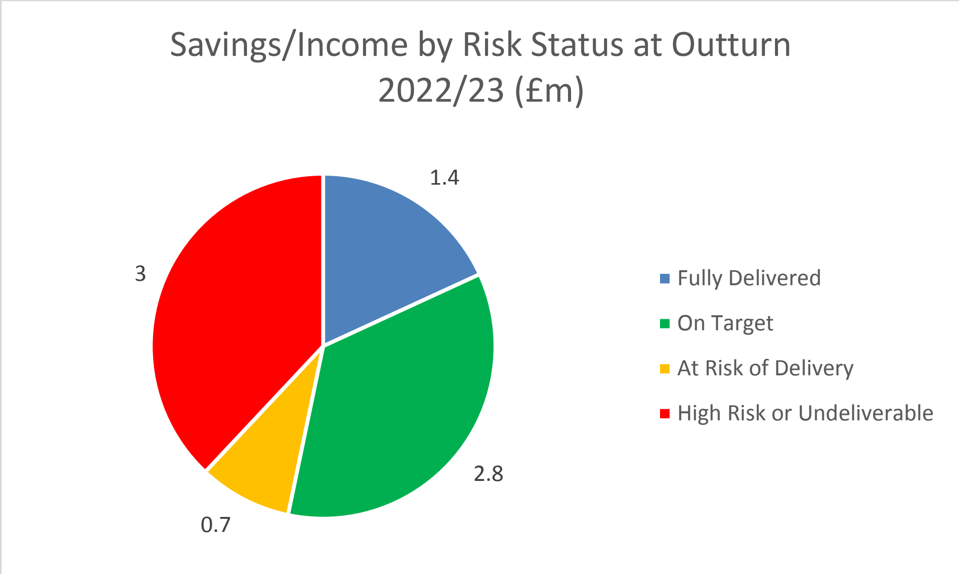
- Blue - Saving/ income has been fully delivered
- Green - Saving/ income is on target for delivery
- Amber - Saving/ income is at risk of delivery
- Red - Saving/ income is high risk or undeliverable

86. The savings include those that are new for 2022/23 plus the full year effect of previous decisions.

87. Of these £4.3m was fully delivered or on track for delivery at this stage.

88. However, £0.7m and £3m 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.

89. Chart 1: Savings/Income Risk Status 2022/23



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

Dedicated Schools Grant (DSG) (Appendix J)

91. For this latest forecast, there is a projected in year overspend of £2.5m. This would increase the cumulative deficit is £15.1m. 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.

92. 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.

Earmarked Reserves

93. Table 5 below summarises the final balances for 2021/22 and the forecast outturn position for 2022/23:

	2021/22 Outturn Balance	**2022/23 Forecasted Balance**
	£m	£m
Risk Reserve	**(25.471)**	**(22.929)**
Covid-19 Risk Reserve 2021/22	(15.000)	(5.206)
Balance Sheet Management	(3.331)	(3.331)
Collection Fund Equalisation Reserve	(13.628)	(8.728)

Housing Benefit Smoothing Reserve	(4.480)	(4.448)
Adult Social Care Smoothing Reserve	(3.697)	(3.697)
NLWA Reserve	(0.628)	(0.627)
MTFP Smoothing Reserves	**(40.764)**	**(26.037)**
Capital Financing	(25.139)	(24.043)
Service Specific	(15.736)	(14.798)
Property	(1.372)	(0.636)
Grants & Other Contributions	(13.783)	(13.077)
Sub-total GF Usable Reserves	**(122.265)**	**(101.520)**
Insurance	(7.022)	(7.022)
General Fund Balance	(13.949)	(13.949)
GF Earmarked Reserves	**(143.236)**	**(122.491)**
Schools	0.387	0.387
Total Reserves & Balances	**(142.849)**	**(122.104)**
Potential Risk Reserve Drawdown		18.357
Total Reserves & Balances		**(103.747)**

94. 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 continuing inflationary pressures that have emerged through the course of this year. 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.

95. 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 £25.5m. However, given the adverse forecast outturn of £18.6m this could be a potential drawdown from the reserve.

96. 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, this third update increases this need to £9.8m as detailed in the paragraphs 59-79 and reduces the remaining balance for future years to £5.2m.

97. The General Fund Balance remains at £14m (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.

98. The £22.4m of 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. These are forecast to reduce to £17.5m by the end of the year, predominantly due to the repayment of business reliefs.

99. The £23.4m of Capital and Minimum Revenue Provision reserves are committed for the next five years to smooth any increased budget requirement. A drawdown of £2.3m from the MRP reserve was planned when the budget was set, how this is now forecast to be £0.9m following the latest Capital programme forecasted spend. This helps protect the reserve for future years pressure.

Medium Term Financial Impact

100. The Council is in a financially challenging position. There is ongoing significant risk and uncertainty due to the legacy impact of the Covid-19 pandemic, unprecedented 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 and more recently the state of the Private Rented Sector market and its impact on finding suitable accommodation for people.
- 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.

101. 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.

102. 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.

103. The pay award for 2022/23 has been agreed at a higher level than built into the quarter 2 forecasts and exceeded 2%. This has resulted in additional ongoing cost pressure and this is reflected in this third forecast.

104. Full details of the of the 2022/23 budget and MTFP 2022/23 to 20265/27 can be found in the Budget Report 2022/23 and Medium-Term Financial Plan 2022/23 to 2026/27 report (KD5352) which went to Cabinet on the 24th February 2022.

105. **Safeguarding Implications**

106. 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.

107. **Public Health Implications**

108. 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.

109. 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.

110. **Equalities Impact of the Proposal**

111. 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.

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

113. Environmental and Climate Change Considerations

114. None in the context of this report.

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

116. None in the context of this report.

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

118. 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.

119. **Financial Implications**

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

121. **Legal Implications**

122. 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.

123. **Workforce Implications**

124. None in the context of this report.

125. **Property Implications**

126. None in the context of this report.

127. **Other Implications**

128. None in the context of this report.

129. **Options Considered**

130. Not relevant in the context of this report.

131. **Conclusions**

132. 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 challenge. 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.

133. 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.

134. The continuing challenge of the pandemic, as well as other challenges that have emerged this year such as the cost of living crisis have brought increasing inflationary pressures. These not only impact our residents but also places the Council's services under unprecedented pressures. 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.

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Date of report:	20th January 2023

Appendices

Appendix A: Financial Resilience Key Performance Indicators

Appendix B: Chief Executive's Additional Information & Variances

Appendix C: People Additional Information & Variances

Appendix D: Place Additional Information & Variances

Appendix E: Resources Additional Information & 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 Additional Information & Variances

Background Papers

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

- Revenue Outturn 2021/22 – KD5465
- Budget Report 2022/23 and Medium Term Financial Plan 2022/23 to 2026/27 (KD5352)
- Revenue Q1: General Fund and Dedicated Schools Grant 2022/23 (KD 5481)
- Revenue Q2 (P5): General Fund and Dedicated Schools Grant 2022/23 (KD 5490)

Appendix A

Financial Resilience Key Performance Indicators

A summary overview of financial performance is outlined below. 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.

Financial Indicator	Status	Key Highlights
Income & Expenditure Position – General Fund year end forecast variances		The forecast outturn is a £18.4m adverse variance after the utilisation of the £3m contingency.
Progress to Achieving Savings MTFP (current year)		Savings monitoring has identified a total of £3m considered a high risk rated/ undeliverable and a further £0.7m that are at risk of delivery. These are reflected in the reported outturn position.
Income & Expenditure Position – DSG		The DSG forecast is a £2.5m overspend against budget. Therefore, the cumulative deficit is forecast to be £15.1m 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.

Chief Executive Additional Information & Variances

Chief Executive	Net Budget (£m)	Gross Forecast Variance Q3 (£m)	Flexible Use of Capital Receipts (£m)	Net Forecast Variance Q3 (£m)	Net Forecast Variance Q2 (£m)
Legal Services The adverse variance is due to the need to recruit additional agency resources to cover staff sickness plus income levels are lower than previously expected.	2.526	0.414	0.000	0.414	0.000
Human Resources & Organisational Development HR staff savings are forecast due to having part year vacant posts and the Schools personnel service forecasting a positive trading position. There are minor adverse variances in OD due to part year effect of restructuring.	2.402	(0.131)	0.000	(0.131)	0.053
Electoral Services A £0.151m 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.	0.627	0.151	0.000	0.151	0.135
Strategy, Partnership, Engagement & Consultation Favourable variance forecast is due to part year effect of vacant posts.	1.714	(0.096)	0.000	(0.096)	0.000
Other variances	4.940	0.113	(0.041)	0.072	0.084
Chief Executive Total	**12.209**	**0.451**	**(0.041)**	**0.410**	**0.272**

Return to Chief Executive Narrative

People Additional Information & Variances

Key assumptions within the Adult Social Care forecast are based on projected activity and year to year trends. However, the continuing effects of Covid-19 makes trend analysis extremely difficult. 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.

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.

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.

People	Net Budget (£m)	Gross Forecast Variance Q3 (£m)	Flexible Use of Capital Receipts (£m)	Net Forecast Variance Q3 (£m)	Net Forecast Variance Q2 (£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. Variance mainly due to changes in income from HRA for safe and connect, in previous reporting periods it had hoped that other income could mitigate this change.	8.375	(0.376)	0.000	(0.376)	0.000

Mental Health – This forecast is currently forecast to underspend by £0.2m mainly due to a forecast underspend against care purchasing as previously reported and some small staffing underspends. However, this includes a £0.5m adverse provision for risks relating to changing in ICB funding. The final figure for this is subject to ongoing assessment in joint panels.	6.995	(0.201)	0.000	(0.201)	(0.091)
Learning Disabilities - This service includes the in-house day services. The service is projecting an overspend of £2.372m primarily due to the increasing number and cost of care packages. The movement since Q2 is due to the closure of an externally provider home requiring more expensive alternatives and family breakdowns requiring more local authority resources.	29.913	2.372	0.000	2.372	1.970
Customer Pathway (Older People and Physical Disabilities) The service is currently facing significant financial pressures, particularly in relation to care purchasing and assisting health partners in winter discharges from hospital. The pressures are being mitigated by £2.146m of Winter Discharge Funding, the plan on which is subject to health approval and outcomes.	41.554	1.771	0.000	1.771	1.248
Supporting People - there is no forecast variation against this service.	2.709	0.000	0.000	0.000	0.000
Adult Social Care Sub Total	**89.557**	**3.567**	**0.000**	**3.567**	**3.127**
Public Health Grant 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	(4.981)	0.000	0.000	0.000	0.000

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 on 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.					
Public Health Sub Total	**(4.981)**	**0.000**	0.000	**0.000**	**0.000**
Adult Social Care & Public Health	**79.584**	**3.567**	**0.000**	**3.567**	**3.127**
Education					
Enhanced Pension costs These are the cost of former employees on enhanced pension and forecast variance is £53k favourable.	1.776	(0.053)	0.000	(0.053)	(0.040)
SEN Services Staffing pressures due to cost of agency staff and maternity cover.	0.849	0.050	0.000	0.050	0.038
Sports Favourable variance forecast as a result of increases traded income from schools and reduced staffing costs.	0.000	(0.062)	0.000	(0.062)	(0.028)
School Improvement Services Favourable outturn forecast across the traded services.	0.414	(0.050)	0.000	(0.050)	0.000
Educational Psychology Service Part year effect from vacancies in team.	0.512	(0.050)	0.000	(0.050)	0.000

Nexus project	0.000	0.500	(0.500)	0.000	0.000
Other variances Miscellaneous minor over and underspends	1.239	0.010	0.000	0.010	0.000
Education Sub Total	**4.790**	**0.345**	**(0.500)**	**(0.155)**	**(0.030)**
Children and Families					
Children In Need Previously reported adverse forecast continues as a result of agency staff covering posts and maternity leave cover but now at a lower forecast and Prevention of Care Section 17 also now reflecting lower forecast.	9.173	(0.048)	0.000	(0.048)	0.192
Looked After Children The most significant pressure of circa £1.3m continues to be seen in the external child care placements budget, due to increasing cost of residential placements and support packages and increase in the number of such cases, e.g., there have been 20 new agency fostering placements, 2 residential, 3 new mother and baby assessments and 11 new semi-independent placements in the last 3 months. This is due to some young people coming into care with complex and challenging behaviours. The costs of Unaccompanied Asylum seekers is forecasting an improved position through the receipt of the Asylum Dispersal Grant.	27.563	1.122	(0.163)	0.959	1.065
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 and the	3.672	0.946	(0.040)	0.906	0.869

forecast remains unchanged from previously reported.					
Other Variances Variance is mainly due to delays in recruiting social work apprentices.	7.344	(0.102)	(0.044)	(0.146)	-0.071
Children and Families Services Sub Total	**47.752**	**1.918**	**(0.247)**	**1.671**	**2.055**

Return to People Narrative

Place Additional Information & Variances

Homelessness continues to be the biggest area of concern, the market conditions noted in previous reports have continued to deteriorate and is the main contributing factor to the increasing pressure being reported. Buy-to-let Landlords are leaving the market. As a result, households are having to be placed in higher cost commercial hotel accommodation and for longer periods as there is inadequate accommodation for residents to move out of TA.

The Service is also seeing a large increase in the number of families presenting as homeless, although many of these are ultimately not housed by Enfield the number of families in TA is beginning to increase. This is not likely to abate during the winter months. Moving families out of TA and into more permanent, settled accommodation has also become more difficult as the majority of families housed by Enfield cannot afford the rents being asked for in the private sector.

Place	Net Budget (£m)	Gross Forecast Variance Q3 (£m)	Flexible Use of Capital Receipts (£m)	Net Forecast Variance Q3 (£m)	Net Forecast Variance Q2 (£m)
Planning Appeals & Decisions £0.6m in year pressure resulting from the award of appeal costs incurred relating to rejected/overturned planning appeal.	0.000	0.590	0.000	0.590	0.586
Development Management Shortfall of £0.6m in Pre Planning Application and Planning fees income.	0.349	0.613	(0.068)	0.545	0.545
Senior Management & Support Team Favourable variance in staffing costs and through holding departmental training budget to mitigate service pressure across the department.	1.283	(0.017)	0.000	(0.017)	(0.055)

Place	Net Budget (£m)	Gross Forecast Variance Q3 (£m)	Flexible Use of Capital Receipts (£m)	Net Forecast Variance Q3 (£m)	Net Forecast Variance Q2 (£m)
Culture Services £0.4m forecast pressure relates to delayed implementation of new management of Millfield centre and security costs.	0.838	0.369	0.000	0.369	0.134
Highways Contract inflation accounts for £58k of the overspend, £60k due to delayed implementation of restructure and a further 60k in reduced income forecasts.	1.575	0.197	0.000	0.197	0.197
Street Lighting Through application of contract management, default deductions have been applied resulting in one off benefit for 2022/23.	2.959	(0.100)	0.000	(0.100)	(0.100)
Traffic & Transportation The forecast variance is due to additional Traffic Order income.	(0.707)	(0.182)	0.000	(0.182)	(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: • Impact of the pandemic and the reduction in travel • The increase in working from home and the reduction in travel	(6.994)	1.461	0.000	1.461	0.493

Place	Net Budget (£m)	Gross Forecast Variance Q3 (£m)	Flexible Use of Capital Receipts (£m)	Net Forecast Variance Q3 (£m)	Net Forecast Variance Q2 (£m)
• Changing consumer habits and increased on line shopping rather than coming into Town Centres. Gross pressure is £2.3m, with £0.680m applied to Covid-19 reserve.					
Regulatory Services	2.066	0.000	0.000	0.000	0.101
Cemeteries New extension has been completed and income profile for Burial Chambers and mausolea will need to be reprofiled.	(1.737)	0.140	0.000	0.140	0.275
Waste Services The forecast overspend is a result of increased fuel prices and additional opening hours of Barrowell Green.	8.393	0.433	0.000	0.433	0.315
Street Scene £79k is due to the increasing cost of fuel, whilst additional activity undertaken in Meridian Water, fly tips, extra litter bin clearances and flat above shops ads a further £0.4m which have been partly mitigated by operational efficiencies.	5.741	0.310	0.000	0.310	0.218
Parks Operations £47k relates to the increasing cost of fuel. Whilst £0.169m was a result of break ins at Trent Park. A further 49k is from the	3.378	0.167	0.000	0.167	0.215

Place	Net Budget (£m)	Gross Forecast Variance Q3 (£m)	Flexible Use of Capital Receipts (£m)	Net Forecast Variance Q3 (£m)	Net Forecast Variance Q2 (£m)
recycling bin installations and big belly bins in the Town park.					
Parks Activities & Events The forecast overspend is a result of loss of income e.g. events at Trent Park, sports pitch booking and allotments.	(0.338)	0.195	0.000	0.195	0.148
Passenger Transport Service The over spend is due to increasing cost of fuel and contract inflation.	11.415	0.637	0.000	0.637	0.745
Strategic Property Services The favourable variance of £0.4m is due to increased rental receipts from the Montagu Industrial Estates and one off income from Holy Hill landscaping.	(2.792)	(0.377)	0.000	(0.377)	(0.220)
Housing The TA monitor for November shows an overspend of C.£4.0m.	5.774	4.000	0.000	4.000	2.500
No Recourse to Public Funds (NRPF) 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 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	0.905	0.240	0.000	0.240	0.240

Place	Net Budget (£m)	Gross Forecast Variance Q3 (£m)	Flexible Use of Capital Receipts (£m)	Net Forecast Variance Q3 (£m)	Net Forecast Variance Q2 (£m)
Enfield would show a full year effect increased charge of circa £110k.					
Other minor variances	4.376	0.550	0.000	0.550	0.100
Place Department Total	**36.484**	**9.226**	**(0.068)**	**9.158**	**6.312**

Return to Place Narrative

Appendix E

Resources Additional Information & Variances

Resources	**Net Budget (£m)**	**Gross Forecast Variance Q3 (£m)**	**Flexible Use of Capital Receipts (£m)**	**Net Forecast Variance Q3 (£m)**	**Net Forecast Variance Q2 (£m)**
Finance 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.	3.995	0.452	0.000	0.452	0.448
Digital Services 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 (£230k) 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. 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 (£530k) and new service functionality requests (£170k).	12.909	2.177	(0.550)	1.627	1.935

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.					
Customer Experience Delays in delivering savings in Financial Assessment team are contributing to a £0.100m forecast overspend. Offset by other service efficiencies most notably in Customer Operations (£66k) and additional controls on contract expenditure in Income Collection.	9.196	0.250	(0.200)	0.050	0.199
Transformation 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.	0.108	0.900	(0.900)	0.000	0.000
Other variances	3.544	0.409	(0.098)	0.311	0.547
Resources Department Total	**29.752**	**4.188**	**(1.748)**	**2.440**	**3.129**

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	0.473	0.000
CEX: Communications Officer & Marketing	0.031	0.000
Chief Executive Total	**0.504**	**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 fixed term posts	1.258	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.	0.413	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	2.845	0.000
Children & Families Total	**4.737**	**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
Planning	0.195	0.000
Waste services	0.143	0.000
Street Scene	0.031	0.000
Covid Marshals & Locally Supported contact tracing	0.014	0.000
Parking Services	0.000	0.680
Highways Services	0.000	0.086
Strategic Property Services	0.000	0.063
Culture services	0.000	0.345
Regulatory Services	0.000	0.054
Commercial Waste	0.000	0.098

Place Total	**1.397**	**1.326**
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	0.626	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	0.302
Other Resources services loss of income e.g., libraries, recharges	0.000	0.150
Resources Total	**1.605**	**0.452**
Central Items		
Underspend on Concessionary Fares	**(1.508)**	
Covid-19 Total	**8.015**	**1.778**

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	0.044	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.
Resources		
Digital Services IT	0.550	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.
Income Collection	0.200	Increased income collection through Analyse Local
Transformation	0.998	The Transformation Service manages a diverse Portfolio of Programmes: Payments, Children's Transformation, Build the Change, Customer Experience.
Place		
Planning Commercial and Customer Manager	0.068	
Total	**2.604**	

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	(2.723)	0.782	0.000	0.500	(1.450)
Green	(0.510)	(0.080)	(1.467)	(0.750)	0.000	(2.807)
Amber	0.000	0.000	(0.567)	(0.130)	0.000	(0.697)
Red	0.000	(0.300)	(2.337)	(0.400)	0.000	(3.037)
Total	(0.510)	(3.112)	(3.589)	(1.280)	0.500	(7.991)

Return to Achievement of Savings Narrative

Appendix I

Savings & Income Monitor

Department	Directorate	FYE/New 2022/23	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2022/23 £'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	Legal Team Capitalisation	3.0	(50)
CEX	CEX	New	Savings	Service Review: Organisational Development	3.5	(260)

Department	Directorate	FYE/New 2022/23	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2022/23 £'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 2022/23 £'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	Reduced Unaccompanied Asylum Seeking Children (UASC) activity & increased grant level	0.0	(109)
People	C&F	New	Savings	Review of alternative funding streams for Education services	1.5	(80)
People	C&F	New	Savings	Service Efficiencies	10.5	(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	Description	Risk Score	Budget Impact 2022/23 £'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	Review of recharging of Place back office costs	0.0	(500)
Place	Place	New	Income	Commercial waste	0.0	(100)
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 Effect	Income	Building Control Plan Drawing Service	1.5	(20)
Department	Directorate	FYE/New	Savings or	Description	Risk Score	Budget

Department	Directorate	FYE/New 2022/23	Savings or Income	Description	Risk Score	Budget Impact 2022/23 £'000
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	Service Review: Economic Development	2.5	(210)
Place	Place	New	Income	Increased Temporary Accommodation rents aligned to Local Housing Allowance (LHA) rates for new tenants from 1st April 2022	2.5	(200)
Place	Place	Full Year Effect	Income	Cemeteries Mausoleum and Vaulted graves sales - Southgate Cemetery	4.5	(31)
Place	Place	Full Year Effect	Income	Edmonton Cemetery Expansion - sales of mausolea and vaulted graves	4.5	(6)
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	New	Income	Economic Development - income and grants	4.5	(50)
Place	Place	New	Savings	Corporate Maintenance Facilities Management Operational Efficiency (Security, Cleaning, Staffing)	5.0	(100)
Place	Place	Full Year Effect	Savings	Homelessness Service Review	7.5	(125)
Place	Place	New	Income	Garden Waste Income	7.5	(150)
Place	Place	New	Income	Traffic Control Measures	10.0	(1,750)
Place	Place	New	Savings	Housing NRPF - reduced demand for service	10.5	(300)

		2022/23	Income			Impact 2022/23 £'000
Place	Place	New	Savings	Strategy to reduce Temporary Accommodation costs	10.5	(287)
Place	Place	New	Savings	Measures to address SEN Transport spend	2.5	(189)

Department	Directorate	FYE/New 2022/23	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2022/23 £'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)
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)

Department	Directorate	FYE/New 2022/23	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2022/23 £'000
Resources	Resources	New	Savings	Out of hours service: review existing service users, reduce service and reduce costs	4.5	(30)
Resources	Resources	New	Savings	Internal Enforcement	7.5	(100)
Resources	Resources	Full Year Effect	Savings	Procurement saving resulting from replacing our digital customer platform	10.5	(400)

Return to Achievement of Savings Narrative

Dedicated Schools Grant Additional Information & Variances

For 2022/23 Enfield received a final, gross Dedicated Schools Grant allocation of £381m (as at March 2022) and the funding is allocated across four blocks; £285.5m for the Schools Block, £2.5m for the Central Schools Services Block, £25m for the Early Years Block and £68m for the High Needs Block.

In 2021/22 there was a bought forward DSG deficit of £8m but due to ongoing High Needs pressures there was a net in year overspend of £4.6m resulting in a cumulative outturn deficit of £12.6m which was bought forward to 2022/23.

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.

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.

Dedicated Schools Grant	**Forecast Variance Q3 (£m)**
Early Years Block	(0.105)
Schools and Central Services Blocks - Increased PFI contract costs and backdated charges with effect September 2022.	0.361
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.	2.246
DSG Total	**2.483**

Return to DSG Narrative

London Borough of Enfield

Cabinet

8 February 2023

Subject: Capital Programme Monitor Month 8 (November) 2022/23
Cabinet Member: Councillor Tim Leaver, Finance & Procurement
Executive Director: Fay Hammond, Executive Director Resources

Key Decision: KD5500

Purpose of Report

1. The purpose of this report is to update Members on the forecast capital spend for 2022/23. It considers actual spend incurred up to Month 8 (21 November) and latest spend projections from budget holders.

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

    a. The 2022/23 forecast spend of £262.7m against a budget of £486.4m, which is a forecast variance to budget of 54% across the programme. This reflects strategic and fiscally responsible decisions taken by the Council to manage delivery of and to ensure continued value for money of its capital programme in response to inflationary pressures, increases in the cost of borrowing and current market conditions, as described in this report.

    b. Actual spend of £88.5m (excluding salaries which are to be processed in December) has been incurred to date. Unspent forecast budget at year end will no longer be automatically carried forward into 2023/24.

Reason for Proposal(s)

4. A strong financial management framework, including Member overview and scrutiny of the capital programme, 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 and pressures on revenue budgets.

Executive Summary

5. 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. Consumer Price Index (CPI) inflation increased to 11.1% in October from 10.1% in September and is forecast to increase further before reducing in later years. Overall construction inflation is significantly higher.

6. This means that all business cases for projects relying on borrowing are being refreshed to ensure that they continue to be affordable and demonstrate value for money.

7. The approved capital programme budget for 2022/23 was £486.4m (as approved by Council as part of the 2021/22 outturn report). Subsequent growth of £7.9m is included in the programme (summarised in table 3). Capital budget of (£48.0) has been removed from the programme (summarised in table 4).

8. As a result, Month 8 (November) forecast full year outturn is now £262.7m, compared with approved budget of £486.4m (a variance of £223.7m). This consists of £231.0m for the General Fund (excluding companies), £107.4m for the Housing Revenue Account (HRA) and £31.7m loan drawdown for Enfield Companies as shown in table 1.

9. These adjustments mean the Council is forecast to borrow £104.1m less than budgeted in 2022/23. This will help mitigate the impact of recent increases in interest rates on the cost of council borrowing in 2022/23 (2.5% assumed in budget, increased to 5% at Q2).

10. The capital schemes with largest variances to budget are:

    a. Meridian Water – (£93.5m)
    b. Housing Gateway Ltd – (£34.2m) variance to loan drawdown
    c. HRA – (£26.8m)
    d. Property & Economy – (£23.3m)
    e. Education – (£20.5m)

Background

11. On 24th Feb 2022, Council approved the 2022/23 capital programme and noted the 2023/24 - 2031/32 10 Year Programme (KD5353), which included the Housing Revenue Account (HRA) budgets.

12. 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.

13. This is the final capital budget monitoring report of 2022/23. It is based on the forecast full year outturn as at Month 8 (November). Month 8 (M8) full year forecast outturns are based on programme managers' estimation of actual spend during 2022/23. In making these assessments, programme managers are asked to consider the extent of actual spend incurred and committed to date.

Capital programme monitoring - overview

14. This report focusses on how the actual programme delivery compares to what was forecast to be delivered in the 2022/23 capital budget of £486.4m. It includes an update on project status and emerging risks for key projects within the capital programme.

15. Month 8 (M8) full year forecast spend is £262.7m (was £302.8m at Q2). This is a result of detailed review of capital budget estimates by budget holders in December. This review was informed by actual spend invoiced to Month 8 and an understanding of the value of outstanding commitments placed. Significant changes to Q2 forecast outturn include:

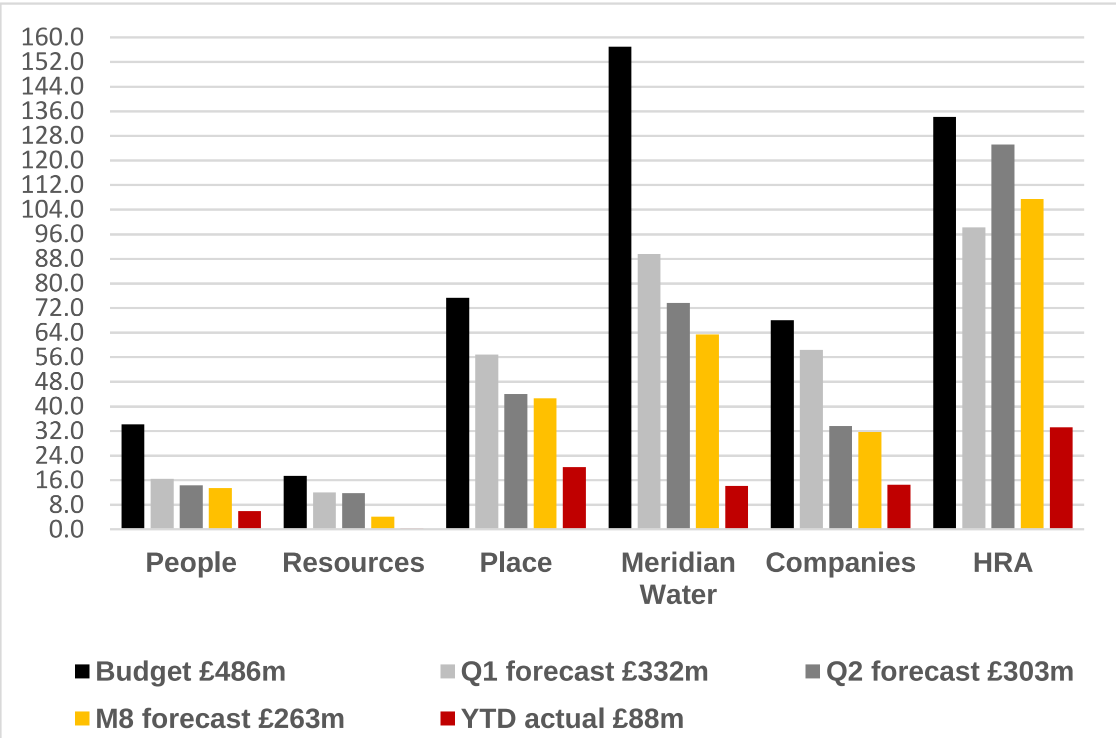
    a. Net £10.3m change on Meridian Water - includes budget reduction of £14.9m quantified in period 8 (as explained in table 4 of this report),

    b. Net £17.8m change in HRA (as detailed in separate HRA report KD5501) and

    c. Net £7.6m on IT investment – request to carry forward further £7.6m budget into later years.

16. Any unspent budget at year end will no longer be automatically carried forward into 2023/24

17. Figure 1 below provides a visual summary of the capital budget, forecast outturn and actual spend (to 30 November) by directorate. Actual spend of £88.6m excludes salaries and overhead recharges from revenue to capital.



18. Table 1 and table 2 below summarise the original budget and forecast outturn capital spend and financing for 2022/23. Details on project status, outcomes and emerging risks and issues for major schemes are provided in later sections of this report.

Table 1 – Month 8 (November) capital programme forecast full year spend

Capital budget by directorate	2022/23 budget £m	Q2 forecast £m	Month 8 forecast £m	budget variance £m	forecast to budget %
Resources	17.5	11.7	4.1	(13.3)	24%
People	34.4	14.5	13.5	(20.9)	39%
Place	75.4	44.0	42.6	(32.8)	56%
Meridian Water	157.0	73.7	63.5	(93.5)	40%
General fund (excluding companies)	**284.2**	**144.0**	**123.6**	**(160.6)**	**43%**
HRA	134.2	125.1	107.4	(26.8)	80%
HRA	**134.2**	**125.1**	**107.4**	**(26.8)**	**80%**
Capital programme (excluding companies)	**418.4**	**269.1**	**231.1**	**(187.3)**	**55%**
Energetik	21.7	21.6	19.7	(2.0)	91%
Housing Gateway Ltd	46.3	12.0	12.0	(34.2)	26%
Companies	**68.0**	**33.6**	**31.7**	**(36.2)**	**47%**
Total capital programme	**486.4**	**302.8**	**262.7**	**(223.7)**	**54%**

Table 2 – Month 8 (November) capital programme forecast full year funding

Capital funding	2022/23 budget £m	Q2 forecast £m	Month 8 forecast £m	budget variance £m	forecast to budget %
Borrowing	254.7	169.1	150.6	(104.1)	59%
Capital grants	172.9	79.2	56.3	(116.6)	33%
Usable capital receipts	26.4	28.5	29.1	2.7	110%
HRA: earmarked reserves	21.6	12.8	13.4	(8.2)	62%
HRA: Major repairs allowance	8.0	11.3	11.3	3.3	141%
S106 & CIL	2.3	1.9	2.0	(0.3)	87%
Revenue contributions	0.5	0.0	0.1	(0.4)	20%
Total capital funding	**486.4**	**302.8**	**262.7**	**(223.7)**	**54%**

Capital budget adjustments

19. Actual programme delivery against the 2022/23 capital budget has changed to reflect growth and reductions during the year as well as proposed reprofiling of capital budgets no longer required to support programme delivery in 2022/23.

20. During the year, the capital programme budget of £486.4m has been adjusted for £7.9m growth (table 3), reductions in budgets of (£47.2m) (table 4) and requests to carry forward budget (subject to Council approval in February 2023) of (£184.4m).

21. **Growth in the capital programme £7.9m**

22. Table 3 summarises growth in the capital programme. Of this £5.8m is grant funded (new grant funded projects and confirmation of in-year grant/s106 allocations) and £2.2m growth is funded from additional borrowing.

Table 3 – growth in the capital programme

	£m	Description
Genotin Road	1.3	KD4567/KD5464 - correction to programme
Strategic property acquisition	0.9	KD5271 – acquisition of property adjacent to council owned land
Total borrowing funded growth	**2.2**	
Bush Hill Park School	0.2	KD5443 – kitchen rebuild (grant funded)
Eversley Primary School	0.3	boiler replacement (grant)
Digital Infrastructure	0.2	KD5456 – ducting and fibre network (grant funded)
Enfield to Broxbourne Cycle route	2.2	KD5424 - New project (grant funded)
DFG Housing adaptations	0.3	DFG confirmation – increase budget (grant funded)
TfL Traffic & Transportation	0.4	TfL confirmation of in-year grant
Watercourses	0.7	Grant / s106 In-year grant / s106 confirmed
Flood alleviation	0.4	Grant / s106 In-year grant / s106 confirmed
TfL Healthy Streets	1.0	Bowes, Fox QN, new schemes TFL grant
Waste & Recycling collections	0.1	KD4810 – funded capital receipt in 22/23. Further 10 years £0.1m annual budget funded from prudential borrowing
Total grant / other funded growth	**5.8**	
Total growth in programme	**7.9**	

23. **Reductions in the capital programme (£47.2m)**

24. The Council has reviewed its capital programme in response to difficulties posed by current market conditions and recent increases in borrowing costs. This has resulted in the removal of £47.2m budget from the 2022/23 capital programme, of which £38.0m was planned to be funded from borrowing. Grant funded reductions are adjustments to indicative grant funding estimates assumed at budget setting.

Table 4 – reductions in the capital programme

	£m	Description
Meridian Water	(14.9)	Reduced consultancy and staff spend, Meridian Four RIBA stage 3 and 4 works no longer progressing
Land investment	(7.5)	scheme no longer progressing
Build the Change	(6.9)	Programme revision – works restricted to Children's & Families Services hub and phase 1b works at the Civic Centre
Corporate property investment programme	(3.1)	Programme reprioritised - works restricted to essential health & safety works and smaller projects
Vehicle replacement programme	(2.2)	Supply chain issues resulting in increased lead in times. Rolling annual budget in future years
Corporate condition programme	(1.5)	Programme prioritised and removal of indicative budget envelope
Tottenham Park cemetery	(0.5)	Scheme on hold
Empty properties	(0.4)	EMT review -removal of indicative budget
Extensions to foster carers' homes	(0.3)	lower than expected programme uptake
Journey & Places – Angel Edmonton	(0.3)	EMT review - removal of indicative budget
Town centre regeneration	(0.2)	reduced project scope
Electric Quarter – SBSS	(0.2)	reduced spend to minimum pending revised business case
Broomfield tennis courts	(0.2)	project complete
Total borrowing funded reductions	**(38.0)**	
Schools maintenance	(1.3)	Schemes completed – funded from grant
Journey & Places – TfL	(6.9)	Removal of indicative budget
Traffic & Transportation – TfL	(0.9)	Removal of indicative and b/fwd budgets from 21/22
Alley Gating	(0.1)	Service to be reduced in scope and funded from revenue budget
Total grant & other funded reduction	**(9.2)**	
Total reductions in programme	**(47.2)**	

25. **Approvals to spend capital budgets**

26. The Council's financial regulations require all projects to obtain approval to spend (i.e. a detailed review of the business case). This is separate to Council approval of the overall budget envelope. Approval to spend must be secured in advance of spend being incurred. By Month 8, all 20222/23 capital budgets had received formal approval to spend.

27. **Financial risks**

28. 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 calendar year with energy and fuel prices contributing half of that amount. Consumer Price Index (CPI) currently stands at 11.1%, 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.

29. These factors have already had a direct impact on the Council's current capital programme. For example, the Meridian Water and Montagu financial models are being updated, and Meridian Water and Build the Change programme budgets have been significantly reduced to ensure they continue to represent value for money. The HRA is also considering alternative approaches for the delivery of new homes.

30. Where projects have been paused there is a risk that the Council continues to incur project overheads, which may have to be charged to revenue budgets or managed within existing budgets.

31. There is inherent risk that, where projects are descoped or revised in response to escalating costs, approved outcomes are not achieved to the same extent as planned.

32. As well as ensuring that grant conditions are complied with, there is an underlying risk of grant being withheld or clawed back should outcomes not be achieved. For example, to date Meridian Water has claimed £22.2m of HIF grant funding, which is linked to achievement of milestones and housing output. There are similar risks in relation to Salix funded works in the programme. Salix grant funding can only be applied to eligible spend committed in advance of 30 June 2022.

33. Delays in capital programme delivery will also potentially impact on delivery of revenue income currently assumed within the Medium Term Financial Plan (MTFP).

34. At £150.6m, around 59% of the in-year capital programme is expected to be funded from prudential borrowing. The Council must ensure sufficient annual revenue provision is made for the repayment of this debt (including interest) during this period of volatility. On 3 November 2022 the Bank of England increased its base rate to 3.0% (for context it was 0.1% in March 2020), with the next review on 15 December 2022. Corresponding increases in gilt yields have also resulted in a rise in Public Works Lending Board (PWLB) borrowing rates. There is considerable volatility in interest rates, which have an acute impact on the revenue financing costs of borrowing undertaken to deliver the capital programme.

35. This risk also extends to the cost of refinancing historic debt taken out as historic loans mature.

36. There is a need to ensure clear oversight of budget spend is maintained by all budget holders – in particular where works are delivered by other service areas on behalf of budget holders.

2022/23 Capital programme – status, risks, outcomes and variances

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

38. **Resources**

Table 5 – Resources Month 8 (November) forecast full year spend

	2022/23 Budget £m	Month 8 forecast £m	Variance to budget £m
IT Investment	17.1	3.7	(13.3)
Libraries	0.1	0.1	0.0
Community Hubs	0.3	0.3	0.0
Resources	**17.5**	**4.1**	**(13.3)**

Programme status and expected outcomes

39. The 2022/23 programme of work continues to complete delivery of new digital infrastructure and application replacement to deliver the council's digital strategy of ensuring technology delivers for the customer – by improving internet connection and ensuring that customers can self-serve using modern systems. Key projects being delivered include the enhancement of council's new website and portal, continuing to upgrade its network, replacement of recruitment and asset management systems and rationalising its communication systems.

Month 8 (November) forecast variance to budget

40. As referenced in Q2 capital budget monitoring report, planned spend in 22/23 has been reprofiled to reflect challenges with delivery. These range from supply chain issues with delivering hardware through to resourcing challenges in the recruitment market, where demand exceeds supply. Since Q2, a further review of the portfolio has been undertaken (as requested by the Council's Executive Management Team) to both re-prioritise what the programme will deliver and to reassess delivery timescales (portfolio report KD5573). As a result some programmes are no longer expected to commence delivery this financial year.

41. **People**

Table 6 – People Month 8 (November) forecast full year spend

	2022/23 budget £m	Month 8 forecast £m	Variance to budget £m
Schools Maintenance	13.7	4.8	(8.8)
Strategic Schools Places Programme	19.9	8.2	(11.7)
Children & Families	0.8	0.5	(0.3)
People	**34.4**	**13.3**	**(20.9)**

Programme status and expected outcomes

42. Strategic school expansion programme – the programme is funded from a combination of DfE Basic Need Grant and High Needs Capital Grant. Aylands School rebuild (to provide additional 70 SEND school places) is expected to complete in February. Winchmore 6th form building project is in the process of being retendered because of inflationary cost increases (capital budget proposed to be reprofiled to 2023/24). MUGA works at the school are expected to complete by July 2023. Minchenden Autistic Provision works have completed within budget. The budget underspend will be used to fund works at Highfield Primary School. Swan Centre remodelling works are in detailed design phase, with pre-tender report expected late November.

43. Schools maintenance programme - This programme is entirely funded from DfE school condition grant and consists of various schemes across the school estate. De Bohun Primary - phases 1 & 2 are now complete and are in defects liability stage, with remaining work planned to be completed this financial year. Enfield County works are at various stages of procurement / construction process. Bush Hill Park School kitchen - £1.1m overall budget approved. Works have started and are due to complete in May. £0.5m of the overall £1.1m approved budget is expected to be spent this year.

44. Mental Health & Wellbeing – site options have been proposed and preferred site identified. Around £10k has so far been spent on feasibility works, funded from Better Care Fund revenue grant allocation.

45. Children & Families – New Youth Bus has been procured and became operational in November, to better engage with young people in the most socially deprived wards. £0.2m spend forecast on community safety CCTV investment. Extensions to foster carers' homes – one property has received planning permission.

Month 8 (November) forecast variance to budget

46. The main reason for the underspend is the re-alignment of the schools' capital programme budgets in line with revised delivery timescales. This is a response to market (inflationary) pressures and supply chain issues. £19.7m capital is proposed to be reprofiled into later years, including £8.0m of schools programme grant funded contingency.

47. Extensions to foster carers' homes in year budget is reduced by £0.3m, which reflects lower than anticipated take up of the programme.

48. **Place**

49. The Council approved £75.4m capital spend in 2022/23 within the Place directorate. Month 8 projection of full year spend is £42.7m (57% of approved budget).

Table 7 – Place Month 8 (November) forecast full year spend

	2022/23 budget £m	Month 8 forecast £m	Variance to budget £m
Environment & Operations	28.4	20.3	(8.6)
Property & Economy	44.1	20.2	(23.3)
Housing & Regeneration	2.9	2.2	(0.8)
Place	**75.4**	**42.7**	**(32.7)**

50. **Environment and Operations**

Programme status and expected outcomes

51. Highways & Street Scene - The £8.9m forecast programme has been impacted by cost inflationary pressures, which has resulted in some planned schemes being pushed to later years. To date around 12.87km of carriageways have either been resurfaced or subject to surface treatment. Some planned resurfacing has been delayed to later years because of cost inflation. To the end of October 10,051 planned defects works have been completed. This compares with full year target of 18,000 repairs. Cost increases may require some schemes in the carriageway and footway programmes to be re-profiled into 2023/24. Various footway renewal schemes have been completed and the programme is ongoing. Inflationary pressures have seen schedule of rates increase by up to 19%. As at Month 8 £3.7m spend has been incurred (excluding capitalised salaries expected to be processed in December), and commitments of £3.3m are outstanding (some of these will not be fulfilled until 2023/24).

52. Grant funded growth of £0.2m is included within Highways & Street Scene for the delivery of up to 7km of new ducting and fibre network in the east of the borough. This will improve the availability of high-quality broadband and fibre to Council premises. The project is funded from £1.0m Local London grant. Of this, £0.2m is expected to be spent this financial year.

53. Journey & Places – The Journey & Places programme receives external grant funding from a range of sources, which must be spent in accordance with grant conditions. The forecast 2022/23 capital programme has been adjusted for TfL grant awarded in late September and is now £5.6m. Of this budget, £2.2m has been spent to date, with further commitments of £1.1m outstanding. In line with funding conditions, TfL funded budget is expected to be fully utilised in 2022/23. The overall programme is on track for successful delivery this financial year, delivering a range of challenging projects. Two major projects (Ponders End High Street and North Middlesex Hospital active travel route) are due for completion in Q3. Enfield Town to Broxbourne walking & cycling route benefits from £2.3m funding from National Highways – £1.1m of this is expected to be spent next year, subject to confirmation from grant provider. Additional investment in the delivery of 10 School Streets (funded from TfL grant, s106 contributions and borrowing) are on course to be completed by March 23. The 2022/23 Journey & Places programme is funded £4.7m grants, CIL and s106 contributions, £0.1m revenue grant and £0.8m borrowing (predominantly for school streets).

54. Vehicle Replacement Programme - £2.2m forecast spend this financial year, of which £1.7m has been spent to date. A further £0.6m of orders have been placed. Because of significant lead in times, some of these orders will be fulfilled in 2023/24. The Council continues to evaluate outright purchase v hire / lease option in advance of placing an order for each vehicle. 96 vehicles were due to be replaced in 2022/23. Of these 63 have been replaced, with orders placed for a further 12. The remaining 21 vehicles have not been ordered yet due to lack of availability with manufacturers.

55. Flood Alleviation – A £2.0m flood alleviation programme (including £1.2m watercourses) is forecast for delivery in 2022/23. Watercourses projects include investment in Durants Park, Oakthorpe School, Oakwood Park, New River Loop, Wilbury, Boundary Park and various other smaller schemes. The overall watercourses programme benefits from significant levels of external grant funding, s106 and CIL third party contributions, with £0.5m of borrowing. £0.5m spend to date on watercourses, with a further £0.5m committed at Period 8. Full year forecast includes £0.8m for flood alleviation works on Turkey Brooks, Haslebury Neighbourhood Improvements works (which are substantially complete) and the Enfield Chase Restoration Project. Works are well underway at these locations (£0.4m of full year forecast spent to date). Enfield Chase tree planting is expected to be undertaken in the tree planting season over the winter.

56. Cemeteries and natural burial ground - £0.7m programme. The build phase of the Edmonton Cemetery project is now complete and consists of 144 mausolea, 200 vaulted chambers, and 144 cremation niches, providing capacity for 544 burials. Landscaping works are completed as are repairs to the skate park. £0.6m full year forecast spend on Edmonton Cemetery, of which £0.1m residual unspent at Period 8. The scheme is expected to be delivered within approved funding. £0.1m full year forecast spend on design for natural burial ground at Sloemans Farm.

57. Waste operations - £0.4m full year forecast spend including £0.3m to expand MoT facility in the workshop and to install infrastructure for electric vehicles. Works commenced in the second half of this year and are expected to complete by the end of the financial year. No spend has been committed to date on the potential expansion of the trade waste service, which is still at early planning stage and will require a full financial viability assessment.

Month 8 (November) forecast variance to budget

58. The main reasons for the (£8.6m) forecast underspend to budget are

    a. Net (£5.5m) adjustments to the Journey & Places and Traffic & Transportation programmes, in line with TfL and National Highways funding confirmations.

    b. (£2.2m) reduction in vehicle replacement programme and requested carry forward of (£1.1m) budget to 2023/24 because of significant additional lead in times for the purchase of vehicles.

    c. (£0.5m) requested carry forward of expansion of trade waste services budget, subject to completion of viable business case.

d. Grant funded growth of £0.2m for new scheme to install fibre ducting

e. (£0.5m) removal of Tottenham Park cemetery budget

f. £1.4m growth in flood alleviation budgets, funded from £0.9m additional external grant, s106 and CIL and £0.5m borrowing for watercourses

59. **Property & Economy**

Programme status and expected outcomes

60. Build the change £7.5m full year forecast includes investment at Children's & Family Services Hub at Thomas Hardy house (now complete) and additional investment in Phase 1b at the Civic Centre. The overall programme budget is reduced to £7.5m in 2022/23 and £19.0m for future years. Work is ongoing to accurately profile future years spend.

a. Civic Centre – phase 1b to complete works for business area and new Members' offices.

b. Children's & Family Services hub – (Thomas Hardy House) works completed in December 2022, with all in-year capital budget utilised.

61. Montagu Industrial estate. £0.9m forecast full year spend for site acquisitions, with anticipated spend in Q4.

62. Corporate Property Investment Programme – programme has been prioritised. Residual £0.5m forecast 2022/23 spend is earmarked to surveys, security works, essential health & safety works and smaller projects across the estate.

63. Corporate Property Condition Programme – £3.5m full year forecast at Period 8. Planned works include car park works (including ANPR, and infrastructure and install of EV points), upgrade works to accessible toilets in parks across the Borough, works to support the Public Sector Decarbonisation Scheme (PSDS) project at various corporate properties, and essential health & safety works across multiple buildings.

64. Genotin Road - The building is complete and operational with final payments to be made this financial year, expected to be around £0.5m.

65. Electric Quarter – The Council continues to forecast £0.5m of CPO payments by the end of the year. The need for potential additional capital budget in 2023/24 for claims awaiting settlement agreement will be reviewed as part of development of the new 10 year capital programme. Ponders End library works substantially complete. Secondary Behavioural Support Services (SBSS) relocation from John Wilkes House is at early design stage. Forecast spend reduced to £50k to cover design work only. A revised business case is required prior to progressing with the construction phase of the scheme, to be considered as part of development of new 10 year capital programme.

66. Energy Decarbonisation (RE:FIT) - £1.3m forecast spend for solar panels, heat pumps, windows and roof lights installed at 3 schools and some corporate buildings. The Council benefits from Salix grant funding to finance any eligible

spend incurred before 30 June 2022. Financial Services is working with the service unit to ensure all eligible spend is funded from Salix grant funding, to minimise the risk of repayment of unused grant and potential funding shortfall.

67. Dugdale Centre renovation works have completed, and the centre is open. £1.5m capital budget is currently approved. Additional capital budget may potentially be required, subject to final cost reports and identification of appropriate funding sources.

68. Town Centre Regeneration - forecast spend includes completion of Angel Edmonton works, including the Living Room Library, Affordable Workspace, School Street, and Public Realm. Budget for Town Centre Taskforce improvements has been reduced by £0.2m.

Month 8 (November) forecast variance to budget

69. Property & Economy is now forecasting full year spend of £20.2m (£43.6m budget). The primary reasons for the underspend this year are

    a. the removal of £7.5m budget approved for the strategic acquisition of land no longer progressing. Separately budget of £0.9m was approved for different property acquisition.

    b. reduction of £6.9m Build the Change budget

    c. removal of £1.5m indicative budget envelope for Corporate Condition Programme

    d. reduction of £0.2m Electric Quarter, reflecting suspension of works on Secondary Behavioural Support Services unit

    e. reduction of £0.2m on Town Centre Taskforce budget

    f. £5.7m budget for Montagu Industrial Estate is proposed to be carried forward to 2023/24 whilst financial modelling on programme costs is undertaken.

Housing & Regeneration (General Fund)

Programme status and expected outcomes

70. Month 8 full year forecast includes £2.0m home adaptations to enable residents to live safely and independently within their own homes for as long as possible. These works are funded from Disabled Facilities Grant, part of the Council's annual Better Care Fund grant allocation, approved by Cabinet in October 2022 – £1.0m of this forecast has been spent to date, with a further £0.7m adaptation work committed. The DFG will also fund the costs of staff employed to administer the scheme.

71. Full year forecast also includes £0.2m spend on grants to property owners to bring empty properties back into use, on condition that property owners agree to lease the property to the Council for use as temporary accommodation.

Month 8 (November) forecast variance to budget

72. The main reasons for the forecast underspend to budget are the reduction of the Empty Homes (Vacant Property review) budget by (£0.3m), as part of the ongoing Executive Management Team (EMT) in year capital programme review.

73. £0.3m increase in DFG adaptation budget to reflect grant funding confirmed as part of the 2022/23 Better Care Fund allocation (KD5462 October 2022). Of this (£0.7m) DFG grant funded budget has been carried forward into 2023/24, partly because of supply chain issues across the market, with equipment manufacturers experiencing significantly extended lead in times for products.

74. **Meridian Water**

Table 8 – Meridian Water Month 8 (November) forecast full year spend

	2022/23 budget £m	**Month 8 forecast £m**	**Variance to budget £m**
Meridian One	21.2	18.9	(2.3)
Meridian Two	3.0	3.0	0.0
Meridian Three	0.4	0.1	(0.3)
Meridian Phase 2 Development	1.9	1.7	(0.2)
Meridian Four	12.2	0.9	(11.3)
Meridian Five	0.1	0.0	(0.1)
Meridian Seven	0.1	0.1	0.0
Meridian Eight	0.1	0.0	(0.1)
Meridian Nine	0.1	0.0	(0.1)
Meridian Ten	0.5	0.5	0.0
Meridian Eleven	0.0	0.1	0.1
Meridian Water Scheme-wide	35.7	24.2	(11.5)
Meridian Water HIF	81.7	14.1	(67.6)
Meridian Water	**157.0**	**63.5**	**(93.5)**

Programme status and expected outcomes

75. 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. Delivery of the skills academy
f. Demolition and refurbishment of F-block to bring the site into meanwhile use by December;

g. Continued work on the master plan including vision document and infrastructure plan, meeting planning requirements, discharging conditions.

Month 8 (November) forecast variance to budget

76. **Meridian Water scheme-wide**

Due to the current budgetary pressures on the council and challenging scheme viability there has been a reduction in non - essential spend, reduced reliance on consultants as well as a reduction in staffing cost (ongoing staff vacancies) which has contributed to a scheme wide underspend.

77. **Meridian One**

The forecast has been adjusted for reduced payments to HRA as a result of programme delays to Meridian 1A. The variance in budget will be carried forward into 2023/24.

78. **Meridian Water HIF**

Due to significant budget pressure the construction start date has been delayed to early 2023, whilst additional funding is confirmed with DLUHC (decision expected March 2023). Variance in 2022/23 grant funded budget is proposed to be carried forward to later years.

79. **Meridian Four**

Meridian 4 continues to consider alternative delivery options following unprecedented cost inflation. Royal Institute of British Architects (RIBA) stage 3 and 4 works will no longer progress in 2022/23. Budget has been removed from the programme.

80. **Companies**

Table 9 – Companies Month 8 (November) forecast full year spend

	2022/23 budget £m	**Month 8 Forecast £m**	**Variance to budget £m**
Energetik	21.7	19.7	(2.0)
Housing Gateway Ltd	46.3	12.0	(34.2)
Companies	**68.0**	**31.7**	**(36.2)**

Programme status and expected outcomes

81. **Energetik** has an approved budget of £21.7m, consisting of £21.0m Tranche 1, 2 and 3 loans, £450k GLA retrofit grant and £240k s106 contributions. The company is currently forecasting it will draw down £19.7m of this budget this year.

82. Activity will continue during 2022/23 in the following areas:

- Meridian Water energy centre build and plant installation (target completion May 23)
- Continue with installation of phase 1 network to Meridian Water and inside the estate
- Design of Meridian Water western extension and application for planning permission
- Procurement of contractor for Meridian Water wester extension Phase 2
- Start build for Meridian Water northern extension sections A1 and A2

83. **Housing Gateway Ltd (HGL)** has an overall approved 2022/23 budget of £46.3m. This consists of £44.4m loans and £1.85m GLA Rough Sleepers Accommodation Programme (RSAP). At Q2 HGL forecasts to drawdown £10.2m in loans and to utilise the remaining GLA (RSAP) grant of £1.8m (total £6m RSAP grant funding, of which £4.2m was utilised in 2021/22).

84. The original budget for 2022/23 assumed the acquisition of 70 new properties. To date HGL has acquired 35 properties (20 RSAP part funded and 15 street properties), with a further 4 properties in the pipeline (2 RSAP homes and 2 street properties).

85. Planned acquisitions have been impacted by increases in interest rates throughout the year. As a result of the recent sharp increase in October 2022, HGL has taken the decision not to progress with further acquisitions other than those already in the pipeline. This position continues to be closely monitored.

86. Approved capital budget will also facilitate 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 as well as the extension of 27 leases on properties owned by HGL

Month 8 (November) forecast variance to budget

87. Energetik – £2.0m planned funding drawdown is no longer expected to be required in 2022/23 and is expected to be utilised in later years. The target completion date of May 2023 for the Energy Centre is still expected to be achieved.

88. HGL – £34.2m approved budget is no longer forecast to be drawn down this financial year, but instead be utilised between 2023/24 and 2026/27. This adjustment is fully funded from prudential borrowing.

Financing the capital programme

89. Appendix A and Appendix B set out the overall 2022/23 forecast capital spend and financing. Appendices C and D, show the individual forecast for borrowing and grants at programme level.

Borrowing

90. Council approved £254.7m new borrowing for 2022/23 to finance its capital programme. This borrowing forecast was revised to £169.1m in Q2 and further adjusted to £150.7m in Month 8 (net £104.0m revision in 2022/23 forecast in-year borrowing to budget).

Table 10- Month 8 (November) forecast full year borrowing

	2022/23 budget £m	Q2 forecast £m	Month 8 forecast £m	variance to budget £m
Resources	17.4	11.7	4.1	(13.3)
People	0.8	0.4	0.4	(0.3)
Place	56.9	31.9	31.2	(25.7)
Meridian Water	52.6	53.3	48.0	(4.7)
Companies	65.4	31.2	29.2	(36.2)
HRA	61.6	40.5	37.7	(23.9)
	254.7	**169.1**	**150.6**	**(104.2)**

91. The revision in in-year borrowing forecast reflects changes to forecast capital expenditure budgets and consist of (£80.3m) revision in general fund borrowing and (£23.9m) revision in HRA borrowing.

92. The main variances in general fund borrowing requirement are:

    a. Resources - requested carry forward of (£12.5m) IT investment budget to later years and removal of (£0.8m) budget in relation to corporate data lake

    b. People – removal of (£0.3m) borrowing for extensions to foster carers' homes

    c. Place - requested carry forward of (£6.2m) budget within the Place directorate into 2023/24 (includes Montagu and vehicle replacement programme). Borrowing funded budgets of (£22.9m) have been removed or reduced (detailed in table 4). There has been growth in borrowing funded budgets of £2.2m (as detailed in table 3) as well as changes to net borrowing requirements as a result of grant funding confirmations.

    d. Meridian Water – net reduction of (£4.7m), consisting of £22.7m adjustment for reduction in grant funding assumed at budget setting stage, (£14.9m) reduction in programme spend and (£12.4m) requested carry forward of borrowing to later years.

93. HRA borrowing - details available in the separate HRA report on the agenda KD5501.

94. **Revenue impact of the borrowing in the capital programme**

95. The 2022/23 revenue financing cost of borrowing consists of interest costs and Minimum Revenue Provision (i.e. annual provision for repaying debt principal) (MRP). The Council makes annual provision for MRP in accordance with its

approved MRP policy (approved February 2022 as part of the Treasury Management Strategy KD5355) for capital expenditure that has been financed from borrowing. MRP is chargeable the year after the respective asset has become operational. The annual charge equates to the amount borrowed to finance capital expenditure spread over the life of the asset. It follows that any changes in overall borrowing need in 2022/23 will not directly impact on MRP level in 2022/23 but will instead impact on MRP projections from 2023/24 onwards.

96. Changes in the level of 2022/23 borrowing required will however impact on interest costs this financial year. At budget setting (February 2022) the Council budgeted for interest on in-year borrowing to finance the capital programme and refinance maturing debt at 2.5%, however actual rates at Period 8 are 5% due to recent interest rate rises.

Grants

97. The Council forecasts utilising £56.3m government grant funding to deliver its 2022/23 capital programme. The variance of (£116.6m) to budgeted grant utilisation (as detailed in the table below) reflects changes in planned spend in budgets, as described in the respective departmental sections above, as well as adjustment to Meridian Water grant funding assumed at budget setting stage.

98. Subject to grant conditions and relevant Council approvals, all unspent capital grant will be reprofiled to future years at year end.

Table 11 – Month 8 (November) forecast full year grant utilisation

	2022/23 Budget £m	**Q2 forecast £m**	**Month 8 forecast £m**	**variance to budget £m**
People	33.5	14.0	13.0	(20.5)
Place	12.5	10.4	9.5	(3.0)
Meridian Water	104.4	19.4	14.1	(90.3)
Companies	2.3	2.2	2.3	(0.0)
HRA	20.2	33.2	17.3	(2.8)
	172.9	**79.2**	**56.3**	**(116.6)**

99. HRA – details of changes in capital grants forecast to be utilised this financial year is provided in the separate HRA report on the agenda KD5501.

Capital receipts

100. The Council expects to use £2.7m more capital receipts than originally budgeted to fund forecast 2022/23 capital expenditure. Changes in HRA planned utilisation reflect planned increase in the use of Right to Buy receipts.

Table 12 – Month 8 (November) forecast full year capital receipts utilisation

	2022/23 budget £m	Q2 forecast £m	Month 8 forecast £m	variance to budget £m
Waste & Recycling	0.0	0.1	0.1	0.1
Montagu Industrial	3.6	0.0	(3.6)	(3.6)
Meridian One	0.0	1.0	1.4	1.4
HRA	22.8	27.4	27.6	4.8
	26.4	**28.5**	**29.1**	**2.7**

101. Montagu Industrial Estate – a review of the financial model is in progress, which will support negotiations with the Council's joint venture partner. A capital receipt is expected from GBN (waste recycling operator) in 2023/24, assuming successful relocation of waste recycling operator.

102. Meridian One £1.4m capital receipt has been received this year and will be applied as financing for the Meridian Water capital programme spend.

103. HRA - details available in the separate HRA report on the agenda KD5501. HRA capital receipts include use of around £12m Right to Buy receipts already received.

Section 106 / CIL

104. Table 14 below summarises s106 and Community Infrastructure Levy (CIL) utilisation currently assumed in the 2022/23 capital programme. This is broken down into £0.9m s106 contributions and £1.0m CIL.

Table 13: Month 8 (November) forecast full year s106 and CIL utilisation

	2022/23 budget £m	Q2 forecast £m	Month 8 forecast £m	variance to budget £m
Energetik	0.2	0.2	0.2	0.0
Libraries	0.1	0.1	0.1	0.0
Healthy Streets	1.0	0.6	0.4	(0.6)
Highways & St Scene	0.1	0.2	0.0	(0.1)
Dugdale Centre	0.8	0.8	0.8	0.0
	2.2	**1.9**	**1.9**	**(0.3)**

Revenue contributions to capital spend

105. Budget originally assumed £0.4m revenue budget would fund capital spend. This assumption has now been entirely removed from the capital programme. Original budget assumed £0.3m revenue budget funding for vehicle replacement programme. This was changed to prudential borrowing in Q1, in line with the rest of the vehicle replacement programme. Alley gating work is now proposed to be removed or reduced to minimum and be funded directly from revenue budgets.

Table 14 – Month 8 (November) forecast full year revenue contributions to capital

	2022/23 budget £m	Q2 forecast £m	Month 8 forecast £m	variance to budget £m
Alley Gating	0.1	0.1	0.0	(0.1)
Vehicle replacement programme	0.3	0.0	0.0	(0.3)
Healthy Streets	0.0	0.0	0.1	0.1
	0.4	**0.1**	**0.1**	**(0.4)**

Flexible use of capital receipts

106. The Medium Term Financial Plan budgeted for the use of £3.4m capital receipts to fund the revenue costs of transformation projects in 2022/23. As at Q2 the Council is forecasting that around £2.6m of this budget will be needed to fund spend in 2022/23. This is forecast spend that, in accordance with MHCLG statutory guidance (updated 2 August 2022), will generate ongoing savings for the Council. Planned spend is on projects included in the Flexible Use of Capital Receipts Strategy approved by Council in February 2022.

107. The £2.6m forecast spend on transformation projects will be funded from unearmarked capital receipts accumulated in previous years. These receipts are from ‘qualifying disposals’ that were generated in the period for which the direction applies.

108. The Council had £3.8m unutilised capital receipts at the start of the year. A further £2.3m has been received up to Period 8 and further £2.9m forecast in Q4. After planned allocations to revenue transformation and capital projects in 2022/23, forecast unutilised capital receipts carried forward to next year are £2.0m.

Capital funding available to fund future years capital spend

109. The council will continue to review measures to identify and maximise the use of non-borrowing capital funding during Q4.

110. This includes reviewing s106 contributions and CIL received but not yet allocated as well as projections of future s106 and CIL contributions over the medium term.

111. Capital grants received but not yet spent will also be reviewed to ensure there are clear strategies for efficient utilisation of this funding within the 10 year capital programme 2023/24 to 2032/33 – in particular with respect to capital investment to potentially mitigate revenue pressures over the medium term.

112. Capital receipts review – including forecast of general fund capital receipts and Right to Buy receipts.

Other Considerations to Note

Public Health Implications

113. 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 residents' wellbeing.

Environmental and Climate Change Considerations

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

Financial Implications

115. There are no direct financial implications for noting in this report.

Legal Implications

116. 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

117. Property implications are implicit in the report

Conclusions

118. The Council is currently forecasting outturn of £262.7m against a budget of £486.4m (54% of budget). This reflects the ongoing impact of global external factors including the aftermath of the Covid19 pandemic, economic impact of the war in Ukraine, disruption of global supply chains, soaring inflation and significant recent increases in borrowing interest rates, which have required the Council to re-evaluate the affordability and deliverability of projects in its capital programme.

119. Unspent capital budgets will no longer be automatically carried forward into later years of the capital programme. Requests to carry forward budgets at Period 8 have been considered by EMT and approved on a case by case basis.

120. Work is ongoing within Financial Services to fully review and identify opportunities to maximise the use of non-borrowing capital funding sources, including capital receipts, capital grants, s106 contributions and CIL.

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Appendices:
Appendix A 2022/23 Month 8 (November) capital programme forecast outturn
Appendix B 2022/23 Month 8 (November) capital programme forecast financing
Appendix C 2022/23 Month 8 (November) borrowing forecast
Appendix D 2022/23 Month 8 (November) grants utilisation forecast

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

Capital Outturn 2021/22 (KD5464)

Appendix A: 2022/23 Month 8 (November) capital programme forecast outturn

	Budget	Q1	Q2	Month 8	Variance to budget	YTD spend
	£m	**£m**	**£m**	**£m**	**£m**	**£m**
IT Investment	17.1	11.7	11.4	3.7	(13.3)	0.4
Digital Data & Technology	**17.1**	**11.7**	**11.4**	**3.7**	**(13.3)**	**0.4**
Libraries	0.1	0.1	0.1	0.1	0.0	0.0
Community Hubs	0.3	0.3	0.3	0.3	0.0	0.0
Customer Experience & Change	**0.4**	**0.4**	**0.4**	**0.4**	**0.0**	**0.0**
RESOURCES	**17.5**	**12.1**	**11.7**	**4.1**	**(13.3)**	**0.4**
Schools Maintenance	16.6	8.0	5.8	4.8	(8.8)	2.2
Strategic Schools Places Programme	17.0	8.2	8.2	8.2	(11.7)	3.7
Education	**33.5**	**16.2**	**14.0**	**13.0**	**(20.5)**	**5.9**
Extensions to Foster Carers' Homes	0.4	0.1	0.1	0.1	(0.3)	0.0
Community Safety	0.3	0.3	0.3	0.3	0.0	0.1
Vulnerable Families	0.2	0.2	0.2	0.2	0.0	0.0
Children & Families	**0.8**	**0.6**	**0.5**	**0.3**	**(0.3)**	**0.0**
PEOPLE	**34.4**	**16.7**	**14.5**	**13.3**	**(20.9)**	**5.9**
Alley Gating	0.1	0.1	0.0	0.0	(0.1)	0.0
Edmonton Cemetery	0.6	0.6	0.6	0.6	(0.1)	0.4
Southgate Cemetery	0.0	0.0	0.1	0.1	0.1	0.0
Tottenham Park Cemetery	0.5	0.5	0.0	0.0	(0.5)	0.0
Sloemans Farm	0.2	0.2	0.1	0.2	0.0	0.0
Workshops for External Commercialisation	0.3	0.3	0.3	0.3	0.0	0.0
Flood Alleviation (inc watercourses)	0.6	1.5	1.5	2.0	1.4	0.9
Highways & Street Scene	9.0	8.7	8.9	8.7	(0.3)	3.7
Changes to Waste & Recycling Collections	-	0.1	0.1	0.1	0.1	0.1

Growth of Trade Waste Service	0.5	0.5	0.1	0.0	(0.5)	0.0

Appendix A: 2022/23 Month 8 (November) capital programme forecast outturn

	Budget	**Q1**	**Q2**	**Month 8**	**Variance to budget**	**YTD spend**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**
Tennis Courts Works at Broomfield Park	0.2	0.2	0.2	0.0	(0.2)	0.0
Vehicle Replacement Programme	5.5	2.5	1.7	2.2	(3.3)	1.7
Healthy Streets	10.5	7.1	5.8	5.6	(4.9)	2.2
Traffic & Transportation	0.9	0.7	0.4	0.4	(0.6)	0.0
Environment & Operations	**28.9**	**23.1**	**19.7**	**20.3**	**(8.3)**	**9.1**
Build the Change	14.4	14.0	7.5	7.5	(6.9)	5.9
Corporate Condition Programme	5.4	5.4	4.1	3.5	(2.0)	1.3
Corporate Property Investment Programme	3.6	2.3	0.9	0.5	(3.1)	0.0
Dugdale Centre	1.5	1.5	1.5	1.5	0.0	0.0
Electric Quarter	1.5	1.5	1.5	1.3	(0.2)	0.6
Energy Decarbonisation (RE:FIT)	1.3	1.3	1.3	1.3	(0.0)	1.2
Genotin Road (Metaswitch)	(0.8)	0.5	0.5	0.5	1.3	0.0
Land Investment	7.5	-	-	0.9	(6.6)	0.0
Montagu Industrial Estate	6.5	1.5	1.5	0.9	(5.7)	0.1
Town Centre Regeneration	2.6	2.6	2.6	2.4	(0.2)	1.1
Property & Economy	**43.6**	**30.7**	**21.4**	**(20.2)**	**(23.3)**	**10.2**
Housing Adaptations & Assistance (DFG)	2.4	2.7	2.7	2.0	(0.4)	1.0
Vacant Property Review	0.5	0.5	0.2	0.2	(0.4)	0.0
Housing & Regeneration	**2.9**	**3.2**	**2.9**	**2.2**	**(0.8)**	**1.0**
PLACE (excluding Meridian Water & HRA)	**75.4**	**56.9**	**44.1**	**42.5**	**(32.9)**	**20.3**

Appendix A: 2022/23 Month 8 (November) capital programme forecast outturn

	Budget	Q1	Q2	Month 8	Variance to budget	YTD spend
	£m	£m	£m	£m	£m	£m
Meridian One	21.2	21.2	25.6	19.2	(2.0)	6.7
Meridian Two	3.0	3.0	3.0	3.0	0.0	0.1
Meridian Three	0.4	0.4	0.4	0.1	(0.3)	0.0
Meridian Phase 2 development	1.9	1.9	1.3	1.7	(0.1)	0.1
Meridian Four	12.2	7.0	1.7	0.9	(11.4)	0.4
Meridian Five	0.1	0.1	0.1	0.0	(0.1)	0.0
Meridian Seven	0.1	0.0	0.1	0.1	0.0	0.0
Meridian Eight	0.1	0.1	0.0	0.0	(0.1)	0.0
Meridian Nine	0.1	0.1	**0.0**	0.0	(0.1)	0.0
Meridian Ten	0.5	0.5	0.5	0.2	(0.4)	0.0
Meridian Eleven	-	-	0.1	0.1	0.1	0.0
Meridian Water Scheme-wide	35.7	31.8	21.7	24.2	(11.5)	2.8
Meridian Water HIF	81.7	23.5	19.4	14.1	(67.7)	4.0
Meridian Water	**157.0**	**89.6**	**73.7**	**63.5**	**(93.5)**	**14.1**
PLACE (excluding HRA)	**232.4**	**146.5**	**117.8**	**106.0**	**(126.4)**	**34.4**
GENERAL FUND (excluding Companies)	**284.2**	**175.3**	**144.0**	**123.6**	**160.6**	**40.7**
Energetik	21.7	25.1	21.6	19.7	(2.0)	14.5
Housing Gateway Ltd	46.3	33.3	12.0	12.0	(34.2)	0.0
COMPANIES	**68.0**	**58.4**	**33.6**	**31.7**	**(36.2)**	**14.5**
TOTAL GENERAL FUND	**352.2**	**233.7**	**177.6**	**155.3**	**(196.8)**	**55.2**

Appendix A 2022/23 Month 8 (November) capital programme forecast outturn

	Budget	Q1	Q2	Month 8	Variance to budget	YTD spend
	£m	**£m**	**£m**	**£m**	**£m**	**£m**
Development Programme	55.7	34.0	50.1	45.8	9.9	7.1
Bury Street	10.7	10.7	10.7	10.7	0.0	5.5
Electric Quarter	1.3	1.3	1.3	1.3	0.0	0.4
Joyce & Snells	6.0	6.7	6.7	6.3	0.3	0.7
Development Programme	**73.7**	**52.6**	**81.6**	**64.0**	**(9.7)**	**13.7**
Alma Towers	5.7	3.1	3.1	3.1	(2.6)	0.4
Ladderswood	0.2	0.1	0.1	0.1	(0.1)	0.0
New Avenue	0.4	0.3	0.3	0.2	(0.1)	0.1
Estate Regeneration	**6.3**	**3.5**	**3.5**	**3.4**	**(2.9)**	**0.6**
Building Safety	26.3	16.8	14.1	14.0	(12.3)	5.1
Decency	17.4	17.9	17.1	17.5	0.1	10.3
Energy Efficiency	4.9	3.2	4.5	3.7	(1.3)	1.0
Overheads & other investment	1.7	1.4	1.8	2.3	0.6	0.7
Statutory Compliance	3.9	3.0	2.6	2.5	(1.3)	1.8
Other HRA	**54.2**	**42.2**	**40.0**	**40.0**	**(14.2)**	**18.9**
TOTAL HRA	**134.2**	**98.3**	**125.1**	**107.4**	**(26.8)**	**33.2**
TOTAL CAPITAL PROGRAMME	**486.4**	**332.0**	**302.8**	**262.7**	**(223.7)**	**88.4**

Appendix B: 2022/23 Month 8 (November) capital programme forecast outturn financing

	Capital grants	S106	CIL	RCCO	Usable capital receipts	Major repairs allowance	earmarked reserves	borrowing	total financing
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
IT Investment	-	-	-	-	-	-	-	3.7	3.7
Digital Data & Technology	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3.7**	**3.7**
Libraries	-	-	0.1	-	-	-	-	-	0.1
Community Hubs	-	-	-	-	-	-		0.3	0.3
Customer Experience & Change	**-**	**-**	**0.1**	**-**	**-**	**-**	**-**	**0.3**	**0.4**
RESOURCES	**-**	**-**	**0.1**	**-**	**-**	**-**	**-**	**4.1**	**4.1**
Schools Maintenance	4.8	-	-	-	-	-	-	-	4.8
Strategic Schools Places Programme	8.2	-	-	-	-	-	-	-	8.2
Education	**13.0**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**13.0**
Extensions to Foster Carers' Homes	-	-	-	-	-	-	-	0.1	0.1
Community Safety	-	-	-	-	-	-	-	0.2	0.2
Vulnerable Families	-	-	-	-	-	-	-	0.2	0.2
Children & Families	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.3**	**0.3**
PEOPLE	**13.0**	**-**	**-**	**-**	**-**	**-**	**-**	**0.3**	**13.3**
Edmonton Cemetery	-	-	-	-	-	-	-	0.6	0.6
Southgate Cemetery	-	-	-	-	-	-	-	0.1	0.1
Sloemans Farm	-	-	-	-	-	-	-	0.2	0.2
Flood Alleviation	0.8	0.3	0.1	-	-	-	-	0.8	0.8
Highways & Street Scene	-	-	-	-	-	-	-	8.5	8.5
Workshops for External Commercialisation	-	-	-	-	-	-	-	0.3	0.3
Changes to Waste & Recycling Collections	-	-	-	-	0.1	-	-	-	0.1

Appendix B: 2022/23 Month 8 (November) capital programme forecast outturn financing

	Capital grants	S106	CIL	RCCO	Usable capital receipts	Major repairs allowance	earmarked reserves	borrowing	total financing
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Vehicle Replacement Programme	-	-	-	-	-	-	-	2.2	2.2
Tennis Courts Works at Broomfield Park	0.1	-	-	-	-	-	-	(0.1)	0.0
Healthy Streets	4.3	0.2	0.2	0.1	-	-	-	0.8	5.6
Traffic & Transportation	0.4	-	-	-	-	-	-	-	0.4
Environment & Operations	**5.8**	**0.6**	**0.2**	**0.1**	**0.1**	**-**	**-**	**13.3**	**20.2**
Meridian One	-	-	-	-	1.4	-	-	17.8	19.2
Meridian Two	-	-	-	-	-	-	-	3.0	3.0
Meridian Three	-	-	-	-	-	-	-	0.1	0.1
Meridian Phase 2 development	-	-	-	-	-	-	-	1.7	1.7
Meridian Four	-	-	-	-	-	-	-	0.9	0.9
Meridian Seven	-	-	-	-	-	-	-	0.1	0.1
Meridian Ten	-	-	-	-	-	-	-	0.2	0.2
Meridian Eleven	-	-	-	-	-	-	-	0.1	0.1
Meridian Water Scheme-wide	-	-	-	-	-	-	-	24.2	24.2
Meridian Water HIF	14.1	-	-	-	-	-	-	-	14.1
Meridian Water	**14.1**	**-**	**-**	**-**	**1.4**	**-**	**-**	**48.0**	**63.5**
Build the Change	-	-	-	-	-	-	-	7.5	7.5
Corporate Condition Programme	-	-	-	-	-	-	-	3.5	3.5
Corporate Property Investment Programme	-	-	-	-	-	-	-	0.5	0.5

Appendix B: 2022/23 Month 8 (November) capital programme forecast outturn financing

	Capital grants	S106	CIL	RCCO	Usable capital receipts	Major repairs allowance	earmarked reserves	borrowing	total financing
Dugdale Centre	-	-	0.8	-	-	-	-	0.7	1.5
Electric Quarter	-	-	-	-	-	-	-	1.3	1.3
Energy Decarbonisation (RE:FIT)	1.3	-	-	-	-	-	-	-	1.3
Genotin Road (Metaswitch)	-	-	-	-	-	-	-	0.5	0.5
Land Investment	-	-	-	-	-	-	-	0.9	0.9
Montagu Industrial Estate	-	-	-	-	-	-	-	0.9	0.9
Town Centre Regeneration	0.4	-	-	-	-	-	-	2.0	2.4
Property & Economy	**1.7**	**-**	**0.8**	**-**	**-**	**-**	**-**	**17.7**	**20.2**
Housing Adaptations & Assistance (DFG)	2.0	-	-	-	-	-	-	-	2.0
Vacant Property Review	-	-	-	-	-	-	-	0.2	0.2
Housing & Regeneration	**2.0**	**-**	**-**	**-**	**-**	**-**	**-**	**0.2**	**2.2**
PLACE (excluding HRA)	**23.6**	**0.6**	**1.1**	**0.1**	**1.5**	**-**	**-**	**79.2**	**106.0**
GENERAL FUND (Exc Companies)	**36.6**	**0.6**	**1.1**	**0.1**	**1.5**	**-**	**-**	**83.7**	**123.6**
Energetik	0.5	0.2	-	-	-	-	-	19.0	19.7
Housing Gateway Ltd	1.9	-	-	-	-	-	-	10.2	12.0
COMPANIES	**2.3**	**0.2**	**-**	**-**	**-**	**-**	**-**	**29.2**	**31.7**
TOTAL GENERAL FUND	**38.9**	**0.8**	**1.1**	**0.1**	**1.5**	**-**	**-**	**112.8**	**155.3**

Appendix B: 2022/23 Month 8 (November) capital programme forecast outturn financing

	Capital grants	S106	CIL	RCCO	Usable capital receipts	Major repairs allowance	earmarked reserves	borrowing	total financing
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Development Programme: Various	4.2	-	-	-	-	-	11.9	18.2	34.4
Development Programme: Bullsmoor Lane	-	-	-	-	-	-	-	1.0	1.0
Development Programme: Bury Street	1.3	-	-	-	-	-	-	9.4	10.7
Development Programme: Electric Quarter	0.3	-	-	-	-	-	-	1.0	1.3
Development Programme: Exeter Road	-	-	-	-	-	-	-	0.8	0.8
Development Programme: Joyce & Snells	-	-	-	-	-	-	0.9	5.4	6.3
Development Programme: Reardon Court	7.8	-	-	-	-	-	-	0.1	7.9
Development Programme: Uptn & R’nham	-	-	-	-	-	-	-	1.7	1.7
Development Programme	**13.6**	**-**	**-**	**-**	**-**	**-**	**12.8**	**37.6**	**64.0**
Alma Towers	3.1	-	-	-	-	-	-	-	3.1
Ladderswood	-	-	-	-	-	-	-	0.1	0.1
New Avenue	0.2	-	-	-	-	-	-	-	0.2
Estate Regeneration	**3.3**	**-**	**-**	**-**	**-**	**-**	**-**	**0.1**	**3.4**
Building Safety	-	-	-	-	13.3	0.4	0.3	-	14.0
Decency	-	-	-	-	8.7	8.8	-	-	17.5
Energy Efficiency	0.5	-	-	-	2.5	0.5	0.1	-	3.7
Overheads & other investment	-	-	-	-	1.9	0.2	0.2	-	2.3
Statutory Compliance	-	-	-	-	1.2	1.4	-	-	2.5
Other HRA	**0.5**	**-**	**-**	**-**	**27.6**	**11.3**	**0.6**	**-**	**40.0**

TOTAL HRA	**17.3**	**-**	**-**	**-**	**27.6**	**11.3**	**13.4**	**37.7**	**107.4**
TOTAL CAPITAL PROGRAMME	**56.3**	**0.8**	**1.1**	**0.1**	**29.1**	**11.3**	**13.4**	**150.6**	**262.7**

Appendix C: 2022/23 Month 8 (November) borrowing forecast

	Budget	Q1 forecast	Q2 forecast	Month 8 (November)	Variance to budget
	£m	**£m**	**£m**	**£m**	**£m**
IT investment	17.1	11.7	11.4	3.7	(13.4)
Community Hubs	0.3	0.3	0.3	0.3	(0.0)
Resources	**1.4**	**1.4**	**0.2**	**4.0**	**(13.4)**
Extensions to Foster Carers' homes	0.4	0.1	0.1	0.1	(0.3)
Community Safety	0.2	0.2	0.2	0.2	0.0
Vulnerable families	0.2	0.2	0.2	0.2	0.0
People	**0.8**	**0.5**	**0.5**	**0.5**	**(0.3)**
Build the Change	14.4	14.0	7.5	7.5	(6.9)
Corporate condition programme	5.4	5.4	4.1	3.5	(1.9)
Corporate property investment programme	3.6	2.3	0.9	0.5	(3.1)
Dugdale Centre (coffee shop)	0.7	0.7	0.7	0.7	0.0
Electric Quarter	1.5	1.5	1.5	1.3	(0.2)
Genotin Road (Metaswitch)	(0.8)	0.5	0.5	0.5	1.3
Land investment	7.5	0.0	0.0	0.9	(6.6)
Montagu Industrial Estate	2.9	1.5	1.5	0.9	(2.0)
Tottenham Park Cemetery	0.5	0.5	0.0	0.0	(0.5)
Town centre regeneration	2.3	2.3	2.0	2.0	(0.3)
Property & Economy	**38.0**	**28.7**	**18.7**	**17.7**	**(20.2)**
Edmonton cemetery	0.6	0.6	0.6	0.6	0.0
Sloeman's Farm	0.0	0.2	0.1	0.2	0.2
Workshops for commercial externalisation	0.3	0.3	0.3	0.3	(0.1)
Flood alleviation	0.6	0.7	0.5	0.8	0.2

Highways & Street Scene	9.0	8.7	8.9	8.5	(0.5)
Trade waste	0.5	0.5	0.1	0.0	(0.5)
Broomfield Park tennis courts	0.1	0.1	0.1	0.0	(0.1)
Vehicle replacement programme	5.1	2.5	1.7	2.2	(1.2)

Appendix C: 2022/23 Month 8 (November) borrowing forecast

	Budget	Q1 forecast	Q2 forecast	Month 8 (November)	Variance to budget
	£m	**£m**	**£m**	**£m**	**£m**
Healthy Streets	1.3	1.1	0.8	0.8	(0.5)
Environment & Operations	**17.3**	**14.7**	**13.0**	**13.3**	**(4.0)**
Housing adaptations (DFG)	0.9	0.9	0.0	0.0	(0.9)
Empty Homes	0.5	0.5	0.2	0.2	(0.3)
Housing & Regeneration	**1.4**	**1.4**	**0.2**	**0.2**	**(1.2)**
Meridian One	12.6	20.2	24.6	17.8	5.2
Meridian Two	2.6	3.0	3.0	3.0	0.4
Meridian Three	0.2	0.4	0.4	0.1	(0.1)
Meridian Phase 2 Development	1.0	1.9	1.3	1.7	0.7
Meridian Four	7.3	7.0	1.7	0.9	(6.4)
Meridian Five	0.0	0.1	0.1	0.0	0.0
Meridian Seven	0.0	0.1	0.1	0.1	0.1
Meridian Ten	0.0	0.5	0.5	0.2	0.2
Meridian Eleven	0.0	0.0	0.1	0.1	0.1
Meridian Scheme-wide	19.4	31.8	21.7	24.2	4.8
Meridian Water HIF	9.4	0.0	0.0	0.0	(9.4)
Meridian Water	**52.5**	**65.0**	**53.3**	**48.0**	**(4.5)**
Energetik	21.0	24.5	21.0	19.0	(2.0)
Housing Gateway Ltd	44.4	31.5	10.2	10.2	(34.2)
Companies	**65.4**	**56.0**	**31.2**	**29.2**	**(36.2)**
Total General Fund	**192.7**	**178.3**	**128.5**	**112.8**	**(79.9)**

Total HRA	**61.6**	**51.9**	**40.5**	**37.7**	**(23.9)**
Total	**254.7**	**230.1**	**169.1**	**150.6**	**(104.2)**

Appendix D: 2022/23 Month 8 (November) grants utilisation forecast

	Budget	Q2 forecast	Month 8 (November)	Budget variance	Grant funding body
	£m	£m	£m	£m	
Schools maintenance	16.5	5.8	4.8	(11.7)	DFES school condition grant
Strategic schools places prog	17.0	8.2	8.2	(8.8)	DFES Basic Needs grant
People	**33.5**	**14.0**	**13.0**	**(20.5)**	
Flood alleviation	0.2	0.6	0.8	(0.0)	GLA, TfL and Forestry Commission
Highways – Fibre ducting	0.0	0.2	0.2	0.2	Local London grant
Broomfield Park tennis courts	0.1	0.1	0.1	0.0	London Marathon Charitable Trust
Healthy Streets	8.2	4.4	4.3	(3.9)	TfL grant
Traffic & Transportation	0.9	0.4	0.4	(0.5)	TfL grant
Environment & Operations	**9.4**	**5.7**	**5.8**	**(3.6)**	
Energy decarbonisation (RE:FIT)	1.3	1.3	1.3	(0.0)	BEIS PS Decarbonisation Scheme
Town Centre Regeneration	0.4	0.7	0.4	0.0	Good Growth Fund
Property & Economy	**1.7**	**1.9**	**1.7**	**0.0**	
Housing adaptations (DFG)	1.5	2.7	2.0	0.5	Better Care Fund
Housing & Regeneration	**1.5**	**2.7**	**2.0**	**0.5**	
Meridian Water Four	12.7	0.0	0.0	(12.7)	MHCLG Housing Infrastructure Fund
Meridian Water Scheme-wide	18.0	0.0	0.0	(18.0)	MHCLG Housing Infrastructure Fund
Meridian Water HIF	73.6	19.4	14.1	(59.5)	MHCLG Housing Infrastructure Fund
Meridian Water	**104.3**	**19.4**	**14.1**	**(90.2)**	
Energetik	0.4	0.4	0.4	(0.0)	BEIS Heat Networks Infrastructure Grant
Housing Gateway Ltd	1.9	1.9	1.9	(0.0)	MHCLG - Rough Sleepers Acc Programme
Companies	**2.3**	**2.2**	**2.2**	**(0.0)**	
Total General Fund	**152.7**	**46.0**	**38.9**	**(113.8)**	

Total HRA	**20.2**	**33.2**	**17.3**	**(2.9)**	
Total	**172.9**	**79.2**	**56.3**	**(116.6)**	

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London Borough of Enfield

Cabinet
Meeting Date: Cabinet – 18 January 2023

Subject: **Quarter 2 Performance Report**
Cabinet Member: **Cllr Erbil**
Executive Director: **Ian Davis, Chief Executive**

Key Decision: **Non-Key**

Purpose of Report

1. This is the quarterly report on the Corporate Performance Scorecard that reflects our performance in delivering on the Council priorities as outlined in the Council Plan. The report attached at Appendix 1 shows the Quarter 2 performance for 2022/23 (July 2022 – September 2022) and compares it to the Council's performance across the previous four quarters for a series of Key Performance Indicators (KPIs).
2. This report provides Cabinet with a corporate overview of performance against our key priorities, to support informed decision-making.
3. The report highlights service areas that are subject to additional scrutiny where performance has fallen short of target, and also highlights particular areas of good performance this quarter.

Proposal(s)

4. Cabinet is asked to:

    - note the progress being made towards delivering the key priority indicators for Enfield.

Reason for Proposal(s)

5. The report is part of the quarterly timetable for Cabinet to review performance.

Relevance to the Council Plan

6. The performance measures are grouped under the Council Plan themes and our guiding principles:
    - Good homes in well-connected neighbourhoods
    - Safe, healthy and confident communities
    - An economy that works for everyone
    - A modern council

- Climate action
- Fairer Enfield
- Early help

Background

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

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

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

10. The Corporate Scorecard is reviewed annually with departments and EMT to identify 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 our performance. KPIs are rated at quarterly intervals as Red, Amber or Green (RAG), by comparing actual performance to the target. The RAG ratings are determined as follows:

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

Main Considerations for the Council

12. The table below gives an overview of the performance indicators rated as

Red, Amber or Green in Quarter 2 2022/23 compared with Quarter 1 2022/3.

	Q1 2022-2023 (April - June)	Q2 2022-2023 (July - September)
Total KPIs RAG rated	66	76
Number KPIS as Red	16 (24%)	18 (24%)
Number KPIS as Amber	15 (23%)	17 (22%)
Number KPIS as Green	35 (53%)	41 (54%)
Data only KPIS	49	55

13. Further information on how we are delivering on our priorities for each of our Council Plan priorities are set out in the following sections, along with a summary of the action being taken to address areas where performance is rated as red.

14. Good homes in well-connected neighbourhoods

	Q1 2022-2023 (April - June)	Q2 2022-2023 (July - September)
Total KPIs RAG rated	9	17
Number KPIS as Red	4	4
Number KPIS as Amber	2	8
Number KPIS as Green	3	5
Data only KPIS	6	21

The number of households living in temporary accommodation has decreased since quarter 1 and is less than it was at quarter 2 last year but at 3,109, it is above our target, reflecting the London-wide crisis in the supply of affordable homes. There has been a 72% decrease in the supply of privately rented accommodation over the last 18 months whilst the number of households approaching the service for assistance has more than doubled in the same period. The shortage of supply is also leading to rents rising well above LHA level.

Despite these pressures, at June 2022 Enfield had the 5th highest number of households in TA (as a proportion of households in the authority area) of 309 authorities. This compares to Enfield being ranked second highest when the Housing Advisory Service was first launched in October 2020. Action being taken by the Service includes:

- Piloting a voluntary relocation scheme in partnership with Beam, a homelessness social enterprise. 150 households have been identified for support with finding secure affordable permanent accommodation.
- Widening the area within which we discharge duty to within an hour and a half travel time of work or school.
- Drawing up plans to transfer our provision of temporary accommodation to Housing Gateway Ltd. This will produce an immediate saving on the

subsidy paid to Housing Benefit but will also remove the financial benefit to residents of being in temporary accommodation.

In relation to Council homes, the new Tenant Satisfaction Measures agreed by the Housing Regulator have been added to the scorecard. We are close to target (Amber rating) on fire risk assessments, repairs completed within target, asbestos management and gas safety inspections. Decency performance has improved month on month from April's position of 48.6% non-decent to the current position of 37.6%. Our target is set at 35% to align with realistic investment objectives given recent budget reductions to the HRA Capital programme.

We are below target on the average time taken to re-let homes. We have seen an increase in voids arising from tenancy ends and we are identifying additional supply chains and resources to respond.

Legionella risk assessments are below target, but performance has gradually increased from 43.4% at the start of the financial year to 71.6% at the end of Q2. At October, we are 78.3% compliant. We have taken a risk-based approach with the highest-risk category currently fully compliant. We are aiming to achieve 85% by the end of Q3 and 100% by the end of Q4. The improvements this year follow the appointment of a dedicated water hygiene specialist who is working closely with our contractors to meet full compliance.

We have also included a new indicator in this quarter’s report on the number of repair orders raised concerning damp and mould. As of 1st December 2022, 160 repairs orders were open relating to damp and mould or conditions that increase the risk of damp and mould. This is a substantial increase from previous months, due to press and reporting about the issue and our own communications with residents to encourage reporting. Orders are being progressed as swiftly as possible. We are expecting an increase over winter as we deliver on our action plan to proactively identify more cases in the stock.

In Planning, we are below target for the percentage of pre-application advice given within 30 working days of registration of a valid enquiry. This is due to capacity in the service and prioritising resources on determination of planning applications in the first instance. A performance improvement plan has been created for the service and the following actions have been taken:

- Recruitment to vacant posts in area teams to re-build capacity
- 2 x Town Planning Apprentices joined in September and will add capacity to work on smaller applications
- Additional capacity being created in Technical Support Team to release pressure from planning officers
- Mondrem appointed to review the function and work with team on improvements.
- Independent review into Pre-apps and PPAs yielded actions which are being fed into Continuous Improvement Board to make the process more efficient and effective.
-

15. Safe, healthy and confident communities

	Q1 2022-2023 (April - June)	Q2 2022-2023 (July - September)
Total KPIs RAG rated	20	18
Number KPIS as Red	2	2
Number KPIS as Amber	7	3
Number KPIS as Green	11	13
Data only KPIS	13	14

Our crime indicators show that domestic abuse incidents have gone up by 2.9%. We have proactively encouraged reporting of domestic abuse through the ongoing investment in our domestic abuse hub and a number of commissioned projects, celebrated recently at White Ribbon Day. Our quarterly figures on serious youth violence and knife crime offences also show an increase when compared to the previous quarter. However, incidences in the year to September 2022 have reduced when compared to the year to September 2021 for both indicators. We continue to work proactively with our partners to prevent and tackle serious youth violence and knife crime.

We are performing above target for the percentage of young offenders engaged in suitable education, training and employment (pe-court) with 80% engaged, above our target of 75%. We have also seen an improvement in the percentage of young offenders engaged in suitable education, training and employment post-court at 69.6%, although this is still below our target of 85%.

We are continuing to improve our performance on the percentage of Education, Health and Care Plans completed within 20 weeks (excluding exceptions) at 94.5% this quarter, up from 85.2% the previous quarter.

For Adult Social Care, all KPIs are at or above target, including 36.9% of clients receiving any long-term service reviewed in the year, above our target for Q2 of 32.5% and higher than the 28.1% rate for quarter 2 last year.

For Children's Social Care, 1,750 out of 2,575 completed assessments (68%) were authorised within 45 working days of the assessment start date for the quarter. This measure has been below target since March 2021, however performance has improved over the past 6 months and the average performance over the last three months is now at 76.5% and continuing to improve due to additional staff working in the service. In October, 415 out of 509 (81.5%) were authorised within 45 days.

We are continuing to see a reduction in the Partnership Successful Completion Rate (%) for all Drug users in treatment (aged 18+), excluding alcohol-only users: 16.6%, below our target of 20%. Analysis of caseloads has identified an increase in client complexity leading to clients being retained longer in treatment, thereby impacting on the current completion rate. Action is being taken by the provider BEH through a comprehensive service development plan, which has been confirmed in writing with the Chief Executive of BEH. These include:

- audit of caseloads and targeting of transfers for recovery
- weekly review of planned and unplanned discharges within the system
- focus on non-opiate completions through use of targeted group work
- programmes and process mapping of alcohol detox pathways

- the promotion of visible signs of recovery through increased visibility of peer mentors across the treatment system.

All other public health KPIs are performing above target for this quarter.

16. An economy that works for everyone

	Q1 2022-2023 (April - June)	Q2 2022-2023 (July - September)
Total KPIs RAG rated	5	5
Number KPIS as Red	1	1
Number KPIS as Amber	1	1
Number KPIS as Green	3	3
Data only KPIS	4	4

The number of business start-ups recorded for Enfield has continued to decline, with 477 recorded for quarter 2, compared to 794 the previous quarter, and 897 for quarter 2 last year.

We continued to perform above target for the number of attendees accessing our leisure centres and the figure increased from the previous quarter. We are below target for the number of attendees to culture venues, although the numbers are expected to increase in quarter 3 with the re-opening of the Dugdale and events for the Christmas season. The number of participants in Children's / Family / Youth Activities offered by Culture was 2,142, an increase on the previous quarter and is above target for quarter 2.

17. A modern council

	Q1 2022-2023 (April - June)	Q2 2022-2023 (July - September)
Total KPIs RAG rated	29	31
Number KPIS as Red	8	9
Number KPIS as Amber	3	4
Number KPIS as Green	18	18
Data only KPIS	13	8

Overall sickness rates have fallen across all departments. Anxiety, depression and other mental health related illnesses are the highest reason for sickness absence followed by Covid-19 and musculoskeletal problems. Long-term absence has continued to fall since Q1 and is lower than it was in Q2 last year.

The Absence and Attendance Team in HR monitor all long-term cases to ensure they are proactively managed. Sickness absence training has been reviewed and is being rolled out. This is initially targeting services with higher absence levels or where there are inexperienced managers. This will ensure managers are equipped with the necessary skills and confidence when dealing with staff sickness and absence. Average sick days per FTE is exceeding our Corporate target for Chief Executive's and Resources but is missing the Corporate target in the People and Place departments. People and Place Directorates have a larger manual workforce and sickness absence levels tend to be higher for manual workers, a trend typical across most organisations.

We are above target for the number of monthly website users at 724,929, an increase of 271,142 users compared to the same quarter last year. We are also above target for satisfaction with webchat. We are below target for the number of visits to our libraries and are taking action to increase footfall with targeted activities including our new sensory space in Enfield Town library and activities and events planned throughout the winter including ‘warm spaces’ activities with hot drinks. Partner events and baby and toddler activities are also re-starting.

We have seen a reduction in the proportion of initial review complaints completed within our target this quarter, as our response time target has reverted from 20 days to 10 days. We are continuing with awareness raising campaigns so that staff are aware of our new target. The average for this quarter was 14 days. We are above our target for the percentage of final review complaints completed within timescale, with all 18 answered on time. For FOIs, we have seen an improvement in the proportion answered within 20 days, with resource changes in the central team driving the improvement. We have also seen an increase in the proportion of SARs closed within the target. We are recruiting additional posts to increase capacity and continue to drive performance. The proportion of Member Enquiries (MEQs) responded to within the 8-day target has also improved, with 88% on time this quarter, closer to our target of 95%. Refresher training for staff was delivered in December to further reduce user errors with the new system.

We are above target for all income/arrears and payment targets.

18. Climate action

	Q1 2022-2023 (April - June)	**Q2 2022-2023 (July - September)**
Total KPIs RAG rated	**2**	4
Number KPIS as Red	1	2
Number KPIS as Amber	1	0
Number KPIS as Green	0	2
Data only KPIS	3	0

We reduced our carbon emissions by 19.4% in 2021/22, missing our annual target of a 21.9% reduction. This combined reduction is made up of Scope 1 (gas and fuel) and Scope 2 electricity emissions, from our buildings, fleet and street lighting. We have seen large savings in our Scope 2 (electrical) emissions, due to energy savings investments and decarbonisation of the grid. Scope 1 (Gas and Fuel) continues to be a challenge due to the complexity and investment required for decarbonising heating systems and vehicles. As our energy use and emissions stabilise post pandemic, we will be better positioned to review our progress trajectory. Investment in low carbon technology made in 2021/22 such as Air Source Heat Pumps and Solar Panels, will support savings expected to be seen in 2022/23.

In 2021/22 we exceeded our target for emissions per employee, reporting 4.7 tCO2e, above our target of 5.7 tCO2e. This indicator allows for assessment of how efficiently we are using our buildings and resources. Council Scope 1 and 2 emissions per employee are ahead of target. This demonstrates that we are being more efficient with our buildings and operations, and despite accommodating a growing workforce, our emissions are decreasing.

We have seen a decrease in the kilograms of residual waste produced per household this quarter, exceeding our target. While our target for the percentage of household waste sent for reuse, recycling and composting has not yet met our target, we have seen an improvement, up to 36% compared with 30.2% the previous quarter and an improvement on the same quarter last year. We have attributed this improvement to our work with collection crews for the materials recycling facility and our education programme with residents. Market conditions for recyclable materials have also improved. We will be delivering a five-year action plan to improve recycling, alongside our strategic goals set out in the updated Reduction and Recycling Plan (RRP).

19. Fairer Enfield

	Q1 2022-2023 (April - June)	**Q2 2022-2023 (July - September)**
Total KPIs RAG rated	0	0
Number KPIS as Red	0	0
Number KPIS as Amber	0	0
Number KPIS as Green	0	0
Data only KPIS	2	2

Our progress on delivering the objectives of Fairer Enfield is tracked via our Fairer Enfield annual action plan and we review and report on progress in our Annual Equalities Report.

20. Early help

	Q1 2022-2023 (April - June)	**Q2 2022-2023 (July - September)**
Total KPIs RAG rated	1	1
Number KPIS as Red	0	0
Number KPIS as Amber	1	1
Number KPIS as Green	0	0
Data only KPIS	7	6

Demand for the early help services tracked through our scorecard have all increased this quarter compared to the previous quarter, with the exception of isolation calls. In relation to providing early help for people in financial difficulties, we completed 87.2% of financial assessments within 21 days, slightly under our target of 95%.

Safeguarding Implications

21. Our performance scorecard includes indicators which help us monitor how we are safeguarding vulnerable children and adults.

Public Health Implications

22. Our performance scorecard includes indicators which help us monitor the impact of action we are taking to improve health for local people, and performance against targets for providing good quality public health services for the borough.

Equalities Impact of the Proposal

23. Progress in delivering on our Fairer Enfield Plan is monitored as one of our cross-cutting themes.

Environmental and Climate Change Considerations

24. Progress in delivering on our Climate Action Plan is monitored as one of our cross-cutting themes.

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

25. The report is part of the Quarterly timetable for Cabinet to review performance and does not propose a decision.

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

26. The report is part of the Quarterly timetable for Cabinet to review performance and does not propose a decision.

Financial Implications

27. The cost of producing the quarterly reports is met from existing resources.

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

Legal Implications

29. 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

30. Our performance scorecard includes indicators which track sickness absence levels of our workforce.

Property Implications

31. None

Other Implications

32. None

Options Considered

33. Another option would be to not report quarterly on the Council's performance in a public report. This is not a favoured option as it would prevent us effectively assessing progress made on achieving the Council's priorities and to demonstrate the value for money being provided by council services.

Report Author: Harriet Potemkin, Head of Policy and Strategy
Date of report: 4/1/23

Appendices
Appendix 1: Q2 2022/23 Performance Scorecard

Background Papers
None

Cabinet: Q2 2022-23 (July 2022 – September 2022)

Report Author: Richard Pain
Report Date: 4th January 2023

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 target, it is shown as GREEN
Where the KPI is narrowly below target and/or there is a likelihood that performance will meet target in the future it is shown as AMBER
Where the KPI is significantly below target (for most indicators this will be more than 10% below target) it is shown as RED
The report includes a number of KPIs that do not have a target and therefore no RAG status. These are marked as "data only KPIs"

01. Priority 1: Good Homes in Well Connected Neighbourhoods

a) Build more and better homes for local residents

Indicator	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23	Q2 2022/23		Annual Target 2022/23	Notes & Actions
	Value	Value	Value	Value	Value	Target		
NI156i Number of households living in temporary accommodation	3212	3236	3163	3136	3109	2691 All quarters	2691	There is a London wide crisis in the supply of affordable accommodation. There has been a 72% decrease in the supply of privately rented accommodation over the last 18 months whilst the number of households approaching the service for assistance has more than doubled in the same period. The private rented sector is shrinking, and smaller landlords are exiting the market. The shortage of supply is also leading to rents rising well above LHA level. The service is responding by: Piloting a voluntary relocation scheme in partnership with Beam. 150 households have been identified; Beam will work with these households to secure affordable permanent accommodation. Widening the area within which we discharge duty to within an hour and a half travel time of work or school. In parallel with this we are drawing up plans to transfer our provision of temporary accommodation to Housing Gateway Ltd. This will produce an immediate saving on the subsidy paid to Housing Benefit but will also remove the financial benefit to residents of being in temporary accommodation. As at June 2022, Enfield had the 5th highest number of households in TA (as a proportion of households in the authority area) of 309 authorities. This compares to Enfield being ranked second highest when the Housing Advisory Service was first launched in October 2020.

Indicator	Q2 2021/22 Value	Q3 2021/22 Value	Q4 2021/22 Value	Q1 2022/23 Value	Q2 2022/23 Value	Q2 2022/23 Target	Annual Target 2022/23	Notes & Actions
CHS053a Number of Prevention duties ended with positive prevention	179	210	244	166	153	Data only KPI		
CHS053b Number of Prevention Duties Ended	314	340	478	340	372	Data only KPI		
CHS053 Percentage of Successful Statutory Preventions (Accommodation Sustained or Straight into PRS)	57%	61.8%	51%	48.8%	41.1%	Not set	Not set	CHS053 indicators added to EMT/Cabinet report for the first time in Q1 as they form part of the TA Action Plan and therefore provide useful additional context
HD 08 Number of new dwellings started on Council Led Schemes	88	0	580	0	0	Data only KPI		Unprecedented pressures on housing development, including abnormal inflation, have led to delays in council projects and to projects in partnership with others. We expect further starts in Q4
HD 10 Number of new dwellings completed on council led schemes (net additional)	0	0	97	0	0	Data only KPI		First completions are anticipated in Q4 22/23 on Meridian One of circa 20 homes.

b) Invest in and improve our council homes

Indicator	Q2 2021/22 Value	Q3 2021/22 Value	Q4 2021/22 Value	Q1 2022/23 Value	Q2 2022/23 Value	Q2 2022/23 Target	Annual Target 2022/23	Notes & Actions
CH092 BS02 Proportion of Blocks for which all required fire risk assessments have been carried out (NEW)	New indicator 2022/23				98.9%	100%		1109 common areas need to be assessed.1097 are currently on target (98.9%). FRAs that are overdue comprise: 11 street properties – we have visited but unable to gain access. Letters are due to be sent out 1 sheltered housing block - work is currently being undertaken including installation of sprinklers, and FRA will be completed in conjunction with this work.
CH103 ***(NEW) Repairs Completed Within Target Timescale (YTD)	New indicator Q1 2022/23			97.68%	Q1 latest data available	98% All quarters	98%	Data for Q1 was based on draft Regulator TSMs and excluded emergency repairs. 21 Sept 2022 the Regulator confirmed the final measures and reporting now to include emergency. Work ongoing to embed robust reporting on this measure due to challenges with reporting from Service Connect and delays with the roll out of new digital system CX. New term contractors and Enfield Repairs Direct will be reporting through one system which will allow for accurate monitoring.
CH113 ***(NEW) Stock Vacant and Unavailable to Let (%)	New indicator 2022/23				n/a	n/a	n/a	New indicator from regulator. Data to be included in Cabinet report from Quarter 3.
CH069 ***(RP01) Homes That Do Not Meet the Decent Homes Standard***	New indicator Q1 2022/23			40%	37.6%	35% All quarters	35%	Decency performance has improved month on month from April's position of 48.6% non-decent to the current position of 37.6%. Our target is set at 35% to align with investment programme which is focusing on safety measures. The review of the HRA BP has identified capital investment to achieve decency across all stock that is targeted for retention by the end of 2025/26
CH069a Number of Repair Orders raised concerning Damp and Mould	New indicator 2022/23				*New measure to be reported from Q3 – see*	Data only KPI		As of 1st December 2022, 160 repairs orders were open relating to damp and mould or conditions that increase the risk of damp & mould. This is a substantial increase from previous months, due to press and reporting about

Indicator	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23	Q2 2022/23		Annual Target 2022/23	Notes & Actions
	Value	Value	Value	Value	Value	Target		
					notes			the issue and our own communications with residents to encourage reporting. Orders are being progressed as swiftly as possible. We are expecting an increase over winter as our overall Damp & Mould action plan identifies more cases in the stock alongside heating challenges.
EH072 Percentage of Urgent Repairs Completed on Time (YTD)	96.7%	92.4%	89.0%	95.7%	96.1%	97.0% All quarters	97.0%	1,599 Urgent repairs were completed in time from a total of 1,664 (96.1%).
BV212 Average time taken to re-let local authority housing (days). (YTD)	36.00	35.00	42.00	25.00	51.00	20.00 All quarters	20.00	We have seen an increase in voids arising from tenancy ends and we are identifying additional supply chains and resources to respond.
HO008 The percentage of council owned homes which have a current gas safety certificate	99%	98.5%	98.9%	98.8%	98.8%	100% All quarters	100%	Q2 compliance rate of 98.8% equates to 7973 of 8069 properties (96 non-compliant)
CH074 ***(NEW) Complaints Responded to Within Complaint Handling Code Timescales	New indicator 2022/23				n/a	n/a	n/a	Complaints performance is unavailable from August due to a technical issue. This fault has been escalated to the software provider as a high priority. 90% of first stage and final stage complaints in timescale in July 2022
CH093a Number of blocks (communal) that require a valid Asbestos survey.	New indicator 2022/23				*948*	948 (100%)	100%	948 blocks in total – all have an asbestos survey and register in place – 100% compliant on block level. This includes blocks where "Asbestos Containing Material" (ACMs) have been identified as well as those where surveys have not identified any ACMs.. Where ACMs have been identified, a re-inspection programme has been agreed and the ACMs are inspected periodically at required frequencies(risk-based approach taken).
CH098 ***(NEW) Legionella Risk Assessments	66.6%	66.6%	43.42%	64.99%	71.06%	100% All quarters	100%	Legionella risk assessment approach reviewed early 2022 and performance has gradually increased from 43.42% at the start of the financial year to 71.6% at the end of Q2. As at October, we are 78.3% compliant. we have taken a risk-based approach with the highest- risks category currently fully compliant. We are aiming to achieve 85% by the end of Q3 and 100% by the end of Q4. The improvements this year follow the appointment of a dedicated water hygiene specialist who is working closely with our contractors to meet full compliance.
CH124 Properties with lift testing (Passenger Lift)	78%	93.51%	96.1%	87.34%	97.4%	100% All quarters	100%	
CH125 ***(NEW) Percentage of Repairs Completed Right First Time	New indicator Q1 2022/23			80%	75%	n/a	n/a	

Council Housing: Annual Surveys

Indicator	2021/22		2022/23		2023/24		Comments & Actions
	Value	Target	Value	Target	Value	Target	
CH079 ***(NEW) Tenant Satisfaction With Landlord Contribution to Neighbourhood Associated With Their Home (TP09)							Annual surveys being undertaken in Autumn 2022 with results expected to be published in December 2022/ January 2023. Data will be reported in the Quarter 3 performance report to Cabinet
CH109 ***(NEW) Satisfaction That The Home is Well Maintained and Safe to Live in (TP04)							
CH081 ***(NEW) Tenant Satisfaction With Landlords Handling of Antisocial Behaviour***(TP10)							
CH075 ***(TP05) Satisfaction That the Landlord Listens to Tenant Views and Acts Upon Them***							
CH076 ***(TP06) Satisfaction That the Landlord Keeps Tenants Informed About Things That Matter to Them***							
CH078 ***(NEW) Tenant Satisfaction With Landlord Actions to Keep Communal Areas Clean and Safe***(TP08)							
CH065f Satisfaction with Time Taken to Complete Most Recent Repair (TP03)							
CH073 ***(TP11) Satisfaction With the Landlord's Approach to Handling of Complaints***							
CH126 ***(NEW) Agreement That the Landlord Treats Tenants Fairly and With Respect (TP07)							

c) Deliver housebuilding and regeneration programmes with our residents

Indicator	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23	Q2 2022/23		Annual Target 2022/23	Notes & Actions
	Value	Value	Value	Value	Value	Target		
REGEN002b Affordable housing units as a percentage of gross units completed	Annual Updates – see notes				n/a	n/a	40%	2018/19 – 17% (Target 40%) 2019/20 – 30% (Target 40%) 2020/21 – 32% (Target 40%) 259 affordable units of 812 completed
REGEN007 Social Rented housing units as a percentage of gross affordable units completed	Annual Updates – see notes				n/a	n/a	70%	2018/19 – 22% ; 2019/20 – 70%; 2020/21 – 32% (Target 70%) 70% Target is not just for social rented but also includes affordable rented units and London Affordable Rented units.

Indicator	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23	Q2 2022/23		Annual Target 2022/23	Notes & Actions
	Value	Value	Value	Value	Value	Target		
ENV142b % Pre-application advice given within 30 working days of registration of a valid enquiry	76.9%	70%	57.1%	63%	50%	90% All quarters)	90%	**July:** 4/9; **August:** 5/9; **September:** 5/10; **Q2:** 14/28 (50%). Actions • Recruitment to vacant posts in area teams underway to re-build capacity • Additional capacity being created in Technical Support Team to release pressure from planning officers • Mondrem appointed to review DM function and work with team on improvements • Independent review in to Pre-apps and PPAs yielded actions which are being fed in to Continuous Improvement Board to make process more efficient and effective
NI157a BV109a % MAJOR applications determined within target	100%	100%	90.9%	50%	100%	90% All quarters	90%	**July:** 2/2; **August:** 1/1; **September:** 2/2: **Q2:** 5/5 (100%).
NI157b BV109b % MINOR applications determined within target	96.2%	87.3%	88.1%	79.9%	85.2%	86% All quarters	86%	**July:** 34/41; **August:** 47/51; **September:** 46/57; **Q2:** 127/149 (85.2%).
NI157c BV109c % OTHER applications determined within target	96.7%	92.5%	85.1%	87%	84.3%	88% All quarters	88%	**July:** 91/105; **August:** 80/93; **September:** 81/101; **Q2:** 252/299 (84.3%); **Q2 2021/22:** 96.7%.
ENV247 % 2 year rolling MAJOR applications determined within target	95.5%	95.6%	94.5%	93.2%	92.6%	86% All quarters	86%	**Q2: 63 of the 68** major planning applications determined within the last 24 months were processed within 13 weeks.
ENV247a % 2 year rolling MINOR applications determined within target	91.8%	91.2%	91.3%	89.7%	89%	85% All quarters	85%	**Q2: 1,097 of the 1,232 (89%)** minor applications determined within the last 24 months were processed within 8 weeks.
ENV247b % 2 year rolling MINOR & OTHER applications determined within target	94.1%	94.2%	94.3%	93.6%	92.1%	85% All quarters	85%	**Q2: 2,240 of the 2,432 (92.1%)** minor and other applications determined within the last 24 months were processed within 8 weeks.
ENV319 Undetermined applications validated over 6 months ago	406	468	462	462	459	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.

02. Priority 2: Safe, Healthy and Confident Communities

a) Keep Communities Free from Crime

Indicator	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23	Quarter 2 2022/23		Notes & Actions
	Trend arrow compares offences to the previous quarter.						
CS-SSCB009 Burglary - Residential Offences	392 ↑	503 ↑	409 ↓	371 ↓	310	↓	There were 1,606 Residential Burglaries in Enfield in the year ending September 2022, compared with 1,690 in the previous year, a decrease of 5.0%. In London, there was also a higher reduction of 6.9% in the same period, from 47,712 in 2020/21 to 38,817 in 2021/22. In London, there was a similar reduction of 6.9%, reducing from 41,712 in 2020/21 to 38,817 in 2021/22.
CS-SSCB010 Domestic Abuse (DA) Incidents	1,644 ↑	1,665 ↑	1,548 ↓	1,609 ↑	1,638	↑	In the year ending September 2022 there was a 2.9% increase in DA Incidents compared to the previous year. London experienced an increase of 1.4% over the same period. We have proactively encouraged reporting of domestic abuse through the ongoing investment in our domestic abuse hub and a number of commissioned projects celebrated recently at White Ribbon Day.
CS-SSCB011 Domestic Abuse Violence with Injury Offences	216 ↑	217 ↑	221 ↑	253 ↑	251	↓	In Enfield by end of September 2022, there was a 9.4% increase in this offence type. The numbers of Domestic Abuse Violence with Injury offences increased by 74 more offences in 12 months to end of September 2022 when compared to the same period previous year. In London, there was a increase of 2.3% (n=-508), increasing from 22,327 offences in 2020/21 to 22,853 in 2021/22 - a borough annual average of 714 offences.
CS-SSCB012 Serious Youth Violence (SYV)	73 ↓	61 ↓	74 ↑	64 ↓	76	↑	Although the number of SYV victims increased in Quarter 2, there was a 16.7% reduction in the year to September 2022 compared to the year to September 2021 (58 fewer victims). Enfield is ranked 6th for the number of SYV victims compared to 32 London boroughs (average increase across London in the same period was 11.9%). We continue to work proactively with our partners to tackle SYV
CS-SSCB013 Anti Social Behaviour Calls	2,797 ↓	2,328 ↓	2,376 ↑	2,461 ↑	2,450	↓	There has now been a 32% decrease in the number of Anti-Social Behaviour calls recorded in the borough in the year to September 2022 when compared to the last year with 4,239 less calls. London's call levels also continue their return to normal with an overall decrease of 34.2% in the last year.
CS-SSCB014 Hate Crime Overall Total - 5 Strands Combined	201 ↓	181 ↓	195 ↑	237 ↑	200	↓	Hate Crime increased by 10.2% in the year ending September 2022 recording 791 offences, compared with 718 the previous year i.e. 73 more offences in the past 12 months when compared to the previous year. Racist and religious hate crime formed the majority of such crime reported in the borough, followed by homophobic hate crime. Although much lower numbers, Homophobic crime increased by 71.9% in the borough, also rising in London by 18.1%.
CS-SSCB015 Non Domestic Abuse Violence with Injury Offences	465 ↓	494 ↑	457 ↓	555 ↑	482	↓	In the year ending September 2022 there were 2,011 non-domestic abuse violence with injury offences recorded, compared with 1,729 the previous year, equating to a 16.3% rise or 282 more offences in Enfield. In London, there was a similar increase of 18.2% rising from 46,512 to 54,973 by end of September 2022.
CS-SSCB016 Violence against the Person Offences	2,330 ↓	2,406 ↑	2,273 ↓	2,460 ↓	2,302	↓	In the year ending September 2022 there were a total of 9,553 Violence Against the Person offences (VAP) recorded in Enfield, compared with 8,849 offences the previous year. This equates to an increase of 8.0% or a difference of 704 more offences. In London, there was a similar increase of 6.8% in the same period, rising from 227,637 offences in the year to September 2021 to 243,167 by September 2022, equating to 7599 average borough offences or 485 more offences per borough in the past 12 months when compared to the same period last year.
SGB500 Number of knife crime offences YTD	126 ↓	105 ↓	104 ↓	126 ↑	153	↑	Although the number of offences increased in Quarter 2 there was a 7.2% reduction in the year to September 2022 compared to the year to September 2021(43 fewer offences over the year). London experienced a 9.7% increase in the same period. We continue to work proactively with our partners to tackle knife crime. .

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

Education

Indicator	Q2 2021/22 Value	Q3 2021/22 Value	Q4 2021/22 Value	Q1 2022/23 Value	Q2 2022/23 Value	Q2 2022/23 Target	Annual Target 2022/23	Notes & Actions
YOS 027 % of Young offenders' engagement in suitable education, training and employment (Pre-court) (At the end of the Order)	100.0%	100.0%	60.0%	100.0%	80.0%	75.0% All quarters	75%	Quarter 2: 80% - 8 of 10 young offenders in suitable education, training or employment
YOS 045 Young offenders' engagement in suitable education, training and employment (Post Court) (At the end of the Order)	75%	88%	57.1%	64.7%	69.6%	85% All quarters	85%	Quarter 2: 69.6% - 16 of 23 young offenders in suitable education, training or employment (12/17 above school age and 4/6 of school age) New ETE panel implemented from July 2022 that reviews every child of statutory school age that may not be engaging in education. All post 16-year-olds NEET are brought to the STAAH panel. Post 16 offer needs to consider barriers to EET for young offenders. Further discussion with the post 16 strategic lead scheduled with recommendations brought to the YJSMB for consideration.
SGB134 Number of Education Health Care Plans (EHCP's) completed within 20 Weeks (Excluding exceptions)	83.8%	65.2%	75.0%	85.2%	94.5%	85.0% All quarters	85.0%	Q2 2022/23: 121 Issued within 20 weeks out of 128 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	Q2 2021/22 Value	Q3 2021/22 Value	Q4 2021/22 Value	Q1 2022/23 Value	Q2 2022/23 Value	Q2 2022/23 Target	Annual Target 2022/23	Notes & Actions
PAF-AO/C72 New Admissions to supported permanent Residential and Nursing Care (65+) per 100,000 population over 65	256.5	343.5	412.6	109.3	191.8	223.0 (Target to Q2)	446.0	This represents 86 admissions in the first 2 quarters of this year. In 2021/22, we were the 41st best performing Local Authority nationally for this measure
PAF-AO/C73 New Admissions to Residential and Nursing Care 18-64 (per 100,000 population)	3.91	4.40	5.38	0.00	1.96	2.93 (Target to Q2)	5.87	This represents 4 admissions in the first 2 quarters of this year. In 2021/22, we were the 25th best performing Local Authority nationally for this measure
PAF-AO/D40s Percentage of clients reviewed in the year (of clients receiving any long term service)	28.1%	38.8%	52.7%	20.0%	36.9%	32.5% (Target to Q2)	65.0%	36.9% as at Q2. This is nearly 400 more reviews completed in the first 2 quarters when compared to the same period last year and represents our best Q2 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% All quarters	99.5%	

Indicator	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23	Q2 2022/23		Annual Target 2022/23	Notes & Actions
	Value	Value	Value	Value	Value	Target		
NI130s(LTS-DP%) Percentage of current clients with Long Term Support (LTS) receiving a Direct Payment	55.2%	54.8%	55.3%	56.0%	57.3%	56.0% All quarters	56.0%	In 2021/22, 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	4.9%	5.7%	6.5%	6.2%	Q1 latest data available	7% All quarters	7%	65 people aged 18 to 69 in employment out of the 1,055 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	69%	69.8%	71%	69.7%	Q1 latest data available	71% All quarters	71%	735 people aged 18 to 69 living independently out of the 1,055 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)	32.3%	50.8%	56.6%	15.8%	32.7%	28.0% (Targets to Q2)	56.0%	32.7% as at Q2. Last year (56.6%) represents our highest ever end of year performance for this measure and we remain on course to better this.
NI145 Adults with learning disabilities in settled accommodation	86.6%	86.6%	86.5%	85.5%	85.0%	85.0% All quarters	85.0%	In 2021/22, we were the 3rd best performing Local Authority in London for this measure
NI146(A) Number of adult learning disabled clients receiving LTS in paid employment	120	120	132	133	122	Data only KPI		

Children's Safeguarding

Indicator	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23	Q2 2022/23		Annual Target 2022/23	Notes & Actions
	Value	Value	Value	Value	Value	Target		
LAC18 (PAFCH39) Children looked after (CLA) per 10000 population (84,386) age under 18	48.3	47.3	46.9	47	49.2	Data only KPI		Rate of Looked After Children per 10,000 is 49.2, the highest since November 2019. 415 LAC as at end of September, numbers have been increasing since the beginning of 2022.
NI060A % of Children & Family Assessments for children's social care that were authorised within 45 working days of their commencement	87.2%	78.2%	71.9%	60.7%	68%	80% All quarters	80%	1,750 of 2,575 completed assessments have been authorised within 45 working days of the assessment start date to Sept' 2022. This has been below target since March 2021 but performance has improved over the past 6 months - the average over the 3 months to September is 76.5% (81.5% in October) and continues to improve due to additional staff in the service.
SG11 No. of Children on a Child Protection Plan per 10,000 Children	37.7	42.2	39.5	33.7	35.9	Data only KPI		Rate per 10,000 on a CP Plan is 35.9, with a total of 303 as at end of September; 21 New plans and 24 cessations. Children on CPPs have increased over the past 12 months with a monthly average of 322, compared to 277 for the same period last year.
NI065 % Children Subject to a CPP for a second or subsequent time (within past 2 years)	4.9%	5.5%	5.9%	5.8%	4.0%	Data only KPI		This is a measurement of children who have had a previous Child Protection Plan in the past two years. 374 Became subject to a CPP during the past 12 months, 15 had previously been on a CP Plan in the past two years; 18 in September 2021. 17.6%, a total of 66 Children have previously had a plan at some point in the past. 2020/21 DfE published data shows: Enfield 16%

Indicator	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23	Q2 2022/23		Annual Target 2022/23	Notes & Actions
	Value	Value	Value	Value	Value	Target		
								London 18.7% Statistical Neighbours 21.4% and England average 22.1%
YOS 029 Total number of Young People sentenced at Court that are given a Custodial sentence in the period	1	2	1	1	1	Data only KPI		

d) Create healthy streets, parks and community spaces

Environment

Indicator	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23	Q2 2022/23		Annual Target 2022/23	Notes & Actions
	Value	Value	Value	Value	Value	Target		
NI195a % of inspected land that has an unacceptable level of litter		3.00%	5.33%	5.33%	6.5%	6.20% All reporting periods	6.20%	Data in Q2 is average of Q1 & Q2 surveys Q1 – 5.3% Q2 – 7.7% (averaged = 6.5%) As part of the Public Realm review, we have been looking at alternative delivery models for street cleansing. One of the proposed solutions that is being trialled focuses on street sweeping (versus litter picking) and it is expected that this will improve performance regarding detritus across the borough.

Public Health

Indicator	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23	Q2 2022/23		Annual Target 2022/23	Notes & Actions
	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:	23.90%	20.20%	18.60%	16.60%	Q1 most up to date data	20% All quarters	20%	The proportion of drug users successfully completing treatment over the last two quarters has reduced by 1.4% and 3.4% respectively against the local target of 20%. Analysis of caseloads has identified an increase in client complexity leading to clients being retained longer in treatment, thereby impacting on the current completion rate. To increase movement and improve capacity in the system a number of key actions are being implemented by the Provider through a comprehensive Service Development Plan which have been confirmed in writing with the Chief Executive of BEH. These include: • audit of caseloads and targeting of transfers for recovery,

Indicator	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23	Q2 2022/23		Annual Target 2022/23	Notes & Actions
	Value	Value	Value	Value	Value	Target		
								• weekly review of planned and unplanned discharges within the system, • focus on non-opiate completions through use of targeted group work • programmes and process mapping of alcohol detox pathways and • the promotion of visible signs of recovery through increased visibility of peer mentors across the treatment system.
PH002c New Baby Reviews completed (10-14 days after birth)	98%	99%	97%	99%	Q1 most up to date data	95% All quarters	95%	
PH002o Substance Misuse: Proportion of Young People exiting treatment in a planned way of all treatment exits (EMT)	85%	75%	74%	92%	Q1 most up to date data	77% All quarters	77%	From 1st April 2022 until the end of June 2022, 92% of all young people exiting treatment did so in a planned way which is equivalent to 23 young people which is above the National Average for the first quarter.
PH003i % completed treatment within a month of diagnosis at Enfield Sexual Health Clinics	92.7%	93.3%	94.1%	94.6%	Q1 most up to date data	90% All quarters	90%	

03. Priority 3: An Economy that Works for Everyone

a) Create more high-quality employment

Indicator	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23	Q2 2022/23		Annual Target 2022/23	Notes & Actions
	Value	Value	Value	Value	Value	Target		
ENV 210 Business Start-Ups in Enfield	897	916	877	794	477	Data only KPI		Year to Date: 1271 business start-ups. Data to August 2022 Real Estate/Professional Services: 420; Wholesale/retail: 205 Transport/storage: 106
NI146 % of Adults with learning disabilities in employment	14.2%	14.1%	15.2%	16%	14.6%	15% All quarters	15%	In 2021/22, we were the 5th best performing Local Authority nationally for this measure

b) Enhance skills to connect local people to opportunities

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

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

Indicator	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23	Q2 2022/23		Annual Target 2022/23	Notes & Actions
	Value	Value	Value	Value	Value	Target		
ENV335 Number of Visitors to the Active Enfield Programme (Young People)	137	376	731	1,126	321	Data only KPI		Data is the number of attendees for the quarter.
ENV336 Number of Visitors to the Active Enfield Programme (Older People)	2,211	4,270	4,916	3,420	1,699	Data only KPI		Data is the number of attendees for the quarter.
LC05 Leisure Centre - overall attendances	183,715	185,168	211,738	211,239	214,733	199,980 Target for Q2	800,000	Annual target for 22/23 increased to 800,000 from 660,000 in 2021/22 Targets 199,980 per quarter

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

Indicator	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23	Q2 2022/23		Annual Target 2022/23	Notes & Actions
	Value	Value	Value	Value	Value	Target		
ENV 401 Number of Admissions to Culture Venues: All Venues	58,812	50,410	90,210	29,810	15,949	30,000 (Target 90,000 in Q3. All other quarters - 30,000)	150,000	Millfield: 4502 Dugdale: 521 Forty Hall: 10,425 Stories of Enfield: 501 Q3 is Christmas season and we have extensive programme of accessibly priced Christmas offers including extended run of Millfield pantomime, Little Women and Christmas Tales from the Shed at the Dugdale, Christmas markets and carol events at Forty Hall. Team continue to market all events proactively including own channels, Council channels and partner channels. In January, Development and Culture has programmed introductory offers to support the community with cost of living crisis, offering £5 film tickets that include hot drink (adults) or jacket potato (kids)
ENV 404b Number of Participants in Children's / Family / Youth Activities offered by Culture	371	1,511	6,497	521	2,142	1,875 Target for Q2	7,000	Millfield: 726 Dugdale: 0 Forty Hall: 1416 Targets 1,875 for all quarters
ENV 404a Number of Child / Young Person admissions to council cultural venues	2,028	5,984	5,962	3,602	4,395	3,000 Target for Q2	16,000	Millfield: 925 Dugdale: 0 Forty Hall: 3470 Target increases o 7000 in Q3. All other quarters = 3,000

04. Cross Cutting Theme 1: A Modern Council

a) An empowered, responsive and happy workforce

Average Sickness Days

Indicator	Q2 2021/22 Value	Q3 2021/22 Value	Q4 2021/22 Value	Q1 2022/23 Value	Q2 2022/23 Value	Q2 2022/23 Target	Annual Target 2022/23	Notes & Actions
BV012a Average Sick Days - Council Staff (rolling 4 quarters)	10.58	10.90	10.81	10.67	10.28	7.96 Annual target	7.96	**<u>Annual sickness 1st October 2021 - 30th September 2022</u>** Average sickness days per employee in each Department for this period (comparison to previous quarter in brackets) Chief Executives: 5.5 days Resources: 7.1 days People: 11.3 days Place: 11.7 days Overall sickness rates have fallen across all departments. Anxiety, depression and other mental health related illnesses is the highest reason for sickness absence followed by Covid-19 and musculoskeletal problems.
BV012b Average Sick Days: SHORT TERM ABSENCE - Council Staff (rolling 4 quarters)	3.66	4.16	4.48	4.64	4.46	2.80 Annual target	2.80	Absence includes sickness relating to or due to Covid-19.
BV012c Average Sick Days: LONG TERM ABSENCE - Council Staff (rolling 4 quarters)	6.81	6.74	6.32	6.02	5.82	5.16 Annual target	5.16	Long-term absence has continued to fall since Q1 & Q2 2021/22. The specialist Absence & Attendance team in HR monitor all long-term cases to ensure they are proactively managed. Sickness absence training has been reviewed and is being rolled out. This is initially targeting services with higher absence levels or where there are inexperienced managers. This will ensure managers are equipped with the necessary skills and confidence when dealing with staff sickness and absence.
HR0008a Average Sick Days per FTE per Month - Chief Executive's	1.32	1.73	1.85	0.95	0.94	1.99 Target for Q2	7.96	Q3 2021/22 - 1.73 days average Q4 2021/22 - 1.85 days average Q1 2022/23 - 0.95 days average Q2 2022/23 - 0.94 days average Average sick days per FTE for the Chief Executive's Directorate is 0.94 which remains below the corporate target.
HR0008bb Average Sick Days per FTE per Month - Resources	2.66	2.12	1.88	1.48	1.65	1.99 Target for Q2	7.96	Q3 2021/22 - 2.12 days average Q4 2021/22 - 1.88 days average Q1 2022/23 - 1.48 days average Q2 2022/23 - 1.65 days average Average sick days per FTE for the Resources Directorate is 1.65 which remains below the corporate target
HR0008cc Average Sick Days per FTE per Month - People	2.92	3.29	2.98	2.29	2.73	1.99 Target for Q2	7.96	Q3 2021/22 - 3.29 days average Q4 2021/22 - 2.98 days average Q1 2022/23 - 2.29 days average

Indicator	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23	Q2 2022/23		Annual Target 2022/23	Notes & Actions
	Value	Value	Value	Value	Value	Target		
								Q2 2022/23 - 2.73 days average Average days lost is 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.
HR0008dd Average Sick Days per FTE per Month - Place	3.02	3.43	3.18	2.35	2.74	1.99 Target for Q2	7.96	Q3 2021/22 - 3.43 days average Q4 2021/22 - 3.18 days average Q1 2022/23 - 2.35 days average Q2 2022/23 - 2.74 days average Average days lost is 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	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23	Q2 2022/23		Annual Target 2022/23	Notes & Actions
	Value	Value	Value	Value	Value	Target		
HR 0030 Long Term - Still Absent": Number of employees who have a sickness absence of 28 days or more and is still absent	71	63	59	56	58	Data only KPI		Based on position at 30.9.2022: CEX - 1; People - 24; Place - 25; Resources - 8 The number of staff absent on long-term sickness has increased by 2 cases compared with the previous quarter. However, it should be noted that longer-term cases are being successfully resolved
HR 0031 "3+ Occasions in 3 Months": Number of employees who have had 3 or more periods of sickness absence in the last 3 months (regardless of duration)	75	101	118	100	110	Data only KPI		Based on position at 30.9.2022: CEX - 2; People - 36; Place - 41; Resources - 31
HR 0032 "5+ Working Days in 6 Months": Number of 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	479	547	535	457	511	Data only KPI		Based on position at 30.9.2022: CEX - 6; People - 194; Place - 217; Resources - 94 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. Colds, viruses and Covid-19 are the highest reasons for short-term sickness absence.

Profile of Workforce

Indicator	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23	Q2 2022/23		Annual Target 2022/23	Notes & Actions
	Value	Value	Value	Value	Value	Target		
BV011a Top 5% of Earners: Women	50.3%	51.9%	52.4%	54%	53%	Data only KPI		95 of 179 of top 5% earning staff are female
BV011b Top 5% of Earners: Ethnic Minorities	22.3%	22.4%	24.3%	23.9%	24%	Data only KPI		43 of 179 of top 5% earning staff are from ethnic minorities.
BV011c Top 5% of Earners: with a disability	5.1%	4.9%	4.9%	5.1%	5%	Data only KPI		9 out of 179 of top 5% earning staff have a disability
BV017a CORP % of BAME Staff in LBE Workforce	36.2%	36.3%	36.7%	36.6%	37%	Data only KPI		1376 staff from 3716 are recorded as having a BME ethnicity

b) Accessible and efficient services

Library, Digital and Web

Indicator	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23	Q2 2022/23		Annual Target 2022/23	Notes & Actions
	Value	Value	Value	Value	Value	Target		
CE 007 Customer Satisfaction: Webchat	84.5%	85.5%	85.7%	85.2%	86.0%	85.0% All quarters	85.0%	July – 83.3% August – 86.9% September – 87.7%
CE 005 Enfield Website: Total Users for the Month	453,787	470,119	577,128	732,024	724,929	341,565 (Target for Q2)	1,366,260	Targets set at 341,565 per quarter
LM04 Enfield Library Visits (Total - All Libraries)	183,241	190,838	199,008	256,433	213,451	237,500 (Target for Q2). 237,500 for all quarters	950,000	July - 66,753; August - 71,497; September - 75,201 (Year to date: 469,884 - target at Q2: 475,000) - **Fore Street Library** has been developed in partnership with the local community and has opened as a multi-use space, residents are calling it a “home from home”. - Working with specialists, a sensory space has been installed in **Enfield Town Library** to support those who would benefit from having such a facility. The space is multi-use (feedback to date from customers is positive. Official launch planned for November. - “Makerspaces” planned for **Ordnance Unity library** to provide crafting, coding and life, learning and leisure provision across the borough. We have a plan of activities and events throughout the service including warm space activities that include food. Class visits are starting again as are partner events and we are building our baby and toddler times with volunteers once again.
LM07 Issues plus renewals - All Libraries	167,528	154,420	148,740	157,181	167,437	140,000 (Target for Q2).	560,000	July - 53,975 August - 59,183

Indicator	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23	Q2 2022/23		Annual Target 2022/23	Notes & Actions
	Value	Value	Value	Value	Value	Target		
						140,000 or all quarters		September - 54,279 Year to date: 324,618 (target at Q2: 280,000)
LM31.05 Digital - Total Issues (E-Newspapers, E-Books, E-Audiobooks, E-Comics and Magazines)	169,943	188,062	186,930	228,668	176,145	Data only KPI		July – 57,581 August – 60,037 September – 58,527

Telephones

Indicator	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23	Q2 2022/23		Annual Target 2022/23	Notes & Actions
	Value	Value	Value	Value	Value	Target		
CE 009a Customer Satisfaction: Telephone Advisor 'Professional' Rating	83.1%	85.4%	80.9%	85.2%	77.2%	85% All quarters	85%	
GWH 002 Gateway Telephones - Answer Rate	90%	86%	85%	92%	91%	85% All quarters	85%	July – 94% August – 91% September – 90%
GWH 003 Gateway Telephones - Average Wait Time	00h 03m 01s	00h 05m 07s	00h 04m 08s	00h 02m 04s	00h 02m 13s	00h 03m 00s All quarters	00h 03m 00s	July – 1minute 43 seconds August – 2 minutes 20 seconds September – 2 minutes 36 seconds
GWH 014b Customer Services: % of Calls Answered Within 5 Minutes	82%	76%	74%	89%	89%	90% All quarters	90%	July – 93% August – 86% September – 88%

c) Financial Resilience and Good Governance

Complaints, MEQS, FOIs, SARS

Indicator	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23	Q2 2022/23		Annual Target 2022/23	Notes & Actions
	Value	Value	Value	Value	Value	Target		
COMP 01a Initial Review Complaints - Council Overall (% inside target)	81%	79%	77%	88%	62%	95% All quarters	95%	Q2: 317 of 513 inside target (62%) Year to Date: 692 of 941 (74%) Q2 response time target reverted from 20 (Covid) to 10 working days (pre-Covid) hence the reduced performance as responders adopt this change. Average response time was 14 days. Continuing with awareness campaigns to ensure staff work to revised timeframe.
COMP 02a Final Review Complaints -	70%	68%	58%	88%	100%	95%	95%	18 final stage complaints in Q2 – all answered in timescale

Indicator	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23	Q2 2022/23		Annual Target 2022/23	Notes & Actions
	Value	Value	Value	Value	Value	Target		
Council Overall (% inside target)						All quarters		
FOI 01a All Departments - FOIs answered within 20 days	70%	66%	82%	76%	84%	100% All quarters	100%	Q2: 333 of 395 inside target - 84% Year to Date: 636 of 796 - 80% Resource reprofiling in central team for Q2 has driven performance improvement. Average response time is 16 days.
MEQ 01a All Departments - MEQS responded to within 8 days	76%	84%	81%	77%	86%	95% All quarters	95%	Q2: 944 of 1101 inside target - 86% Year to Date: 2,359 of 2,932 - 80% System improvement implementation continues with major enhancements completed and minor enhancements ongoing. Refresher training for staff to be held Dec 2022 to reduce user errors.
SAR 001 SAR Requests ALL DEPARTMENTS - Enquiries closed inside target of 40 days	63%	43%	44%	46%	69%	100% All quarters	100%	Q2: 22 of 32 inside target - 69% Year to Date: 40 of 71 - 56% Authorisation to recruit received – central team additional posts to develop capacity and continue to drive performance. Recruitment campaign to commence Nov 22.

Income & Arrears

Indicator	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23	Q2 2022/23		Annual Target 2022/23	Notes & Actions
	Value	Value	Value	Value	Value	Target		
HO002b Council Housing - Current Tenants: Total Arrears	£1,761,364	£1,766,254	£1,661,119	£1,612,115	£1,773,881	£2,300,000 All quarters	£2,300,000	October 2022: Current tenant arrears: £1,800,274 October 2021: Arrears £1,809,972
BV009 % of Council Tax collected (in year collection)	54.39%	80.24%	93.74%	28.19%	54.24%	54.00% Target to Q2	96.00%	September collection rate 54.24% - (99,016,127 collected / 182,561,553 net debit).
BV010 % of Business Rates collected (in year collection)	43.79%	73.41%	90.89%	24.51%	49.55%	49% Target to Q2	92.5%	End of September collection rate 49.55% - (56,727,396 collected / 114,494,148 net debit).
BV079b(i) % of Housing Benefit Overpayments recovered (in year collection).	94.24%	93.78%	92.35%	83.49%	94.64%	83.00% All quarters	83.00%	2022/23: £3,075,648 recovered of £3,249,936 overpayments identified (94.64%).
FCRCP32 Processing New claims - Housing Benefit (average calendar days - cumulative)	25.00	25.53	23.79	19.91	19.66	23.00 All quarters	23.00	April 2022 to Date: 1,097 new claims / 21,572 days - Average 19.66.
FCRCP33 Processing Times for Benefit Change in Circumstances (average number of calendar days) Cumulative YTD	3.91	4.6	4.51	6.44	6.02	7 All quarters	7	April 2022 to Date: 36,976 new claims / 222,498 days - Average 6.02.

Invoices

Indicator	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23	Q2 2022/23		Annual Target 2022/23	Notes & Actions
	Value	Value	Value	Value	Value	Target		
INV004 Invoices Council Overall: Invoices Paid within 30 days	98.0%	98.8%	98.8%	98.9%	98.6%	100.0% All quarters	100.0%	YTD 01.04.2022 - 30.09.2022: 98.7% - 41,128 invoices paid inside 30 days from 41,658 paid.
INV004 CEX CEX Group: Invoices Paid within 30 days	91%	98%	99%	100%	94%	100% All quarters	100%	YTD 01.04.2022 - 30.09.2022: 97% - 866 invoices paid inside 30 days from 894 paid. Quarter 2: 94% (397/423).
INV004 PEOP People Group: Invoices Paid within 30 days	98%	99%	99%	99%	99%	100% All quarters	100%	YTD 01.04.2022 - 30.09.2022: 99% - 26,087 invoices paid inside 30 days from 26,323 paid.
INV004 PLACE Place Group: Invoices Paid within 30 days	98%	99%	99%	98%	98%	100% All quarters	100%	YTD 01.04.2022 - 30.09.2022: 98% - 10,985 invoices paid inside 30 days from 11,199 paid.
INV004 RES Resources Group: Invoices Paid within 30 days	99%	99%	97%	98%	98%	100% All quarters	100%	YTD 01.04.2022 - 30.09.2022: 98% - 3,190 invoices paid inside 30 days from 3,242 paid.

05. Cross Cutting Theme 2: Climate Action

Indicator	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23	Q2 2022/23		Annual Target 2022/23	Notes & Actions
	Value	Value	Value	Value	Value	Target		
NI191 Residual Waste Per Household (kg)	314.3 kg per h/h	462.6 kg per h/h	600.3 kg per h/h	137.2 kg per h/h	Q1 latest data	150 kg per h/h (to Q1)	600 kg per h/h	**Q1 2022/23 Provisional** 17,299 tonnes of h/h waste not sent for recycling/re-use (126,050 households) Lowest Q1 total recorded since pre 2008 Target: below 150kg per h/household per quarter
NI192 % of household waste sent for reuse, recycling and composting	32.3%	29%	30.2%	36%	Q1 latest data	Target 40% All quarters	40%	Recycling rate of 36% for Q1 22/23 is much improved on 31.9% for the same quarter last year. The improvement on the same quarter last year is a result of our ongoing work to: - target gate rejects and rejected loads going into the materials recycling facility (MRF) and working with working with the collection crews and the team at the MRF -an intensive programme of education with residents Market conditions for recyclable materials have also improved. We will be delivering a five-year action plan to improve recycling, alongside our strategic goals set out in the updated Reduction and Recycling Plan (RRP).

Climate Action - Annual Updates

Indicator	2019/20		2020/21		2021/22		Comments & Actions
	Value	Target	Value	Target	Value	Target	
CA 001 Climate Action - % reduction in Carbon Emissions (Corporate tCO2e)	0.9%	7.3%	19%	14.6%	19.4%	21.9%	This combined reduction is made up of Scope 1 (gas and fuel) and Scope 2 electricity emissions, from our buildings, fleet and street lighting. We have seen large savings in our Scope 2 (electrical) emissions, due to energy savings investments and decarbonisation of the grid. Scope 1 (Gas and Fuel) continues to be a challenge due to the complexity and investment required for decarbonising heating systems and vehicles. As our energy use and emissions stabilise post pandemic, we will be better positioned to review our progress trajectory. Investment in low carbon technology made in 2021/22 such as Air Source Heat Pumps and Solar Panels, will support savings expected to be seen in 2022/23.
CA 002 Climate Action - Emissions per employee (tCO2e per FTE)	6.6	6.8	5.4	6.2	4.7	5.7	This indicator allows for assessment of how efficiently we are using our buildings and resources. Council Scope 1 and 2 emissions per employee are ahead of target. This demonstrates that we are being more efficient with our buildings and operations, and despite the need to accommodate a growing workforce our emissions are decreasing. This figure may include some insourcing but also is likely helped by policies such as flexible working

06. Cross Cutting Theme 3: Fairer Enfield

Indicator	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23	Q2 2022/23		Annual Target 2022/23	Notes & Actions
	Value	Value	Value	Value	Value	Target		
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	Annual Update		2.5%	n/a	data release 31st March 2023 data 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)
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	Annual Update		0%	n/a	data release 31st March 2023 data 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

07. Cross Cutting Theme 4: Early Help

Indicator	Q2 2021/22	Q3 2021/22	Q4 2021/22	Q1 2022/23	Q2 2022/23		Annual Target 2022/23	Notes & Actions
	Value	Value	Value	Value	Value	Target		
COV 003g Community Support - Financial Advice Calls	339	414	777	401	478	Data only KPI		July – 164 August – 132 September – 182
COV 003h Community Support: Food Calls	243	543	747	666	715	Data only KPI		July – 196 August – 259 September – 260
COV 003i Community Support: Isolation Calls	475	429	735	344	187	Data only KPI		July – 56 August – 52 September – 79
COV 003j Community Support: Other Advice Calls	90	144	178	193	228	Data only KPI		July – 79 August – 64 September – 85
COV 003k Community Support: Total Calls	1,488	1,530	2,437	1,604	1,608	Data only KPI		July – 495 August – 507 September – 606
CHS051 Number of Housing Advice Cases	719	259	23	0	0	Data only KPI		
LI23Total% Financial Assessments - % completed within 21 days	90%	89.7%	87.8%	85.7%	87.2%	95% All quarters	95%	Cumulative total: 1,015 assessments within 21 days 1,164 assessments completed

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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	Claire Eldred	Cllr Tim Leaver	Olga Bennet Joanne Drew	This was recommended by the Executive Director.	
	Commercial property assets and investment return/income generation	Adrian Smallwood	Cllr Tim Leaver	Peter George	An area of interest for the Panel	

Agenda Item 7

	Performance Monitoring – average sickness days	Tinu Olowe Julie Mimnagh	Cllr Tim Leaver	Fay Hammond	Update to the Panel further to quarterly monitoring report to 19/10/22 meeting	
	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	Temporary Accommodation pressures and the housing rental market and regulation.	Joanne Drew	Cllr George Savva	Sarah Cary	Discussed and agreed at the 11/01/23 meeting.	
	Performance, with particular focus on customer service and the Council Website	Lee Shelsher	Cllr Ergin Erbil	Sue Nelson / Simon Pollock	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 / Simon Pollock	This was recommended by the Executive Director.	
Additional Meeting date tbc if required	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			James Newman	An area of interest for the	

	Plan/Strategy Overview				Panel	
Not Yet Allocated	Adult Social Care funding reform 2023	TBC (Reforms delayed by Government so no longer an immediate risk / issue.)	Cllr Tim Leaver & Cllr Alev Cazimoglu	James Newman	An area of interest for the Panel	
	Fair funding: Impact for Enfield	TBC (Not an immediate issue at the moment)	Cllr Tim Leaver	James Newman	Discussed and agreed at the work planning session as an area of interest.	
	P-card payment monitoring – counter fraud report	Julie Barker / Bob Cundick	Cllr Tim Leaver	Fay Hammond	Update to the Panel following a Council review and report to 19/10/22 meeting	

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