Public Document Pack

Harry Blake-Herbert
Governance and Scrutiny Team
Direct: 020 8132 0807
e-mail: Harry.Blake-Herbert@enfield.gov.uk

FINANCE & PERFORMANCE SCRUTINY PANEL

Tuesday, 31st October, 2023 at 7.00 pm in the Conference Room, Civic Centre, Silver Street, Enfield, EN1 3XA

Membership:

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

AGENDA – PART 1

1. WELCOME AND APOLOGIES

2. DECLARATION OF INTEREST

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

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

To receive and agree the minutes of the meeting held on Wednesday 29 March 2023.

4. P-CARD PAYMENT MONITORING (Pages 7 - 14)

5. QUARTERLY MONITORING REPORTS (Pages 15 - 120)

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

6. WORK PROGRAMME 2023/24 (Pages 121 - 124)

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

7. DATES OF FUTURE MEETINGS

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

Tuesday 16th January 2024
Wednesday 6th March 2024
And an additional date to be agreed by the Panel.

8. EXCLUSION OF THE PRESS AND PUBLIC

If necessary, to consider passing a resolution under Section 100A(4) of the Local Government Act 1972 excluding the press and public from the meeting for any items of business moved to part 2 of the agenda on the grounds that they involve the likely disclosure of exempt information as defined in those paragraphs of Part 1 of Schedule 12A to the Act (as amended by the Local Government (Access to Information) (Variation) Order 2006). (Members are asked to refer to the part 2 agenda).

9. PART 2 AGENDA

10. COMMERCIAL PROPERTY ASSETS AND INVESTMENT RETURN/INCOME GENERATION (Pages 125 - 150)

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

MINUTES OF THE MEETING OF THE FINANCE & PERFORMANCE SCRUTINY PANEL HELD ON WEDNESDAY, 29TH MARCH, 2023

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

Officers: James Newman (Director of Finance), Joanne Drew (Director of Housing and Regeneration), Richard Sorensen (Head of The Housing Advisory Service), Simon Pollock (Interim Executive Director of Environment and Communities), Lee Shelsher (Head of Customer Solutions), and Jane Creer (Secretary)

Also Attending: Councillor George Savva (Cabinet Member for Social Housing), 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 Fay Hammond (Executive Director - Resources).

2. DECLARATIONS OF INTEREST

In respect of item 4 on the agenda, Cllr Ozaydin advised that he was a Director of Housing Gateway Ltd; and Cllr Ozaydin and Cllr Bedekova advised that they each had a selective licence application in process.

3. MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 11 January 2023 were agreed.

4. TEMPORARY ACCOMMODATION PRESSURES AND THE HOUSING RENTAL MARKET AND REGULATION

RECEIVED the report updating the Panel on Temporary Accommodation in Enfield.

NOTED

1. Richard Sorensen (Head of the Housing Advisory Service) highlighted key issues, and the success of the Housing Advisory Service with focus on

prevention of households moving into temporary accommodation. Shortage of supply of privately rented properties and a rise in rent levels had led to increased pressure on the service.

2. James Newman (Director of Finance) highlighted the rise in use of commercial hotels for temporary accommodation, and the competition for accommodation with other local authorities and the Home Office actively procuring accommodation in Enfield. This had subsequently driven a rebounding budget pressure of around £6m in 2022/23.
3. In response to Members' questions, it was confirmed that the Council had not block-booked Edmonton Travelodge hotel, but was using a few of the rooms there; and that the Somewhere Safe to Stay Hub was for single men and was at Claverings.
4. In response to further queries regarding the competition for accommodation, officers advised it was known that 347 households had been placed in Enfield, dispersed throughout the borough, but the Council did not have details and it was not known how much was paid to secure it.
5. In response to queries regarding the recent sale of three non-performing Council assets, it was advised that these were in high value areas and required refurbishment work: they were being put back to use in the private housing market but they were unfortunately not viable for the local housing authority cohort.
6. Officers clarified that landlords were exiting the market and their properties were being bought by first time buyers. This was having a knock-on impact on low-income households dependent on the private rented sector. The use of residential properties across Enfield had been researched. Around 3,000 privately-owned empty homes had been identified, and promotions sent to the home-owners offering support as landlords, to bring homes back into use. 41 properties had been brought back into use so far.
7. In response to further queries regarding house-building solutions, it was advised that schemes such as Meridian Water were important, but not a key part of the solution. The Council was placing 40 households per month into the private rental sector, and that was still the most successful route.
8. In response to the Chair's queries, it was advised that original aims in respect of temporary accommodation use had to be re-looked at in the present circumstances, but that use of temporary accommodation should be seen as a stop-gap and should not be long term.
9. In respect of the reference to a review of overall approach and ways of working, officers confirmed that it was estimated the Homelessness Prevention Strategy would be completed in around six months. The focus would be on how to protect the most vulnerable people. Resettlement out of London would have to consider areas away from the South-East. Encouragement of investors to property and the build to rent sector in the borough had also been looked into, but the circumstances were not favourable at the moment.
10. Officers did not consider that Enfield's landlord registration scheme had been a cause of landlords exiting the market, as the cost was low in comparison to other changes at the national level in respect of tax, rent reform, and energy efficiency requirements.
11. Officers confirmed that Housing Gateway Ltd had been a successful Council initiative, and should have been referenced in the presentation.

12. Joanne Drew (Director of Housing and Regeneration) responded to a query regarding what may have been done differently in the past, advising that more funding of prevention may have been helpful. Before 2018 the service was crisis led and not equipped to be able to intervene earlier. It was also now made more explicit that people in temporary accommodation were unlikely to get a Council house. There was now more proactive work with the private sector, and encouragement of house building. Current developments at Bury Street West, the Alma Estate, Meridian Water, and Joyce and Snells were highlighted, though that was not a route for most people in temporary accommodation.

5. PERFORMANCE, WITH PARTICULAR FOCUS ON CUSTOMER SERVICE AND THE COUNCIL WEBSITE

RECEIVED the presentation slides on Customer Experience.

NOTED

1. Simon Pollock (Interim Director of Customer Experience) and Lee Shelsher (Head of Customer Solutions) provided a review of the past year, project updates, plans moving forward, and customer approach.
2. In respect of Libraries, the growth in online offer and activity was highlighted, and the new initiatives. The growing trend in libraries physical visits was continuing.
3. Community hubs contact with customers; the community line use; call demand and webchat volumes; and the performance of the contact centre were reported for 2022/23.
4. The new Council website had been launched one year ago and the analytics so far had been good.
5. A project update was provided on CRM/CMS, and service improvements were highlighted.
6. Simon Pollock had prepared a wider Customer Service Strategy, and promoted data driven continuous improvement of customer services. Restructure of the organisation would include a new Directorate of Environment and Communities from 3 April 2023.
7. In response to Members' queries regarding customer satisfaction monitoring, it was confirmed that 'mystery shoppers' and sampling were used. If there was a systemic issue or failure, it would be possible to put right the cause. Other issues may require better communication by the Council.
8. It was confirmed there had been work on the issue of missed bin collections. The technology in waste collection vehicles' cabs needed to correspond with the contact centre, for example on road closures, to enable a proactive answer. There was an aim that status updates be provided to residents in advance. In the new organisational structure, the refuse service was moved into the new Environment and Communities directorate for this reason. It would also cover street scene and parking which were drivers of dissatisfaction, so the customer service could be closely monitored.

9. In response to Members' queries regarding residents' dissatisfaction with the website and complaints about difficulty getting through to the contact centre or being cut off, it was confirmed there were planned improvements to unified communications and consolidation of the telephone system. Soft testing was taking place currently. This would be a whole organisation system. Unified communications would also introduce a universal queue of all requests and monitor response times. Feedback was sought from residents who had unpleasant experiences using the website. Work continued on monitoring of the bounce rate: when customers started a website transaction but did not go on to complete it. It had shown that more people were now committing to transactions and these were going through successfully.

6. QUARTERLY MONITORING REPORTS

RECEIVED for information the quarterly monitoring reports (revenue and capital Q3 reports and performance Q2 report).

NOTED

1. James Newman (Director of Finance) responded to Members' queries in respect of gross variances and financial pressures by department, and confirmed that ongoing additional cost pressures, such as in digital services, would be built into the Medium Term Financial Plan going forward.
2. Cllr Georgiou considered the reporting to be overly optimistic, and that a worst case scenario should be strengthened in reports. Officers advised that budget reports were transparent, with appropriate economic forecasts. External experts were used. The Treasury Strategy captured risks. The cost pressures were set out in reports.
3. In response to Members' queries regarding frequency of review of reserves, it was confirmed that the S151 officer had to give a statement of adequacy of reserves every year as a statutory requirement, but reserves were looked at throughout the year during the quarterly monitoring.
4. Members asked about progress on specific management actions set out in para 34 of the revenue report. It was confirmed that accountability fell within the relevant services. There were also EMT budget meetings on a weekly basis in respect of development of the Medium Term Financial Plan. Savings trackers were used for each directorate for in-year savings plans. The monitoring reports included transparent accounts on how departments budgeted income and expenditure.
5. In respect of the Dedicated Schools Grant, it was clarified that pressure had been reduced as there had been an increase in funding and proactive management of SEN placements which led to reduced expenditure.
6. Members noted that Place Directorate had the highest risk scores. It was advised that this reflected demands.
7. Noting that James Newman was leaving LB Enfield and this would be the last panel meeting he attended, Members thanked him for his contributions and helpfulness and expressed their best wishes for his future career.

7. WORK PROGRAMME 2022/23

This was the last meeting of the municipal year and the work programme was now completed.

It was noted that Members awaited an update to the Panel in respect of P-card payment monitoring – counter fraud report, but understood that the process was ongoing and not yet complete. The update was requested to be included in the work programme for 2023/24.

ACTION: Fay Hammond

Members were thanked for their participation on the Panel during this municipal year.

8. DATE OF NEXT MEETING

This was the last meeting of the municipal year. Meeting dates for 2023/24 would be approved at Annual Council on 10 May.

The meeting ended at 9.07 pm.

This page is intentionally left blank

London Borough of Enfield

Report Title	Purchase Card Payment Monitoring
Report to	Finance and Performance Scrutiny Panel
Date of Meeting	31st October 2023
Cabinet Member	Cllr Tim Leaver
Executive Director	Fay Hammond
Report Author	Julie Barker Julie.barker@enfield.gov.uk
Ward(s) affected	n/a
Classification	*Part 1 Public*

Purpose of Report

1. This report sets out the current controls in place in relation to purchase card use and spend.

Main Considerations for the Panel

2. It is imperative that all Council purchase and payment processes have robust controls, are vigorously audited, and periodically reviewed.

3. Whilst there have been issues, post-pandemic in relation to purchase card spend and non-compliance, a significant and successful review has been completed.

4. Policies, procedures, and user guidance have been reviewed and rewritten. Rationalisation of purchase cards have reduced the number in circulation by nearly half. The implementation of spend limit categories and data analytics reporting provides robust controls and monitoring of spend.

5. The controls and monitoring outlined in this report ensure improved compliance and control going forward.

Background and Options

6. The Council's Financial Regulations and Contract Procedure Rules set out the guideline's officers must comply with when purchasing goods and services on behalf of the Council.

7. Purchasing goods via the Council's purchasing system, Neptune, and paying invoices against a purchase order is the Council's preferred method to pay for goods and services.

8. Purchase cards are only used where it is not appropriate to use Neptune. Purchase cards do not replace Neptune. They were introduced to enhance the purchase to pay process, providing an easy and flexible alternative for buying small spend items.

9. Purchase cards are primarily used by frontline services to purchase items for clients e.g., Occupational Therapists purchase equipment for clients to assist them with everyday activities, Social Workers use cards to pay for travelling expenses when visiting clients, Housing Services pay for essential items for rough sleepers moving into new accommodation.

10. In August 2022, a review was undertaken to revise and reframe the use of purchase cards across the Council. As a result, the number of purchase cards in circulation was reduced, purchasing limit categories were introduced together with a new application process. Policies and work instructions were also reviewed and updated.

11. As a result of the review, the number of purchase cards in circulation has reduced by 49%. The table below shows the number of purchase cards in circulation in 2021/22 compared to current numbers.

Number of Purchase Cards in circulation		
Departments	**2021/22**	**@ 01.10.2023**
People	304	168
Resources	42	16
Place	112	
Chief Exec	31	19
NHS staff	19	6
Enviro & Comms		23
Housing & Regen		29
	508	**261**

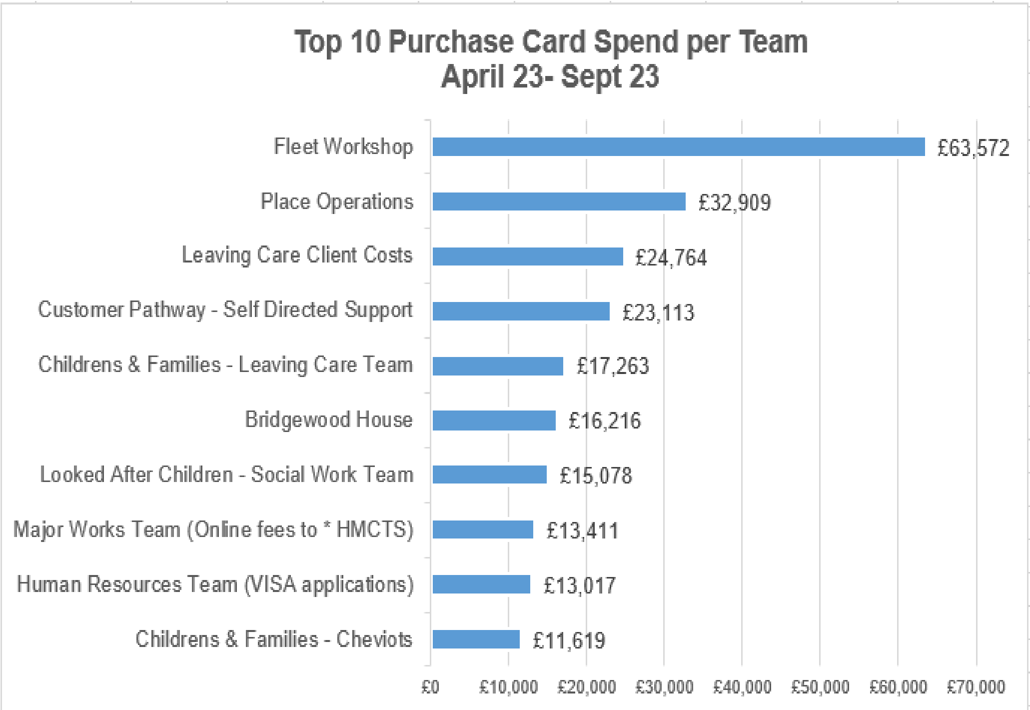
12. The reduction to the number of cards in circulation has reduced spend. The tables below show purchase card spend in the last 6 months: March 2023 to August 23, compared with the same 6 months in 2022.

6 month period- Mar 23 to Aug 23		
Transactions	Spend	
5645	£	614,928.62

6 month period- Mar 22 to Aug 22		
Transactions	Spend	
7391	£	1,249,330.29

13. Whilst the tables above show a 51% reduction in spend, the number of purchases has only reduced by 24%. Review of spend shows that cards are primarily being used to purchase small spend items whereby previously high value items where purchased.

14. The table below shows the 'Top 10' purchase card spend, split per team, April 2023 to Aug 2023. This data provides some insight into the services using purchase cards.



** His Majesty Courts & Tribunal Service*

15. The majority of spend shown in the table above relates to clients and on-line payments for fees and charges. In relation to 'Fleet Workshop' spend, this primarily relates to road tax for council owned vehicles and specialist repairs and parts. In relation to spend against 'Place Operations', this relates to emergency and temporary accommodation.

16. A maximum spend category has been introduced and is applied to cards to control the amount of spend and to ensure consistency across services.

17. The table below shows 5 maximum spend categories purchase cards are allocated to. The category applied to cards, is based on service requirement.

Monthly Maximum Spend Limit	Single Transaction Limit	Category	Description
£1,000	£250	Category 1	Frontline worker/service who need a purchase card to carry out daily duties. The purchase card is used only for Council business related spend e.g. social worker travel, meeting clients, client activities/equipment etc.
£3,000	£500	Category 2	Frontline worker/service who needs a purchase card to carry out daily duties where there is a need for higher value purchases. The purchase card is also used to make purchases on behalf of colleagues/team, eg pooled cardholder
£5,000	£3,000	Category 3	Council officers who are purchasing higher value items or services required to ensure continuity of service across multiple teams, e.g. paying online for services
£20,000	£5,000	Category 4	Higher limits will require a business case for consideration by the Head of Exchequer Services, for exceptional payments only
£50,000	£50,000	Category 5	Directors & Executive Directors who are on the Emergency Response Rota and Emergency Planning Officers

18. spend and compliance to the Purchase Card Policy is monitored monthly by Exchequer Services. Directors are issued with a monthly report which itemises spend across their service together with non-compliance information.

19. Non-compliance by a purchase cardholder applies when purchases are not reviewed, VAT is not recorded or a receipt is not loaded on to the system, within agreed timescales.

20. The table below shows the improvement in compliance by purchase cardholders in the last 6 months (March 2023 to August 2023) compared to the same 6 months in 2022.

March 2022 to August 2022

Purchase card spend reviewed

Compliance	Total Value	Transactions	Percentage
N	£ 220,813.24	1048	17.67%
Y	£ 1,028,517.05	6343	82.33%
Grand Total	£ 1,249,330.29	7391	

March 2023 to August 2023

Purchase card spend reviewed

Compliance	Total Value	Transactions	Percentage
N	£ 40,090.04	506	6.52%
Y	£ 574,838.58	5139	93.48%
Grand Total	£ 614,928.62	5645	

21. Whilst compliance has improved, it is not 100% compliant within agreed timescales. All non-compliance spend is reviewed by Exchequer Services and cardholders are contacted and

retrospectively required to provide receipts. Non-compliant transactions split by Department is collate in Appendix A.

22. Non-compliance by a manager applies when spend made against cards they act as an approver for, are not approved within agreed timescales.

23. The table below shows the improvement in compliance by managers, approving spend in the last 6 months (March 23 to Aug 23) compared to the same 6 months in 2022.

March 2022 to August 2022

Purchase card spend approved

Compliance	Total Value	Transactions	Percentage
N	£ 431,347.21	2334	34.53%
Y	£ 817,983.08	5057	65.47%
Grand Total	£ 1,249,330.29	7391	

March 2023 to August 2023

Purchase card spend approved

Compliance	Total Value	Transactions	Percentage
N	£ 120,178.87	1289	19.54%
Y	£ 494,749.75	4356	80.46%
Grand Total	£ 614,928.62	5645	

24. Whilst compliance has improved, it is not 100% compliant within agreed timescales. All spend is however retrospectively reviewed and approved by the relevant manager**.**

25. A two-strike approach is followed in relation to non-compliance:

i. a written warning is issued in response to the first instance of non-compliance, reminding the cardholder and approver of their duties and responsibilities and the requirements of the policy.

ii. the purchase card is suspended on the second instance of non-compliance.

26. Purchase cards suspended for non-compliance will only be reinstated in exceptional circumstances.

27. On a monthly basis, spend is reviewed and transactions investigated by Exchequer Services. Officers and managers are contacted if purchase cards are being used inappropriately i.e., purchases should have been made via Neptune and payments made against a purchase order.

28. If misappropriation is suspected, a referral to the Counter Fraud Team is made and cases are investigated.

Additional Improvements

29. In June 2023 Exchequer Services set up a business account with Amazon. The account improves spend transparency and provides automation of VAT receipts (maximising VAT recovery). The Council also benefits from cheaper items and ‘public sector’ discounts as well as free and quick delivery. Exchequer Services acts as the administrator and thus can control purchases made by restricting and blocking items where appropriate.

30. The Business account can only be used by purchase cardholders for small spend items and where existing contracts are not in place.

31. In October 2022 Exchequer Services set up a Travelodge Business Account which assists the Temporary Accommodation Team with the purchasing and control of spend in relation to temporary accommodation. The Council receives a 5% discount on bookings made via the business account.

32. In December the Council will be rolling out a new purchase card system. This will improve transparency of spend with real-time reporting and spend dashboards. It will maximise VAT recording and recovery and will provide cardholders with a user-friendly system which is easily accessible for staff whilst working off site. Access via a mobile app will make it quicker and easier to upload receipts and review purchases and thus will improve compliance.

Relevance to Council Plans and Strategies

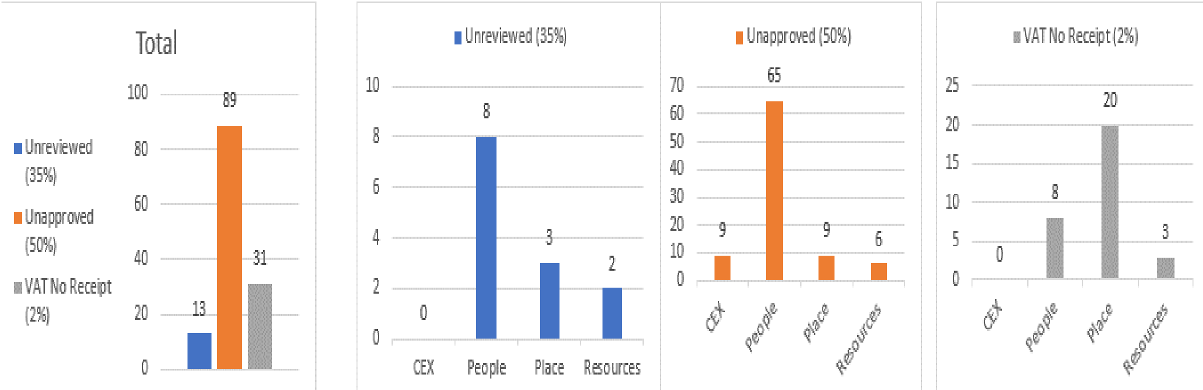
33. Purchase cards are a useful and agile ancillary payment option within a modern council, working primarily for the purchase of small spend items and as an emergency payment method. Purchase cards are mostly used by frontline services.

34. It is imperative that we operate systems that have robust controls in place, ensuring value for money and protecting the public purse.

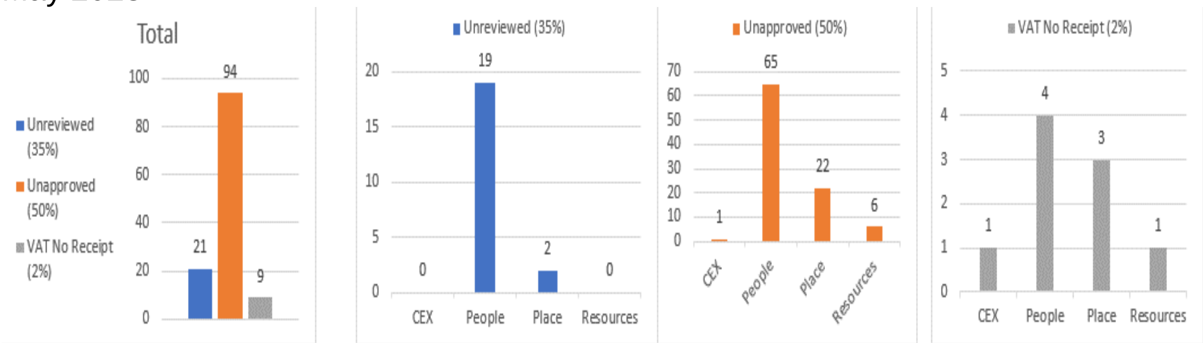
Report Author: Julie Barker
Head of Exchequer Services
julie.barker@enfield.gov.uk
020 81321231

Appendix A – Non-Compliant Transactions by Department (April 2023 – August 2023)

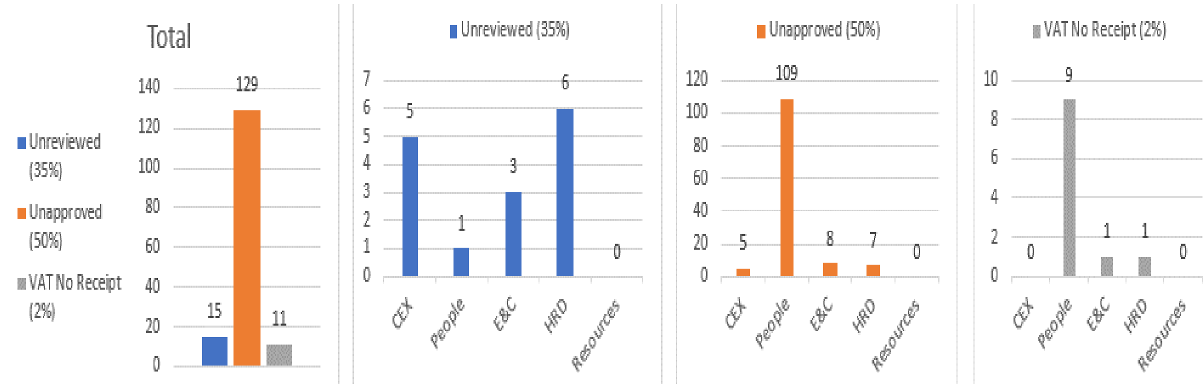
April 2023



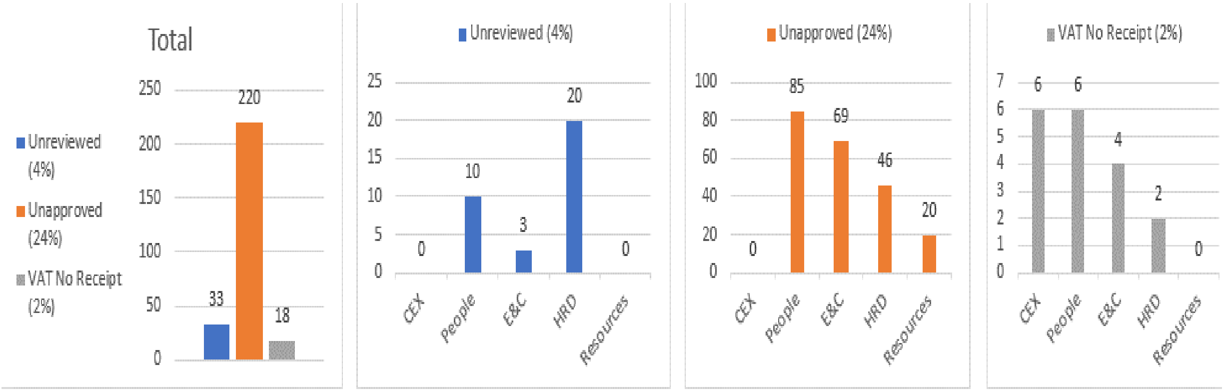
May 2023



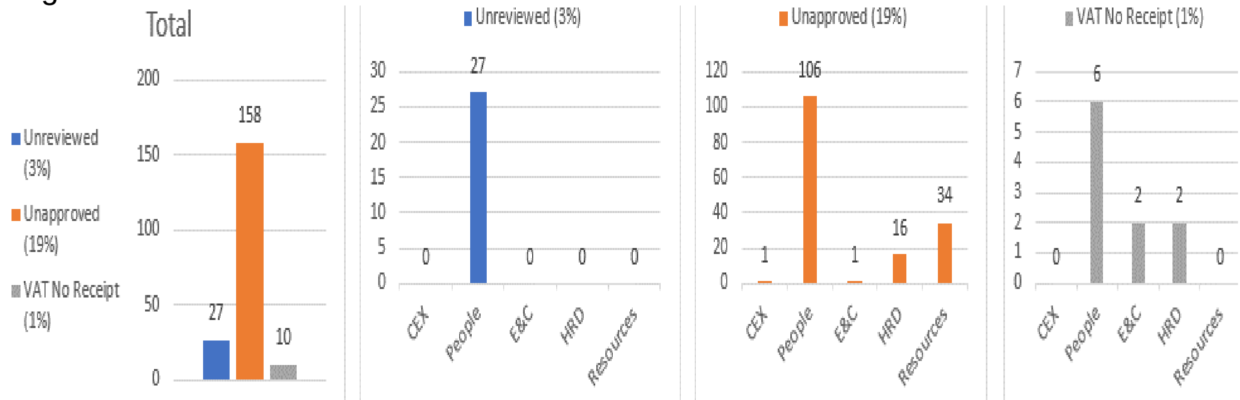
June 2023



July 2023


Total
Unreviewed (4%)
Unapproved (24%)
VAT No Receipt (2%)
250
200
150
100
50
0
220
33
18
Unreviewed (4%)
25
20
15
10
5
0
0
10
3
20
0
CEX
People
E&C
HRD
Resources
Unapproved (24%)
100
80
60
40
20
0
0
85
69
46
20
CEX
People
E&C
HRD
Resources
VAT No Receipt (2%)
7
6
5
4
3
2
1
0
6
6
4
2
0
CEX
People
E&C
HRD
Resources

August 2023


Total
Unreviewed (3%)
Unapproved (19%)
VAT No Receipt (1%)
200
150
100
50
0
158
27
10
Unreviewed (3%)
30
25
20
15
10
5
0
0
27
0
0
0
CEX
People
E&C
HRD
Resources
Unapproved (19%)
120
100
80
60
40
20
0
1
106
1
16
34
CEX
People
E&C
HRD
Resources
VAT No Receipt (1%)
7
6
5
4
3
2
1
0
0
6
2
2
0
CEX
People
E&C
HRD
Resources

London Borough of Enfield

Report Title	**Revenue Outturn 2022/23 and Quarter 1 2023/24 Revenue Forecast update**
Report to	Cabinet
Date of Meeting	13 September 2023
Cabinet Member	Cllr Leaver
Executive Director / Director	Fay Hammond – Executive Director, Resources Kevin Bartle – Finance Director, Corporate Finance
Report Author	Steve Muldoon - steve.muldoon@enfield.gov.uk
Ward(s) affected	All
Key Decision Number	Non-key
Classification	Part 1 Public
Reason for exemption	N/A

Purpose of Report

1. The report sets out the final financial position and variances to the revenue budget of the council as at the year ended 31 March 2023, in alignment with the council's draft financial statements which were published by the deadline of 31 May 2023 and are available here.

2. It then explains how the Council's revenue forecast compares to budget for 2023/24 based on the position at the end of June 2023. It also provides an update on progress against the budgeted savings planned for 2023/24, collection fund performance, the Dedicated Schools Grant forecast and the impact on earmarked reserves balances.

Recommendations

3. Cabinet is requested to note the following:

   a. The outturn position, which was an overspend of £21.186m against budget, reported in respect of the year ended 31 March 2023

   b. The forecast adverse variance (overspend) of £25.819m reported in respect of financial year 2023/24, after additional in-year savings and mitigations have been found of £6.094m

   c. Progress on savings approved in the original 2023/24 budget as set out in Appendices B and C, with a projected shortfall in delivery in-year of £2.871m

   d. The impact of the forecast on the reserves balances as set out in paragraphs 150-156/Table 6 and the consequences this has for longer-term financial resilience

   e. The forecast in-year overspend on the Dedicated Schools Grant of £2.623m, leading to a projected cumulative deficit of £17.859m

Background and Options

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

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

6. The council, like many others, is in a very challenging financial position for 2023/24 and in the medium term. In the last few weeks, a number of councils have been reported in the local government press as expressing concerns about their financial position. It may be viewed now that any impacts that arose during the period of the Covid-19 pandemic have now tailed off or embedded themselves in the ongoing social and economic context, and are now overtaken by the cost of living crisis. This is manifesting as a major pressure on the council in the form of an increased cost of temporary accommodation, elevated levels of cost inflation not matched by government grant levels and ongoing growth in social care pressures. There is therefore a significant challenge in the current year to manage and mitigate all of these pressures.

7. The outturn for 2022/23 is also presented, in which a significant overspend against budget resulted. This has had to be funded from council reserves. The overspend forecast for 2023/24 will also need to be funded from reserves to the extent not mitigated. The purpose of risk or smoothing reserves is to support budget management, however the level of reserves (excluding HRA) held by the council will have reduced by almost £76m over the last two years. This is a concern that the council needs to urgently address in the medium term financial plan and permanent recurring savings

in service and operating costs need to be found in order to safeguard the financial sustainability of the council. Since 2010 core council funding has reduced by £81m, compounded by delays in the fair funding review, while increasing cost pressures have been offset with over £228m of savings, thereby making this a challenging position.

8. This report is set out as follows:

    i. 2022/23 Revenue outturn and departmental commentary
    ii. 2023/24 Revenue Forecast – executive summary and overview
    iii. 2023/24 Revenue Forecast – variance commentary by Department
    iv. Collection fund for council tax and business rates
    v. Update on the flexible use of capital receipts
    vi. Update on 2023/24 savings to be delivered
    vii. Dedicated schools grant forecast
    viii. Forecast reserve balances

Relevance to Council Plans and Strategies

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

10. The report may also bring to light how the council has used its limited resources to deliver the Council Plan priorities in the outturn position for 2022/23 and the projection through to March 2024. These priorities are:

    a. Clean and green places
    b. Strong, healthy and safe communities
    c. Thriving children and young people
    d. More and better homes
    e. An economy that works for everyone

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

Financial Implications

Executive Summary – 2022/23 Revenue Outturn

12. Financial year 2022/23 was a challenging one in which the outturn after use of reserves and flexible capital receipts was a net adverse variance to budget of £21.186m. This is the result of a gross adverse variance of £33.6m, offset by £2.0m utilisation of flexible capital receipts, £9.9m drawdown of Covid-19 reserves, and £0.4m of other specific reserves drawn down. The net remaining overspend of £21.2m has then required a drawdown from reserves in order to fund this.

13. There were a number of variances across the organisation which contributed to this, the most notable of which were overspends on Temporary Accommodation £7.0m, Digital Services £2.4m, Learning

Disabilities £2.1m, Looked After Children £1.7m and Parking Services £1.6m. Further commentary and explanation of the variances for each Directorate are set out further below.

14. The table below summarises the overview of variances by department at both a gross and net (after reserves and flexible capital receipts drawdown) basis:

Table 1: 2022/23 Outturn by Department

Department	Net Budget £m	Gross Variance £m	Flexible Capital Receipts £m	Covid-19 Reserve £m	Specific Reserves £m	Net Variance £m
People – Adults & PH	85.0	2.4	0.0	(1.0)	0.4	1.8
People – Children's	47.7	7.8	(0.2)	(4.1)	(0.8)	2.8
People – Education	4.8	0.8	(0.3)	(0.2)	0.0	0.2
Place	39.1	15.5	(0.1)	(3.3)	0.0	12.1
Resources	29.6	6.6	(1.3)	(2.5)	0.0	2.8
Chief Executive	12.2	0.4	0.0	(0.4)	0.0	(0.1)
Corporate Budgets	41.4	0.1	0.0	1.6	0.0	1.6
Total	**259.8**	**33.5**	**(2.0)**	**(9.9)**	**(0.4)**	**21.2**

2022/23 Revenue Outturn – Departmental Commentary

People – Departmental Overview

15. The People Department ended the year with a net £4.8m overspend against budget, comprised of a gross overspend of £11.0m before the application of £6.2m of reserves and flexible capital receipts. Children's Services presented the largest overspend, followed by Adults, with a small residual overspend on Education.

People – Adult Social Care & Public Health

16. The two largest areas of overspend in the Directorate were in Learning Disabilities and Customer Pathway (Older People and Physical Disabilities). Learning Disabilities had a net overspend of £2.1m which was primarily due to the increasing number, complexity and cost of care packages and closure of a care home.

17. The Customer Pathway service reported a £1.0m overspend in the year. The service is facing significant financial pressures, particularly in relation to care purchasing and assisting health partners in winter discharges from hospital. This service includes the in-house care home. The overall pressures were mitigated by funds announced in year of £2.146m for the Winter Discharge grant. The £1.0m overspend was primarily due to the increasing number, complexity, and the cost of care packages. This has been mitigated in part by using the Covid-19 reserve as planned. The overall position was also significantly helped by further one-off funding (circa £3m) and additional funding negotiated in year from the ICB (£2.2m) for discharges from hospital to manage spend over budget.

People – Children & Families

18. There were two main services which contributed to the net overspend of £2.8m – Looked After Children (£2.2m) and Joint Service for Disabled Children (£0.7m).

19. In Looked After Children, the most significant pressure of circa £1.7m continued to be seen in the external childcare placements budget, due to increasing cost and number of residential placements and complexity of the support packages required. Mother and baby assessment placements saw an overspend of £0.3m with two new and four extended placements since the previous forecast. Also since the quarter 3 forecast there were 16 clients in residential with increased costs due to extended duration or enhanced support, three new residential placements and 11 supported accommodation placements. Independent Fostering had a net growth of 14 clients. All of the above demand created pressures which resulted in a full year overspend of £2.2m for the service.

20. In the Joint Service for Disabled Children, the £0.7m overspend is predominantly due to a significant increase in demand in overnight breaks, commissioning and an increase in the Direct Payments rate for both new and existing clients.

People – Education

21. The Education directorate ended the year with a £0.2m overspend to budget. This was comprised of £0.3m of Covid-19 related costs, £0.2m on SEN Services due to the cost of agency staff and maternity cover, offset by other minor variances.

Place

22. The Place department ended the year with the largest adverse variance of all departments at £12.1m net or £15.5m gross before use of reserves.

23. The standout variance, which continues to grow in 2023/24, is due to the Temporary Accommodation service. In 2022/23 the overspend amounted to £7.0m and arose due to the collapse of the private rented market leading to a lack of supply of accommodation and in turn leading to the use of commercial hotels. This is covered further in the 2023/24 commentary.

24. In the Parking Service, the most significant variance was the reduction of car parking receipts either in car parks or on street parking and parking permits. The gross pressure was £2.3m, with £0.680m mitigated by the Covid-19 reserve, hence a £1.6m net adverse variance. This is a continuing trend seen over the last couple of years and was 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
    - Changing consumer habits and increased online shopping rather than coming into town centres.

25. Waste Service reported a £1.0m overspend. As with Parking Services, Waste Services has also been impacted significantly by the lingering effects

of the Covid pandemic. The increase in working from home has resulted in generating more household waste to be collected and disposed of. The overspend was a result of additional agency staff and vehicles, additional opening hours of Barrowell Green recycling centre and increased fuel prices. Following a renegotiated contract, dry recycling costs declined in Q3 and Q4.

26. In Development Management, there was a £0.8m overspend for the year. This was primarily a shortfall in pre-planning application and planning fees income (£0.7m). Planning Appeals and Decisions reported a further £0.6m overspend resulting from the award of appeal costs incurred relating to a rejected/overturned planning appeal.

27. The Passenger Transport service overspent by £0.5m due to the increasing cost of fuel and contract inflation. There was a further £0.5m adverse variance in respect of families with no recourse to public funds.

Resources

28. The outturn variance of £2.8m was mainly due to an overspend on Digital Services of £2.4m. The overspend was due to additional security team costs to combat cyber threats; additional resources to support legacy system dual running and agency resources covering BAU roles due to challenges in recruitment. Capital receipts are applied to the transformational work undertaken across the team.

29. Further pressures resulted from contract costs incurred for additional security applications and professional services to mitigate risks around compliance and testing, additional contract costs of new projects that have an ongoing revenue impact and new service functionality requests. The profiled saving from CRM/CMS of £400k was not achieved in the year. Other pressures resulted from additional annual contract uplift costs. Finally, there were one-off costs for the new Civica contract.

Corporate Budgets

30. The balance of the council overspend arose across a number of corporate budgets, amounting to a net £1.6m overspend. The impact of the pay award, energy and rates in excess of the expected level budgeted for amounted to an overspend of £5.4m. Further to this there were additional charges on MRP of £1.4m and sundry bad debt provisions of £0.8m. These were able to be mitigated through the use of the contingency at £3.0m and reduced treasury management costs and charges of £1.9m arising from reductions in the capital programme. Concessionary fares were also lower than expected by £1.5m.

Executive Summary – 2023/24 Revenue Forecast

31. The start of 2023/24 was immediately identified as being equally, if not more, challenging than the previous year with the largest area of pressure arising from the continued growth in number and cost of households needing temporary accommodation. The overspend witnessed in the previous year and reported in the 2022/23 outturn included a significant proportion of ongoing pressures, some of which were addressed through growth added into the 2023/24 budget, but some of which continue and are now driving overspends in the current year.

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

33. However, Temporary Accommodation (TA) is not the only service area which is facing significant pressure in trying to stay within budget. Overall, the forecast overspend for 2023/24 against the base £287m General Fund budget, after the application of £2.063m of reserves, is £25.819m. Of this, the Housing Advisory Service represents £17.769m, meaning a further net overspend of £8.050m across other parts of the council and in itself a significant overspend.

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

Table 2: Summary of 2023/24 Forecast Variances

Department	Net Budget £m	Forecast before use of reserves £m	Variance £m	Specific Reserves £m	Total Forecast Variance £m
People - Adult Social Care	97,804	97,288	(0.516)	(0.637)	(1.153)
People - Public Health	(4,971)	(4,971)	-	(500)	(500)
People – Children's Services	52.418	55.568	3.150	(0.390)	2.760
People – Education	4.506	4.344	(0.162)	-	(0.162)
Environment & Communities	32.276	32.737	0.461	(0.102)	0.359
HRD	12.816	32.874	20.058	(1.175)	18.883
Resources	24.465	25.505	1.040	(0.368)	0.672
Chief Exec	11.090	11.312	0.222	0.057	0.279
Service Net Costs	**230.404**	**254.657**	**24.253**	**(3.115)**	**21.138**
Corporate Expenses	18.210	17.908	(0.303)	1.052	0.749
Inflation	5.952	9.835	3.884	0.000	3.884
Capital Financing: Minimum Revenue Provision & Interest	28.585	31.633	3.048	0.000	3.048
Contingency	3.000	0.000	(3.000)	0.000	(3.000)
Bad Debt Provisions	0.791	0.791	0.000	0.000	0.000
Net Expenditure	**286.942**	**314.824**	**27.882**	**(2.063)**	**25.819**
Expenditure financed by:					
Business Rates	(111.567)	(111.567)	0.000	0.000	0.000
Council Tax	(149.144)	(149.144)	0.000	0.000	0.000
Other non-ring-fenced Government Grants	(26.231)	(26.231)	0.000	0.000	0.000
Total Financing	**(286.942)**	**(286.942)**	0.000	0.000	0.000
Budget Funding Shortfall	**-**	**27.882**	**27.882**	**(2.063)**	**25.819**

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

35. The key variances within the above forecast variance are highlighted in Table 3 below, with further commentary set out in the departmental commentaries later within this report. However, the key areas driving the overspend are Housing (TA) £17.8m, higher pay award than provided for of £3.6m, Looked After Children £2.1m, a technical adjustment to reflect a stricter approach with costs attributed to capital £2.1m and property maintenance £1.3m. The key areas of overspend in the council are therefore significantly driven by demographic/demand growth, contract inflation growth and wage growth.

36. As indicated above, departments have been focused on trying to identify ways to reduce the overspend in-year, whether through one-off monies or ongoing savings. Appendix A shows a memorandum note of how much has been identified in mitigations or savings in-year and which is embedded in the forecast shown – this therefore demonstrates that without this intervention and action by management the in-year forecast would have been worse by a further £6.094m.

37. Reserves held by the council are consequently reducing rapidly. The position at the end of March 2023 (excluding HRA and Schools' reserves) was a balance of £108.1m, but as a consequence of the projected deficit, in-year mitigations being taken from reserves and planned reductions to

smoothing reserves and redundancy reserves, this balance will reduce to £64.0m by March 2024. With further pressure expected in 2024/25 it is clear that significant action needs to be taken to maintain the financial resilience of the council.

38. The Savings Tracker can be found in Appendix B (in overview) and Appendix C (in detail by Department by proposal). Of the overall target of £15.8m, £2.9m has been identified as either deferred to a later year (£2.2m) or unachievable (£0.7m).

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

Table 3: Gross Variance and Key Themes

Department	Gross Variance (£m)	Key Themes
People – Adult Social Care & Public Health	(0.516)	a. Overall ASC is in balance with a net contribution of £1.153m (£0.516m before reserves drawdown) towards wider pressures from one-off monies identified, however one MTFP saving of £0.113m is unavoidably deferred. b. ASC underlying overspends of circa £11m are principally from packages of care relating to Customer Pathway. Against budget plan, in care packages some 63% is OP/PD variances and 37% of variances are from LD. c. ASC pressures are offset by increased fees and charges income, improved shared care cost assumptions, grant maximisations, service efficiencies and a reserve drawdown of £0.637m. Some £4m of these offsets are expected to be one-off in nature and will be kept under review. d. PH is contributing an additional one-off £0.5m towards PH activities across the wider organisation.
People – Children's & Families	3.150	e. £2.1m overspend on Looked After Children, of which External Care Purchasing (£1.5m) is due to increased demand and delays to savings from children's homes; £0.3m on UASC/former UASC f. Disabled Children's service £0.5m overspend on client budgets due to increased demand g. £0.4m drawn from reserves to mitigate overspend
People - Education	(0.162)	h. A minor underspend but with risks relating to SEN staffing cost allocations(£0.867m). i. DSG is expected to overspend in the High Needs area, currently predicted to be £2.623m, leading to a cumulative DSG deficit of £17.859m.
Environment & Communities	0.461	j. Leisure, Parks & Culture £0.498 adverse, due to Millfield Complex k. Offset by other minor favourable variances (£0.139m)
HRD	20.058	l. Housing £17.769m due to TA, £17.5m on cost of properties/hotels, HB subsidy over by £2m, £1.8m bad debt, offset by £1m HSF and £2.2m Homelessness Prevention Grant m. Property - £1.250m reactive and servicing R&M, plus £0.250m CCP overspend. n. Offset by other minor variances netting to (£0.386m)
Resources	1.040	o. Digital Services £0.3m overspend, mainly on contracts, plus unachievable savings on CRM p. £0.4m deferred saving on bringing the Bailiff Enforcement

Department	Gross Variance (£m)	Key Themes
		team in-house. q. £0.4m drawn from reserves re Financial Assessments team
Chief Executive	0.222	r. Legal Service overspend of £0.4m – driven by the volume of caseloads for safeguarding and external fees, and loss of covid funding not fully offset
Corporate	4.139	s. Pay awards anticipated to exceed provision by £3.6m t. Capital financing impact from MRP and interest £3.0m u. Offset by Corporate Contingency £3m released plus £0.9m lower concessionary fares v. Technical adjustment to reflect a stricter approach to capitalisation of costs £2.1m
Other points		w. Overall deficit forecast of £25.819m will need to be met from reserves, which will reduce to £64.039m x. Overspend is stated after reflecting additional in-year savings and mitigations of £6.094m. y. 2023/24 MTFP savings target of £15.8m will fall short by £2.9m

2023/24 Revenue Forecast – Departmental Commentary

People – Departmental Overview

40. The People Department represents a significant proportion of the council's overall service expenditure with an aggregate net budget of some £150m out of the total £228m service budget. It comprises Adult Social Care, Public Health, Children's Social Care and Education.

41. As a whole, the department is projecting a gross overspend of £2.472m, before reserve drawdowns of £1.527m reduce this to a net overspend of £0.945m. In essence this is driven by Children & Families which is forecasting a net overspend of £2.760m, of which Looked After Children represents £2.130m, and the Joint Service for Disabled Children £0.630m. There are further potential risks of circa £1m for the directorate.

42. This is then mitigated by underspends currently forecast in the other directorates. Adults are forecasting an underspend of £1.653m after reserve drawdowns of £1.137m. However there is an underlying overspend within Customer Pathway of £0.726m as part of this. Public Health is indicating that it will be able to identify an additional £0.500m to invest in council services that meet the public health outcomes, but this is on a one-off basis. The Education directorate shows a small underspend of £0.162m but there is some risk that this may reverse as further work on cost allocations to the DSG is undertaken.

43. The overspend forecast of £0.945m is stated after identifying in-year mitigations of £2.943m. It should be noted however that a significant proportion of this mitigation is one-off in nature and so will not be available in 2024/25.

People – Adult Social Care

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

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

46. The directorate outturn is forecast to be £97.288m. This results in an overall favourable gross variance of £0.516m against the budget of £97.804m. Additionally there is a forecast drawdown of Adults reserves of £0.637m, which will be subject to relevant approvals. This gives an overall favourable net underspend of £1.153m after use of reserves. This also reflects a virement of Community Support budgets into Adults during the year.

47. Though the service position is balanced, the situation is challenging and not without considerable risk but mitigating actions are in place and are under

constant review regarding delivery. The additional in-year savings and mitigations to get to this favourable position will be subject to further review and monitoring. The underlying overspend in the directorate is estimated to be in the region of £11m. This has been offset in the forecast by an over-delivery on fees and charges income, improved assumptions on the allocation of shared care costs with health partners and an increase in grant income from various sources. The majority of these offsets are considered to be ongoing in nature, however up to £4m of this is one-off in 2023/24 or will reduce in 2024/25. These will be kept under review as the medium term financial planning process progresses to ensure that the anticipated impact on the council is up to date, fully understood and factored into future projections. The commentaries by service area below and the analysis in Appendix A focus on the net position and variances after these offsets.

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

49. Customer Pathway (OP/PD and related internal care home and day care units) is showing a £0.089m overspend. This includes pressures for full year effects of last year’s care packages, as well as specific plans to help meet the in-year saving targets. The overspend is after considerable management actions and mitigations and including a drawdown of £0.637m from reserves, with an underlying operational overspend of £0.726m. The forecast risks include the assumption that the service, through management actions, can manage any upward trend of in year demand for services. Joint package costs with health partners also pose a risk to ensure full reimbursement of health costs.

50. LD is showing an underspend of £0.243m reflecting a number of savings plans both specific and cross cutting. There is an underlying risk in LD that further family breakdowns occur in year or that mitigations are not possible and so the forecast could rise. Included in such risks is the possibility that income levels from health partners are curtailed outside the authority's control and rigorous engagement is ongoing in all assessments and panels to ensure full recovery of health costs which should be free at the point of use to clients.

51. Mental Health is reflecting an underspend of £0.216m in the full year. Underlying this is a small underspend of £0.051m on operational budgets, with the balance of the underspend arising from a number of savings plans and actions to be delivered in year. A key issue, and thus a risk, will be how much joint income will result from panels with the ICB for health costs.

52. Strategy and Resources includes commissioning, care equipment and related services, Transport and a portfolio of key contracts with the VCS sector which save and restrain spend and help manage demand on the front door. This service is reporting a £0.594m underspend due to specific and general management actions and savings in year including £0.500m from use of a grant balance remaining.

53. Supporting People is projecting an underspend of £0.189m, similar to last year. This is due to additional unbudgeted income from partner organisations.

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

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

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

People – Public Health

57. The service is projecting a balanced position with respect to ring-fenced grant activity. Any ‘unders’ and ‘overs’ in the position are adjusted for as required by posting to/from the ringfenced PH reserve. An additional £0.500m has been identified to invest in Council services that contribute towards Public Health outcomes, over and above £0.575m already reflected in budget through the MTFP process for 2023/24. This results in a total PH investment of £6.056m (£5.556m+£0.500m) for the year in public health activity in other service areas and directorates across the council.

58. The underlying operating forecast before reserve top-up indicates an underspend of £0.158m. This arises from an underspend on 0-19 year olds of £0.337m (before any impact from Agenda for Change) and £0.096m from the main Core Services and Leadership. These are offset by an overspend in commissioned services which includes Substance Misuse. There are a number of lease related issues in this area identified as a potential draw upon the reserve and a further substantial demand from the prior landlord; it is not considered that LBE is liable for this demand of over £0.500m and so is not included in the forecast but is flagged as a potential risk.

59. The team also supports and delivers the activity for additional grants coming into Enfield of circa £1.000m and is actively bidding for further funding. These are all specific and fully-funded. The team also runs the supplementary grant for substance misuse and a rough sleepers grant.

These are very focused grants with clear rules on spend and will not affect or contribute to the forecast (for example the supplementary grant for substance misuse is provided on the basis that we do not disinvest in treatment services using 2021 spend as benchmark). All grants are being reviewed for any savings or contributions to overheads and other costs where possible.

60. The Data and Intelligence Team is also managed in Public Health and is funded by the General Fund rather than any grants. It is currently underspending due to a need to recruit to vacant posts, but may need to rely on agency staff and additional staff training to meet statutory requirements and so is currently forecast on budget at £0.585m.

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

People - Children's Social Care

62. The Children and Family Services division forecast outturn is £55.568m and an overspend of £2.760m with the two largest variances being in external care purchasing for Looked After Children (£1.531m) and Joint Services for Disabled Children (£0.487m), both demand-led services. The position is exacerbated by several deferred savings (£0.760m).

63. The **Children in Need** service is projecting an overspend of £0.185m mainly due to a vacancy factor of £0.256m in the Child Protection & Vulnerable Children service.

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

65. The **Looked After Children** service group is projecting an overspend of £2.130 m against a net budget of £29.881m with the biggest cost pressure being in external care purchasing. The service includes external care placements, leaving care and UASC (unaccompanied asylum-seeking children), reporting an overspend outlined below. The remaining £0.021m

pressure comes from minor variances in other cost centres within LAC group. The drivers of the issues and variances are as follows:

66. The budget for external care purchasing is projected to be overspent by £1.531m due to a higher than anticipated increase in demand, including several large sibling groups. Deferred savings, due to unexpected delays in sourcing suitable properties for the two in-house children’s homes, has put pressure on this year’s budget.

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

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

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

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

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

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

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

74. Leaving Care is projected to overspend by £0.235m due to a combination of increased numbers and higher client costs. Housing benefit offsets the costs for most clients over 18, although some clients with more complex needs are not claiming the benefits they are entitled to. A monthly care leavers panel is in place to track and review support offered to care leavers including actions to help them access all their entitlements.

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

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

77. UASC & former UASC budget is projected with an overspend of £0.343m. Of this, £0.213m is due to a realignment of budget last year to create a number of posts to deal with high caseloads and the anticipated increase in demand. Due to pressures in housing, it is taking longer for those eligible care leavers who were former UASCs to be offered their permanent tenancy, and a review of packages now projects an overspend of £0.129m.

78. **Young People and Community Safety** is reporting an underspend of £0.190m due to identified in-year saving opportunities to off-set escalating pressure in other services.

79. **Joint Services for Disabled Children** is reporting an overspend of £0.630m with a £0.487m overspend in the client budget due to a significant increase in demand above estimated levels. This increase stems from existing and new clients as a result of the economic climate, an increased awareness of the service provision, and changes to eligibility criteria in light of case law being established.

80. The service is also experiencing an unusually high number of children requiring expensive care packages, eight packages with an estimated cost of £0.723m, whilst the average over the last three years was only three cases per annum. However, this support has prevented children coming into local authority care and putting further pressure on the external care purchasing budget.

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

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

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

84. Robust processes are in place to regularly review packages of support to children in care, care leavers and disabled children. However, some children require very high levels of care to remain safely at home or prevent placement breakdown. The risk showing in Appendix A, amounting to £1.045m, represents the cost of such care packages if scheduled stepping down does not go ahead in-line with the current care plans.

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

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

People - Education

87. Overall, the General Fund Education service is projecting an underspend of £0.162m. There are various small underspends and overspends across a number of areas, but the variance mainly stems from the expectation of the Governor Support service exceeding their income target by £0.069m (similar to last year) and Career Work Experience projecting a underspend against the budget of £0.074m.

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

Environment & Communities

89. The overall E&C variance to budget is £0.359m adverse – the main reasons for the variances are as follows:

90. The Environment & Street Scene directorate is reporting a favourable variance of £0.081m, which is made up of adverse variances in Highways Services £0.285m, as a result of lower demand resulting in a drop in external income from permits for Skips, Advertising and Scaffolding; also £0.230m in increased energy costs for Street Lighting Service, which is due to the adverse impact of the energy procurement exercise – the actual procurement cost came in higher than the median number assumed in the 2023/24 budget uplift. These are mitigated by favourable variances from Traffic Order income of £0.100m and £0.495m in Public Realm - related to a NLWA commercial waste disposal rebate & operational efficiency, and an underspend in regulatory services.

91. The Leisure, Parks & Culture directorate is reporting an adverse variance of £0.498m, mainly made up of Millfield Complex unbudgeted cost pressure. The Millfield pressure of £0.504m is the estimated full year cost; the service is currently working with Property Services to go to market/lease to control/reduce the cost pressure.

92. The Customer & Communications directorate is projecting a net nil variance overall. There is an overspend in the out of hours contract for the call centre at £0.140m. The external supplier contract cost is significantly over the budget allocated, although mitigating actions within the division have absorbed the overspend entirely. Unfortunately, the contract can't be exited until it expires in 2025, despite the availability of much more cost-effective approaches to delivering this service. A lot of work has already been undertaken to mitigate the overspend in-year, but the service will continue to face this pressure for the next 2 years until the contract end.

93. Risks of circa £0.654m are reflected by the department covering SEN/Home to School Transport. Transport actual costs and the forecasts are proving to be a lot higher than normally anticipated. Hence, the service is conducting further detailed analysis to ensure the accuracy of the actuals and forecasts and provide challenges and seek mitigations where possible.

94. Other risks (£0.600m) are around Parking Services projects deliverability and progress. Projects are under way or already in place, but their financial impact is under constant review.

95. Waste Operations and Street Scene are both under further detailed review (full costing/zero budgeting) to monitor and report on the effect of post covid service requirements and additional and modified services implemented to improve the service quality over the past few years.

96. 84% of the total E&C directorate's saving/income target (£3.160m) set for 2023/24 is classified as deliverable (£2.644m), while 12% (£0.381m) is deferred due to the time it has taken to implement the restructures and issue redundancy notices. Based on early market engagement indications, 50% of the Waste Enforcement Contract Optimisation saving is classified as unachievable (£0.135m) – the actual outcome will be reported once the procurement exercise is concluded.

97. The E&C contribution identified towards the in-year saving target is £0.903m and is included in the reported P3 monitoring. However these savings/mitigations are only contributing towards reducing the existing departmental budget pressures.

Housing, Regeneration & Development

98. The overall HRD variance to budget is £18.883m adverse after £1.175m drawdown of reserves, with the main reasons for the variance as follows:

99. The HRD Direction and Business Management function is reporting a favourable variance of £0.080m, which is due to salary underspends.

100. The Housing Advisory Service is forecasting an overspend of £17.769m, which is predominantly caused by a rise in the number of households becoming homeless as a result of the cost of living crisis, a lack of available temporary accommodation at affordable rates and hence a sustained use of expensive hotel accommodation. Over two years, including the £7m overspend in 2022/23, the overspend on the TA budget will therefore amount to circa £25m. The net property overspend alone is currently projected to be £17.5m. Related to this there is also likely to be a housing benefit subsidy overspend of £2m, a bad debt provision £1.8m above budget and an additional £0.300m in running costs. Additional income is forecast through a £1m Household Support Fund award and a further £2.2m of Homelessness Prevention Grant. Mitigations continue to be worked upon with the aim of reducing and eliminating reliance on hotels and hence reducing the projected overspend in the coming months.

101. The Planning and Growth directorate is reporting an overspend of £0.217m, which is mainly due to the declining number of planning applications and planning appeals costs. In April and May planning fees show a 34.7% drop in income and a 10% reduction in applications on IDOX (43% drop in major applications). The service is reviewing PPAs/Pre-apps to help with improving the reported position. Government has indicated it intends to increase planning application fees (it has consulted on this) and it is anticipated this could be implemented by September.

102. Meridian Water P3 forecast is shown with a £0.353m favourable variance, which is due to the projected reduction in bad debt charges.

103. The Property service is reporting an estimated overspend of £1.330m, which is primarily due to reactive and regular maintenance works (£1.250m), £0.250m CCP revenue costs, plus unbudgeted fees in respect

of the Enfield Town asset disposal proposal of £0.100m. Across the other cost areas within Property, e.g., property services, FM etc, all budget pressures are managed by underspends elsewhere leading to a neutral budget except for R&M and Enfield Town fees. The service is working with EMT on mitigations to reduce/control the impact of the R&M pressure on the budgets and is preparing for a deep dive and EMT presentation in due course. The primary way to reduce this budget in the long term will be to close operational buildings.

104. A potential cost risk of £0.195m has been reflected in respect of fees which will be incurred on the property asset disposal programme and represents work on those projects/properties which may not be able to be capitalised or funded through flexible capital receipts.

105. Enfield and DWS have agreed to park a rent dispute for 3-4 months (£221k per annum), whilst the redevelopment of the shopping centre is considered. The outcome of the rent dispute will be clear by the year end.

106. 83% of the total HRD directorate's saving/income target (£2.849m) set for the 2023/24 are classified as deliverable (£2.361m). 12% (£0.355m) is deferred due to the time it has taken to implement the restructures and issue redundancy notices, and the remaining balance 5% (£0.133m) is reported as unachievable. Both of these categories of reported savings/income are contained withing the services forecasts.

107. The HRD contribution identified towards the in-year saving target is £0.408m and is included in the reported P3 monitoring. However these savings/income are only contributing towards reducing the existing overall departmental budget pressures. The department has also offered to wind up the Salix Recycling fund/reserve, which would release a £0.417m surplus fund to the general fund. This is reflected as an opportunity at this stage.

Resources

108. There is an overall reported overspend of £0.672m which consists of the following variances:

109. In **Digital Services** a net overspend of £0.303m is reported, which relates to Digital Service contracts costs. The overarching pressure within Digital service is £1.7m. This is in mostly due to unachievable MTFP savings of £0.675m relating to CRM/CMS as well as £0.150m re the new Civica contract. Additional budget pressures are due to the migration and implementation of new software £0.593m, and £0.107m of contract inflation. Other residual overspends are also inflationary driven such as bulk print and postage costs, and dual running cost of projects such as the Civica CX Housing project. These are being mitigated by holding vacancies and undertaking contract reviews.

110. There is also an adverse variance of £0.422m within the **Income Collection Team** due to a saving relating to bringing the Bailiff Enforcement team in-house (covering council tax, business rates and parking), which is likely to be deferred to 2024/25 due to delays in implementation.

111. There are other remaining overspends such as agency staff covering substantive roles however these have been absorbed by holding vacant

posts as well as additional income generation giving an overall remaining net saving of £0.053m across the directorate.

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

113. In Digital Services, a risk of £1.3m is shown, this reflects dual running and inflationary impact on contracts (£0.378m), capitalisation of implementation cost for CRM (£0.6m), and savings on contracts (£0.3m).

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

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

Chief Executive

116. There is an overall reported overspend of £0.279m which consists of the following variances:

117. Within Law and Governance, which is showing a net £0.285m overspend, Legal Services is projecting an overspend of £0.354m. In the prior year, the service received Covid funding of £0.450m to provide the necessary funds for increases in staffing and external legal costs of barristers and court fees due to higher case volumes. In 2023/24 the budget has been increased by £0.300m as this funding has now ceased, this is however a reduction in funding on the prior year of £0.150m. Of the current predicted overspend, £0.250m is due to managing the volume of caseloads for safeguarding, external legal spend and court fees. There is also a pressure on the income budget (£0.100m) with a shortfall predicted on S106 and 3rd party development agreements due to a reduction in the number of major planning applications. This is in part because of changes introduced by the second staircase rule, plus viability issues with affordable housing, meaning schemes are having to be redesigned, delaying applications, and an increase in planning appeals.

118. In Electoral Services an overspend of £0.121m is reported. There are increased costs in postage & printing in carrying out statutory electoral functions due to a variety of factors such as inflation, biannual increases in Royal Mail's postal rates and increases in the volume of mailouts due to the growth in the borough's population.

119. Other net underspends of £0.196m are due mainly to holding vacant posts and a reduction on other planned activity having reviewed the internal audit plan and corporate training budget for the year ahead. Although there have been timing delays in the delivery of MTFP savings associated with the

Placements & Apprenticeship Team (£0.041m) these have been offset by additional schools traded income being projected.

120. Progress has been made to identify in-year savings to contribute to the council-wide effort to find in-year savings. Proposals to date include Corporate Strategy Team (£0.070m), HR & OD (£0.104m), and Law & Governance (£0.076m). Work is ongoing to mitigate the budget pressures reported in 2023/24 and further updates will be provided once complete.

Corporate Items

121. There is an overall reported overspend of £4.681m which consists of the following variances:

122. Whilst the 2023/24 final pay award is still being negotiated, the potential impact has been estimated and it is likely to exceed the 4% increase built into the MTFP for 2023/24 creating an adverse variance of circa £3.6m.

123. 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.

124. Revenue Capital Financing charges are made up of two elements – (i) interest that is not capitalised and (ii) repaying a proportion of debt every year (Minimum Revenue Provision). The total capital financing charge is expected to be £3.0m above the ongoing revenue budget £28.6m. This is broadly in line with the February 2023 Cabinet Budget papers which showed that there was an expected £2.3m (at 70% delivery) to £3.8m (at 100% delivery) drawdown from smoothing reserves to cover 2023/24 capital financing charges.

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

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

127. Other minor variances total circa £0.2m favourable and include the corporate levies and the joint Coroners service, whilst the corporate contingency, set at £3m, remains available to mitigate against the variances noted above.

Collection Fund

128. The forecast below in Table 4 shows a total Collection Fund surplus at the end of 2023/24 of £1.8m. Enfield's share of the surplus is £0.2m. The forecasts are based on a number of assumptions which can vary significantly throughout the year.

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

Table 4: Collection Fund Forecast Outturn Summary

	Council Tax (£m)	Business Rates (£m)	Total (£m)
Collection Fund (Surplus)/Deficit B/fwd. 1 April 2023	**(4.055)**	**8.083**	**4.028**
Distribution/(income) re 2022/23 forecast surplus/deficit	2.842	(10.520)	(7.678)
In year collection fund forecast (surplus)/deficit	1.849	(0.021)	1.828
Forecast (Surplus)/Deficit Outturn 31 March 2024	**0.636**	**(2.458)**	**(1.822)**
Allocation of Collection Fund Forecast Outturn Balance			
London Borough of Enfield	0.494	(0.737)	(0.243)
Greater London Authority	0.142	(0.910)	(0.768)
Central Government	0.000	(0.811)	(0.811)
Total Allocations	**0.636**	**(2.458)**	**(1.822)**

Council Tax and Business Rates Collection Performance

130. It is too early to know the likely impact of the current economic climate on the collection of council tax and business rates.

131. The net collection for **Council Tax** at the end of June 2023 was 28.1% of the £195.095m total Council Tax income. This is 0.6% above the target set and 0.09% down against the same point in 2022/23, when the total Council Tax income was £182.549m. The full in-year collection target is 92%.

132. The net collection for **Business Rates** at the end of June 2023 was 26.09% of the £122.933m total Business Rates income. This is 2.09% above the target and is an improvement on last year when it was at 24.51% of the £113.986m total Business Rates income. The full in year collection target is 93%.

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

Flexible Use of Capital Receipts

134. 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.

135. 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, or the flexibility granted by Government might be withdrawn.

136. 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.

137. The Budget Report 2023/24 set out the plan for using capital receipts this financial year with a total of £2.2m originally budgeted. The latest forecast position remains at a total of £2.2m.

138. Following a review of initiatives in the closedown of 2022/23, a number of proposals were determined not to be eligible for inclusion and so were excluded from the list of items funded in this way. A review of 2023/24 initiatives has removed any similar ineligible items, as well as removing those which will no longer be undertaken or can be funded in another way. This has freed up capital receipts to potentially fund a certain level of activity in Property (subject to approval) in respect of the asset disposal programme which will generate further capital receipts, reduce borrowing and financing/MRP costs (i.e. create future savings). The updated plan will need to be resubmitted to DLUHC but first will be brought to EMT-Budget for review before addressing any further internal governance requirements.

Achievement of Savings (Appendix B and Appendix C)

139. 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

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

141. Of these, £12.9m are considered to be fully deliverable or on track for delivery at this stage.

142. However, £2.2m and £0.7m are expected to be deferred to a later year or will not be delivered at all. These shortfalls will impact on the outturn and are reflected in the forecasts for each department. Departments are

working on mitigating actions to bring delivery back on track, or to offset these alongside any other pressures in their services with alternative savings. Where any savings are no longer deemed to be deliverable or are impacted by delays, then any shortfalls and rephasing of delivery and values will need to be reflected in the MTFP update for 2024/25.

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

Dedicated Schools Grant (DSG)

144. The DSG is showing a projected overspend of £2.623m. The table below sets out how this then impacts the DSG reserve brought forward:

Table 5 – DSG Reserve movement

DSG Reserve	£m
B/fwd 22/23 DSG reserve overspend	15.236
P3 Forecast	2.623
C/Fwd Projected 23/24 DSG overspend	**17.859**

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

145. For SEN Services, there are overspends in Speech Therapy and peripatetic services, in placement/top up costs and a contingency of circa £1m has been assumed in this area to reflect the expected increases in fees and charges currently forecast at 7%. The expected outturn figure is £1.548m.

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

147. The Parenting Support Service, which forms part of the costs borne by the DSG, is projected to overspend by £0.242m. This overspend will be looked at in more detail to understand the drivers of this and what mitigating action can be undertaken to address it.

148. SEN staffing overspend in the General fund will be transferred to the DSG, the current projection is £0.867m.

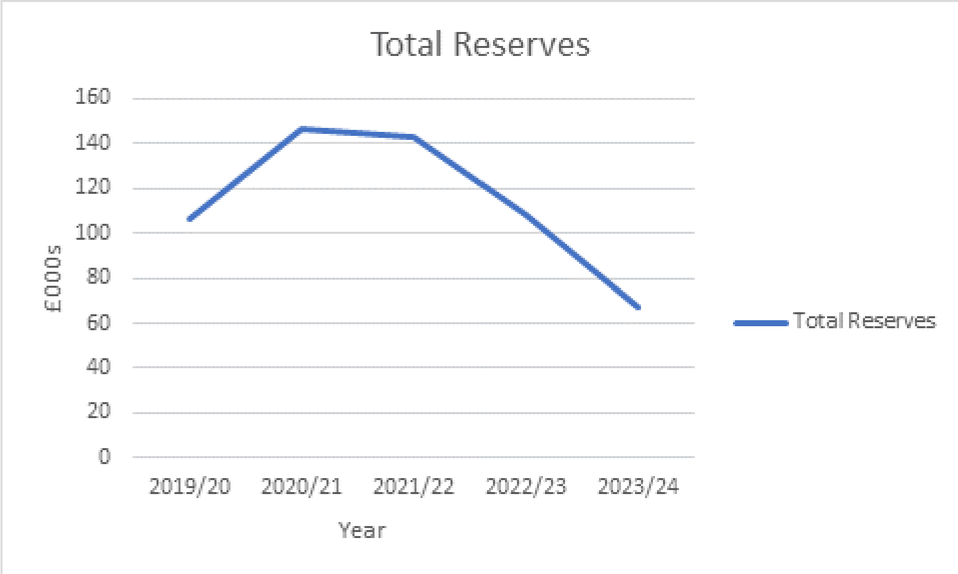
149. The London Mayor has recently announced that grant funding will be made available during the 2023/24 academic year for the provision of universal free school meals for all primary school children in state-funded schools in London who do not currently qualify for Government-funded free school meals.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

Earmarked Reserves

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

Table 6 – Forecast Reserves balances

	2022/23 Outturn Balance £m	**2023/24 Forecast Balance £m**
Risk Reserve	**(3.440)**	**(5.419)**
Balance Sheet Management	(2.295)	(1.295)
Collection Fund Pooling Reserve	(2,059)	(0.578)
Collection Fund Equalisation Reserve	(13,628)	(13.628)
Housing Benefit Smoothing Reserve	0.726	(0.735)
Adult Social Care Smoothing Reserve	(3.697)	0.000
NLWA Reserve	(0.514)	(1.566)
Meridian Water Reserve	(1,297)	(1,297)
MTFP Smoothing Reserves	**(22.764)**	**(19.099)**
Capital Financing	(23.428)	(23.428)
Service Specific	(13.757)	(11.128)
Property	(0.925)	(0.436)
Grants & Other Contributions	(18.837)	(9.136)
Sub-total GF Reserves	**(86.655)**	**(68.646)**
Insurance	(7.513)	(7.263)
General Fund Balance	(13.949)	(13.949)
Total GF Earmarked Reserves & Balances (excl. HRA & Schools)	**(104.613)**	**(89.858)**
Potential Risk Reserve Drawdown	0.00	25.819
Total Reserves & Balances	**(104.613)**	**(64.039)**



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

152. Whilst the risk reserve had been strengthened in the two years prior to 2022/23, this trend reversed significantly in last year's outturn. A review of all earmarked reserves is currently underway and where balances are available it is proposed to transfer these to the risk reserve. This is reflected in the table above. However, given the adverse forecast outturn of £25.819m the risk reserve balance will be insufficient, thus this will require further reductions in other reserves.

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

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

155. The £22.6m of Smoothing Reserves relate to Council Tax (£146m), Business Rates (£110m), Housing Benefits (£212m claim per year), Adult Social Care, Meridian Water and the North London Waste Authority levy and provide resilience in the budget to manage annual fluctuations.

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

Conclusion

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

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

Legal Implications

159. 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.

Other Implications

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

Report Author:	Steve Muldoon
	Assistant Director of Finance
	steve.muldoon@enfield.gov.uk
Date of report:	28th July 2023

Appendices

Appendix A: Breakdown of Departmental Variances

Appendix B: Achievement of Savings

Appendix C: Savings & Income Monitor

Appendix D: Collection Fund

Background Papers

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

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

LB ENFIELD **APPENDIX A**

General Fund Revenue Monitor 2023/24

Period 3 Forecast

Directorate	Current Budget £'000	Forecast Outturn £'000	Gross Variance £'000	Specific Reserves £'000	Full Year Net Variance £'000	Memo: Mitigations and new savings incl. £'000	Risks £'000	Opportunities £'000
PEOPLE (ADULTS)								
Customer Pathway	48,662	49,388	726	(637)	89	(637)		
Learning Disabilities	31,122	30,879	(243)		(243)	(247)		
Mental Health	7,946	7,730	(216)		(216)	(220)		
Strategy & Resources	7,635	7,041	(594)		(594)	(606)		
Supporting People	2,709	2,520	(189)		(189)	(193)		
Director	(270)	(270)	0		0			
PEOPLE (PUBLIC HEALTH)								
PH Grant	(5,556)	(5,556)	-	(500)	(500)	(500)		
Data and Intelligence	585	585	-		-			
People (Adults and Public Health) Total	**92,833**	**92,317**	**(516)**	**(1,137)**	**(1,653)**	**(2,403)**	**-**	**-**
PEOPLE (CHILDREN & FAMILIES)								
Children in Need	11,071	11,257	185		185			
Looked After Children	29,881	32,011	2,130		2,130		792	
Young People and Community Safety	3,303	3,303	-	(190)	(190)	(190)		
Joint Service for Disabled Children	5,114	5,744	630		630		253	
Other Services	3,048	3,253	205	(200)	5	(350)		
People (Children) Total	**52,418**	**55,568**	**3,150**	**(390)**	**2,760**	**(540)**	**1,045**	**-**
PEOPLE (EDUCATION - GF)								
Enhanced Pension Costs	1,716	1,732	16		16	(75)		
SEN Services	968	968	-		-		867	
Educational Psychology Service	561	561	-		-			
Schools Improvement Service	416	274	(142)		(142)	(45)		
Early Years	543	540	(3)		(3)			
Asset Management & Development	35	35	-		-			
Other Services	267	234	(33)		(33)			(300)
People (Education) Total	**4,506**	**4,344**	**(162)**	**-**	**(162)**	**(120)**	**867**	**(300)**
PEOPLE TOTAL	**149,757**	**152,229**	**2,472**	**(1,527)**	**945**	**(3,063)**	**1,912**	**(300)**
ENVIRONMENT & COMMUNITY								
E&C Direction & Business Management	830	830	-	-	-	-		
Environment & Street Scene directorate	21,984	22,005	21	(102)	(81)	(595)	1,254	
Leisure, Parks & Culture directorate	4,065	4,563	498	-	498	(250)		
Customer & Communications directorate	5,398	5,340	(58)	-	(58)	(58)		
Environment & Community Total	**32,276**	**32,737**	**461**	**(102)**	**359**	**(903)**	**1,254**	**-**

Directorate	Current Budget £'000	Forecast Outturn £'000	Gross Variance £'000	Specific Reserves £'000	Full Year Net Variance £'000	Memo: Mitigations and new savings incl. £'000	Risks £'000	Opportunities £'000
HOUSING, REGENERATION & DEVELOPMENT								
HRD Direction & Business Management	709	629	(80)	-	(80)	(80)		
Meridian Water	(737)	(1,090)	(353)	-	(353)	(193)		
Housing Advisory Service	6,469	24,238	17,769	-	17,769	-		
Planning and Growth	1,465	2,459	994	(777)	217	(115)		-
Property	4,910	6,638	1,728	(398)	1,330	(20)	195	**(417)**
HRD Total	**12,816**	**32,874**	**20,058**	**(1,175)**	**18,883**	**(408)**	**195**	**(417)**
RESOURCES								
Digital Services	12,317	12,631	314	(11)	303	(1,183)	1,278	-
Corporate Finance	2,905	3,087	182	-	182			
Capital & Procurement	1,783	1,783	-	-	-			
Financial Assessments	3,517	3,874	357	(357)	-			
Income Collection	2,349	2,771	422	-	422			
Exchequer Services	1,135	898	(237)	-	(237)	(237)		(200)
Executive Director	459	461	2	-	2			
Resources Total	**24,465**	**25,505**	**1,040**	**(368)**	**672**	**(1,420)**	**1,278**	**(200)**
CHIEF EXECUTIVE								
Chief Executive	307	307	-	-	-			
HR & OD	2,035	1,978	(57)	-	(57)	(104)		
Law & Governance	6,992	7,277	285	-	285	(76)		
Corporate Strategy	1,129	1,095	(34)	(36)	(70)	(70)		
Electoral Services	627	655	28	93	121			
Chief Executive Total	**11,090**	**11,312**	**222**	**57**	**279**	**(250)**	**-**	**-**
NET SERVICE BUDGETS	**230,404**	**254,657**	**24,253**	**(3,115)**	**21,138**	**(6,044)**	**4,639**	**(917)**
% of net revenue expenditure over/(under) budget					**9%**			
CORPORATE BUDGETS	**56,538**	**60,167**	**3,629**	**1,052**	**4,681**	**(50)**	**-**	**-**
GRAND TOTAL - NET COUNCIL EXPENDITURE	**286,942**	**314,824**	**27,882**	**(2,063)**	**25,819**	**(6,094)**	**4,639**	**(917)**
% of budget over/(under)					**9%**			

Appendix B

Achievement of Savings and Income Targets

Savings + Income Totals							
Total by Department	CEX	People	HRD	E&C	Resources	Corporate	Grand Total
	£m	£m	£m	£m	£m	£m	£m
FYE	0.100	(0.588)	(0.110)	(0.240)	(0.700)	-	**(1.538)**
New 2023/24	(0.918)	(5.206)	(2.739)	(2.920)	(0.931)	(1.504)	**(14.218)**
Total	**(0.818)**	**(5.794)**	**(2.849)**	**(3.160)**	**(1.631)**	**(1.504)**	**(15.756)**

Risk Status							
Total by Department	CEX	People	HRD	E&C	Resources	Corporate	Grand Total
	£m	£m	£m	£m	£m	£m	£m
Blue	(0.200)	(0.180)	0.200	(0.100)	0.000	0.000	**(0.280)**
Green	(0.618)	(4.907)	(0.286)	(1.890)	(0.781)	(1.504)	**(9.986)**
Amber	0.000	(0.707)	(0.866)	(0.905)	(0.450)	0.000	**(2.928)**
Red	0.000	0.000	(1.897)	(0.265)	(0.400)	0.000	**(2.562)**
Total	**(0.818)**	**(5.794)**	**(2.849)**	**(3.160)**	**(1.631)**	**(1.504)**	**(15.756)**

Financial Impact							
Total by Department	CEX	People	HRD	E&C	Resources	Corporate	Grand Total
	£m	£m	£m	£m	£m	£m	£m
Deliverable	(0.756)	(4.921)	(2.361)	(2.627)	(0.716)	(1.504)	**(12.885)**
Deferred	(0.062)	(0.873)	(0.355)	(0.398)	(0.515)	0.000	**(2.203)**
Undeliverable	0.000	0.000	(0.133)	(0.135)	(0.400)	0.000	**(0.668)**
Total	**(0.818)**	**(5.794)**	**(2.849)**	**(3.160)**	**(1.631)**	**(1.504)**	**(15.756)**

Savings & Income Monitor

Chief Executive

Description	Total Risk Score	2023/24 Target (£000)	2023/24 Deliverable (£000)	2023/24 Deferred (£000)	2023/24 Unachievable (£000)
Enfield Strategic Partnership review of reserves	0.0	100	100		
Voluntary & Community Sector budget savings	0.0	(300)	(300)		
Strategy & Policy Team - Operating Budget savings	1.5	(15)	(15)		
Schools Personnel – increased traded service income	1.5	(30)	(30)		
Strategy & Policy Team - HRA recharge income	1.5	(35)	(35)		
Human Resources – HRA recharge income	1.5	(30)	(30)		
Registrars - Income Generation through additional fees & charges	1.5	(50)	(50)		
Policy Team restructure proposal	2.5	(200)	(200)		
Psychometric Testing saving	3.0	(10)	(10)		
Workforce & Performance Analyst & Pay Reward & Benefits Advisor posts	2.5	(102)	(102)		
Post from full time to part time	1.5	(6)	(6)		
Employee relations post (0.8 FTE)	1.5	(30)	(30)		
HR Apprenticeships Team deletion	1.5	(98)	(36)	(62)	
OD Restructure	1.5	(12)	(12)		
		(818)	**(756)**	**(62)**	**0**

Adults

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

Children & Families

Description	Total Risk Score	2023/24 (£000)	2023/24 Deliverable (£000)	2023/24 Deferred (£000)	2023/24 Unachievable (£000)
Reduction in operational costs	2.5	(100)	(68)	(32)	
Reduction in external care purchasing costs through in-borough developments of fostering and residential provision	5.0	(594)	(74)	(520)	
Re-tender home care provision for disabled children	1.5	(56)	(28)	(28)	
Use of NCIL to substitute Youth Services funding for 1 year	0.0	(180)	(180)	0	
CCTV income opportunities	3.0	(50)	(50)	0	
Pause SW apprenticeship recruitment	2.5	(200)	(87)	(113)	
New children's home	3.5	(300)	(233)	(67)	
		(1,480)	**(720)**	**(760)**	**-**

Education

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

Public Health

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

Environment & Communities

Description	Total Risk Score	2023/24 (£000)	2023/24 Deliverable (£000)	2023/24 Deferred (£000)	2023/24 Unachievable (£000)
Consolidation of ASB unit	0.0	(100)	(100)		
Waste Enforcement Contract Optimisation	7.0	(270)	(68)	(68)	(135)
Green Waste Collection Dates	5.0	(200)	(200)	0	0
Increase Garden Waste Charges	3.5	(400)	(400)	0	0
Commercial workshop- expand 3rd party service change	2.5	(100)	(100)	0	0
Consumer Protection review	2.5	(127)	(76)	(51)	0
Staffing Review (Culture)	2.5	(100)	(100)	0	0
Streetworks savings	1.5	(50)	(50)		
Staffing Review (Place)	2.5	(120)	(120)	0	0
Inflation uplift on external clients and receipts income	2.5	(180)	(180)	0	0
Across Place-external fees and charges	2.5	(200)	(200)	0	0
Place Service Reviews - Crossover team review	0.0	(45)	(45)		

Place Service Reviews - Licensing Scheme	0.0	(220)	(220)		
Making climate change a departmental responsibility	2.5	(200)	(200)		
Southgate Cemetery - Mausoleum and Vaulted graves sales	1.5	(10)	(10)	0	0
Grow Commercial Waste Service	1.5	(75)	(75)	0	0
Review of Parking Permit charging	1.5	(60)	(60)	0	0
Traffic order/ permit performance Income	1.5	(50)	(50)	0	0
Vacant Comms (PO1) post	1.5	(50)	(50)		
Customer Operations	1.5	(50)	(50)		
New visa verification contract	5.0	(200)	(155)	(45)	
Schools Catering Closure	5.0	(235)	-	(235)	
Commercial Team vacant post deletions (MM1 & SO2)	2.5	(100)	(100)		
STS Admin post deletion (part-time)	1.5	(18)	(18)		
		(3,160)	**(2,627)**	**(398)**	**(135)**

Housing, Regeneration & Development

Description	Total Risk Score	2023/24 (£000)	2023/24 Deliverable (£000)	2023/24 Deferred (£000)	2023/24 Unachievable (£000)
Relet rather than sell John Wilkes House and Charles Babbage House	2.5	(140)	(140)		
Security Savings	2.5	(200)	(200)		
Morson Road Service Charge	4.5	(30)	(5)		(25)
Staffing Review (Property)	4.5	(36)	0	0	(36)
CMFM restructure	3.5	(500)	(425)	(75)	0
Montagu Industrial Estate Redevelopment	3.5	(300)	(300)	0	0
Cleaning Review	3.5	(500)	(148)	(280)	(72)

Place Service Review - Holly Hill Landscaping	3.5	(250)	(250)	0	0
Place Service Reviews - Resources under the business support manager	0.0	(100)	(100)		
Place Service Reviews - Consolidate B Block North into South (energy)	0.0	(97)	(97)		
Place Service Reviews - Staffing review Planning	0.0	(150)	(150)		
Market Rentals for Council Properties	3.0	(10)	(10)	0	0
Business Rate Charges, Reduce costs on empty properties	2.5	(100)	(100)	0	0
Income from Rent Reviews	2.5	(240)	(240)	0	0
Housing Enabling Posts - Utilise Grant Funding	2.5	(100)	(100)	0	0
Insource current removal contract	1.5	(20)	(20)	0	0
Trespass and Enforcement Budget	1.5	(50)	(50)	0	0
Relet Marsh House meanwhile use (temp saving 2-3 years)	1.5	(20)	(20)	0	0
Departmental training budget	1.5	(80)	(80)	0	0
Increase income from GF community spaces	1.5	(40)	(40)	0	0
Staffing Review (Place)	0.0	(86)	(86)		
Extension of Holly Hill land improvement	0.0	200	200		
		(2,849)	**(2,361)**	**(355)**	**(133)**

Resources

Description	Total Risk Score	2023/24 (£000)	2023/24 Deliverable (£000)	2023/24 Deferred (£000)	2023/24 Unachievable (£000)
Procurement saving resulting from replacing our digital customer platform	10.5	(400)			(400)
Internal Enforcement Team	7.0	(300)		(300)	
Digital Services restructure	3.5	(656)	(591)	(65)	
Civica contract saving	7.5	(150)		(150)	
Income & Debt team vacant post deletions	2.5	(125)	(125)		
		(1,631)	**(716)**	**(515)**	**(400)**

Corporate

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

Appendix D

Collection Fund - update in detail

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

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

	2023/24 Net Collectable Debit (£m)	2023/24 Net Amount Collected (£m)	2023/24 Collected %	23/24 Target %	+/- Against Target %	2022/23 Net Collectable Debit (£m)	2022/23 Net Amount Collected (£m)	2022/23 Collected %
April 2023	195.076	21.540	11.04%	10.0%	1.04%	182.445	20.527	11.25%
May 2023	195.106	38.213	19.59%	18.0%	1.59%	182.566	36.099	19.77%
June 2023	195.095	54.830	28.10%	27.5%	0.60%	182.549	51.465	28.19%

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

	2023/24 Net Collectable Debit (£m)	2023/24 Net Amount Collected (£m)	2023/24 Collected %	23/24 Target %	+/- Against Target %	2022/23 Net Collectable Debit (£m)	2022/23 Net Amount Collected (£m)	2022/23 Collected %
April 2023	123.159	10.322	8.38%	8.0%	0.38%	110.506	10.575	9.57%
May 2023	123.383	22.110	17.92%	16.5%	1.42%	113.176	19.339	17.09%
June 2023	122.933	32.079	26.09%	24.0%	2.09%	113.986	27.941	24.51%

Collection Fund - Council Tax

The forecast Council Tax in year position is a £1.849m deficit across the Collection Fund as shown in Table 5 below. The main reasons for the variance are the increased cost of the Council Tax Support Scheme £2.413m, an increased level of discounts and exemptions £0.587m which are offset by increased Council Tax income (£0.334m) and the Council Tax Support Fund (£0.704m).

Table D3 – Collection Fund Council Tax

	% Shares	Budget 2023/24 (£m)	Forecast Outturn (£m)	Variance (£m)
Gross Council Tax income for 23/24		(255.817)	(256.151)	(0.334)
Less: Council Tax Support		39.142	41.555	2.413
Less: Other discounts and exemptions		19.302	19.889	0.587
Net Collectible Council Tax		**(197.373)**	**(194.706)**	**2.666**
Council Tax Support Fund		0	(0.704)	(0.704)
Increase/ (decrease) to bad debt provision		8.388	8.275	(0.113)
Council Tax Income		**(188.985)**	**(187.136)**	**1.849**

Allocation of Council Tax Income				
London Borough of Enfield	77.76%	(146.963)	(145.525)	1.438
Greater London Authority	22.24%	(42.022)	(41.611)	0.411
Total Allocation		**(188.985)**	**(187.136)**	**1.849**

Collection Fund - Business Rates

The forecast year end position for Business Rates is broadly a balanced position, as shown below in Table 6, showing a small surplus of £0.021m.

This position is sensitive to a number of risks, principally the uncertainly around the appeals against the rateable values as set by the Valuation Office which were subject to a revaluation effective from 1st April 2023.

We are aware that the Valuation Office has been working to clear the appeals relating to the prior 2017 valuation list and the impact of this is likely to be seen in the next collection fund monitoring update.

Table D4: Collection Fund Business Rates

	% Shares	Budget 2023/24 (£m)	Forecast Year End Position (£m)	Variance (£m)
Gross Business Rates Income		(162.063)	(165.188)	(3.125)
Forecast appeals in 2023/24		4.531	1.856	(2.675)
Reliefs and prior year adjustments		42.747	49.763	7.016
		(114.785)	**(113.569)**	**1.216**
Increase/ (decrease) to bad debt provision		7.466	7.489	0.023
Net Collectable Business Rates		**(107.319)**	**(106.080)**	**1.239**
Transitional Protection Income		(13.906)	(15.166)	(1.260)
Cost of Collection Allowance		0.329	0.329	0
Net Business Rates Income Total		**(120.896)**	**(120.917)**	**(0.021)**
Allocation of Business Rates				
London Borough of Enfield	30%	(36.269)	(36.275)	(0.006)
Greater London Authority	37%	(44.731)	(44.739)	(0.008)
Central Government	33%	(39.896)	(39.903)	(0.007)
Total Allocations		**(120.896)**	**(120.917)**	**(0.021)**

London Borough of Enfield

Report Title	Capital Outturn 2022/23 and 2023/24 Period 3 Capital Monitoring
Report to:	Cabinet
Date of Meeting:	13th September 2023
Cabinet Member:	Cllr Tim Leaver, Cabinet Member Finance & Property
Executive Director/Director	Fay Hammond, Executive Director Resources Olga Bennet, Director of Finance (Capital)
Report Authors:	Olu Ayodele – Olu.ayodele@enfield.gov.uk Shirley Haider – Shirley.haider@enfield.gov.uk
Ward(s) affected:	All
Key Decision Number	KD5653
Classification:	Part I Public

Purpose of the Report

1. This report provides an update on 2022/23 General Fund capital expenditure, capital financing applied at year end and commentary on key outcomes delivered from the Council's capital spend. The HRA capital outturn is reported separately.

2. The report also provides a brief overview of the 2023/24 capital programme as at Period 3 (April to June) and development of the Council's 2024/25 Capital strategy.

Recommendations

I. Cabinet is asked to recommend that Council approves

a. The carry forward of £10.2m unspent budgets from 2022/23 to future years, including 2023/24 (Appendix B), of which £2.2m is to be funded by borrowing.

II. Cabinet is asked to note:

a. Total 2022/23 capital expenditure of £213.3m, against original budget of £486.4m and Period 8 (November) forecast of £262.7m.

b. Less than half of the 2022/23 capital expenditure was funded by borrowing (£102.5m borrowing out of £213.3m capital expenditure), as detailed in Table 2

c. An overall net budget reduction of £78.3m in 2022/23 (Appendix D and E)

d. A reduction of £0.7m in the 2023/24 budgets, due to accelerated spend in the 2022/23 (Appendix B).

e. The 2023/24 capital programme position at Period 3, as detailed in paragraphs 79-87.

f. The overall capital programme is being reviewed as part of the development of the 2024/25 Capital Strategy. This will be presented to October Cabinet.

Background and Options

3. The ongoing challenging wider economic climate of increasing inflation and rising interest rates during 2022/23 meant that a number of programmes were slowed down or in some cases had been paused to allow for the review of underlying business cases and to ensure ongoing value for money.

4. The original 2022/23 capital programme budget was £445.3m. Approved changes to the budget (including carry forward of unspent budget from prior year) increased this to a revised budget of £486.4m.

5. Final capital spend of £213.3m was incurred, which is 43.9% of the revised budget (underspend budget variance of £273.1m). The capital programme

evolved significantly during the year. Forecast outturn at Period 8 (November 2022) was £262.7m. Final spend represents 81.2% of Period 8 forecast outturn.

6. As part of the ongoing review of the affordability of the capital programme, unspent budgets at year end (where funded from borrowing) are only carried forward in exceptional circumstances. The Executive Management Team have provisionally approved the carry forward of £2.2m capital budget funded by borrowing from 2022/23 to 2023/24, subject to Cabinet and Council approval (Appendix C).

7. The most significant variance to both the revised budget and Period 8 (November) forecast outturn relates to Meridian Water. £157m revised budget was approved and the forecast outturn at Period 8 was £63.5m. Actual expenditure at year-end was £35.6m (£121.4m lower than revised budget and £27.9m lower than Period 8 forecast). This is the result of direct intervention taken by the Council in response to escalating inflation, construction costs and interest rate rises. Paragraphs 46-48, provide further details.

8. Companies loan drawdown is £45.4m lower than budgeted. Energetik is in the process of reviewing its business plan prior to entering any new construction contracts. Housing Gateway Ltd (HGL) planned acquisitions have been impacted by increases in interest rates throughout the year, meaning that properties on the market in Enfield were generally not within HGL's hurdle rates. HGL has since reviewed the equity allocated to each property in order to reduce the hurdle rates and therefore increase the number of properties being purchased in light of the Council's rising temporary accommodation costs.

9. The Council has sought to be prudent given the challenging financial climate and has only proceeded with works where there is a financially viable strategic business case. An optimised Meridian Water business case has developed and approved by Cabinet to ensure all risks in the future programme were fully reflected.

10. The revised budget of £486.4m assumed £254.7m of new borrowing (£159.1m General Fund and £72.6m HRA). Actual borrowing for 2022/23 was £102.5m (£74.1m General Fund and £28.3m HRA). This reflects not only reduced capital spend (to budget) but also a stronger focus on the maximisation of non-borrowing capital funding sources to reduce the need to borrow. As part of an ongoing review of capital funding, £1.7m historic unspent capital grant was identified to fund in-year expenditure (that would otherwise have been funded from borrowing) and a further £0.3m identified to release to support revenue budget.

11. Further work to reduce both borrowing anticipated in the 2024/25 ten year capital programme as well as historic borrowing is underway. This will inform the 2024/25 capital strategy update (being presented to October Cabinet), which will present the funding envelope for an affordable and financially sustainable capital programme.

Relevance to the Council plans and Strategies

12. The Council's capital strategy provides the overall framework through which the capital programme is developed and delivered. Planned capital spend is informed by the Council's strategic objectives (as detailed in the Council's Corporate Plan). Council approved the 2022/23 capital strategy on 22nd September 2021.

13. The paragraphs below provide a high-level description of how 2022/23 capital expenditure supported the delivery of the Council's objectives.

14. **Good homes in well-connected neighbourhoods** - **£161.0m**

15. A substantial portion of portion of the council's capital programme exists to invest in new or better housing for residents, through Meridian Water, Housing Gateway, and the HRA's refurbishment and new home development programme. Meridian water saw reductions in the capital programme as the development strategy has shifted away from direct delivery.

16. **Safe, healthy and confident communities - £30.9m**

17. The capital programme includes annual allocations for investment in streets and roads, but also grant funded works to improve the environment for pedestrians and cyclists. The programme growth for the full year particularly reflects grant funding secured to delivery of the Enfield to Broxbourne Cycle route.

18. **An economy that works for everyone - £21.5m**

19. The capital programme includes provision for development projects which will provide additional jobs and better environments for local businesses. The Montagu Industrial estate budget has been reprofiled, and the council has reduced the scope of works to improve Council offices.

Capital outturn 2022/23 summary.

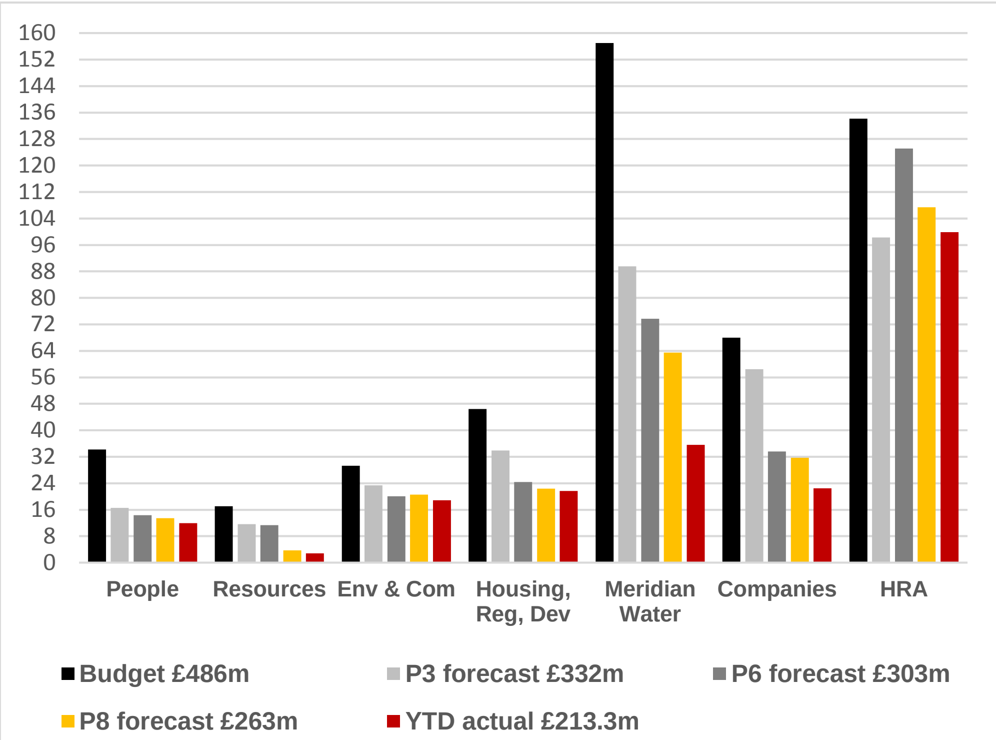
20. The Council's revised capital budget for 2022/23, including 2021/22 carry forward of unspent budget, was £486.4m. Budget adjustments to Period 8 (November 2022) include £7.9m growth and £47.2m reduction in planned spend. These were reported to Cabinet through the capital budget monitoring cycle. In addition, in February 2023, Council approved the carry forward of £184.4m capital budget from 2022/23 as part of 2023/24 budget setting process (Appendix 2 of KD5502).

21. These budget adjustments resulted in a Period 8 (November) forecast capital outturn of £262.7m.

22. Final capital spend for the year was £213.3m, of which £99.9m relates to the HRA. This represents 49% of budget and 81% of Period 8 (November) forecast outturn (£49.4m variance to Period 8 forecast outturn). Further information is available in the separate HRA report, elsewhere on the agenda.

23. The £49.4m variance between outturn spend and Period 8 forecast consists of Q4 growth in budgets of £2.8m and Q4 reduction in budgets of £41.8m. A further net £10.2m unspent capital budget at outturn is proposed to be added to the 2023/24 capital programme (of which £2.2m is funded from borrowing). Appendices A to C detail all growth, reductions and reprofiling throughout the year.

24. Figure 1 below summarises capital spend by Department. In a change to previous years, unspent capital budget at year end (the difference between final outturn and Period 8 forecast outturn) is only carried forward in exceptional cases or where it is funded from non-borrowing sources. EMT has provisionally approved £2.2m of unspent borrowing funded budgets to be carried forward into 2023/24, subject to Council approval.



Capital programme – key outcomes.

25. Table 1 below provides a summary of spend by department. Appendix C provides a detailed listing by programme, including summary of variance to budget, explanation of reductions, growth and requests for the carry forward of unspent capital budget at outturn. The HRA is referenced for completeness only and is discussed in more detail in the HRA 2022/23 outturn report).

26. Paragraph 27 provides an overview of how capital investment during 2022/23 supported the delivery manifesto pledges and paragraphs 28-52 key outcomes by Department.

27. Capital investment in the following areas supports the delivery of manifesto pledges:
    a. Free replacement recycling bins to residents was implemented in 2022/23;
    b. Progress made on delivering new schools streets, with 10 delivered in 2022/23 taking the total to 24 schools streets across the borough;
    c. Works to create 4 new wetlands across the borough started in 2022/23, with further investment planned to create 10 new wetlands in total within the borough;
    d. Over 50,000 trees have been planted in forest areas and on urban streets;
    e. At the Meridian water site, a new skills academy has opened to train 1,000 people a year, and there will be a new skate park;
    f. Progress was made on creating new café and toilet facilities in all major parks with the completion of a new community hub at Firs Farm Park.

Table 1 – Final capital outturn by Department

	budget	outturn	variance	spend %
	£m	**£m**	**£m**	**%**
Education	33.5	11.7	(21.9)	34.9%
Children & Family Services	0.8	0.3	(0.6)	37.5%
People	**34.3**	**12.0**	**(22.5)**	**35.0%**
Digital Services	17.1	2.8	(14.3)	16.5%
Resources	**17.1**	**2.8**	**(14.3)**	**16.5%**
Customer & Communications	0.4	0.2	(0.2)	50.0%
Environment & Street scene	26.7	15.3	(11.4)	57.3%
Leisure, Parks & Culture	1.8	3.4	1.7	188.9%
Environment & Communities	**29.3**	**18.9**	**(10.4)**	**64.5%**
Corporate Property	39.4	15.1	(24.3)	38.3%
Town centre regeneration	4.1	4.3	0.2	104.8%
Housing adaptations	2.9	2.2	(0.7)	75.9%
Housing, Regn, Dev (ex MW)	**46.5**	**21.7**	**(24.8)**	**46.7%**
Meridian Water	**157.0**	**35.6**	**(121.4)**	**22.7%**
Energetik	21.7	19.3	(2.4)	88.9%
Housing Gateway Ltd	46.3	3.2	(43.1)	6.9%
Companies	**68.0**	**22.5**	**(45.5)**	**32.6%**
General Fund	**352.2**	**113.5**	**(238.7)**	**32.2%**
Housing Revenue Account	**134.2**	**99.9**	**(34.3)**	**74.4%**
capital expenditure	**486.4**	**213.3**	**(273.1)**	**43.9%**

People – £12.0m final spend (£34.2m budget)

28. Education (spend £11.7m) - key outcomes include completion of Fern House School, which became operational in February / March 2023, progress delivering new Winchmore 6th form building, extension of Oaktree School and the refurbishment of the Swan Centre.

29. The schools' maintenance programme also delivered a range of building improvements including a new kitchen at Bush Hill Park School, new boiler at Chase Side School, replacement of windows and roofs at Winchmore School, Eldon School, Enfield County Upper, Hadley Wood School, George Spicer School and various other works.

30. Children and Family (spend £0.3m) – key outcomes include delivery of a new youth bus to engage with young people in the socially deprived wards and investment in new servers, equipment, and upgrade of 65 CCTV cameras for Community Safety.

Resources – £2.8m final spend (£17.1m budget)

31. Customer Platform Replacement – the new platform was introduced during 2021/22, and during 2022/23 work continued to introduce new journeys for customers as we move more of customer interactions to self-service. This also included changing scripting and processes of these to make them quicker and more efficient. The programme continues into 2023/24.

32. Homelessness System – the new system was introduced, which provides a single product for dealing with homelessness, tracking customers and providing statutory reporting.

33. Applicant Tracking System – the new system was introduced which replaced the previous end of life system, which enables all Council recruitment to go through an end to end process including automation of journeys and interaction with applicants and managers on line.

34. Asset Management System – the new Corporate Asset Management system went live with the Minimum Viable Product, to replace the previous end of life system. This provides a single application to hold Council's assets such as property and supporting documentation. The programme continues into 2023/24 to populate the system with more information and change business process.

35. End User Computing – the work commenced on the programme to replace the council's laptops, tablets and smart phones which were last replaced in 2018. This programme will continue into 2023/24

36. Unified Communications – work commenced on the programme to review and replace the customer communication channels starting with telephony. This will continue into 2023/24, focussing on the customer contact software which will become end of life.

Environment & Communities – £18.9m final spend (£29.3m budget)

37. Customer & Communications (spend £0.2m) – key outcomes include the provision of new customer and community spaces within libraries and refurbishment works at Enfield Town Library.

38. Environment & Street Scene (spend £15.3m) – key outcomes include delivery of 15.75km of planned carriageway, renewal and resurfacing works, the renewal of 4.5km of footways, improvement of over 14,500 minor highway defective areas across the highway network and ongoing investment in the Bridge Improvement Programme.

39. The Council has also introduced a scheme for the free replacement of wheeled bins. Flood alleviation works continue at various sites as does investment in Journeys & Places.

40. The Journeys & Places programme is predominantly grant funded. Key outcomes include major improvements to the Cycleway 1 corridor and investment in quieter neighbourhoods (Fox Lane and Bowes). Within the School Streets programme, a series of additional School Street designs were completed, and three new projects made live, with a further five projects progressed to go live in the summer of 2023. The residential cycle hangar programme was also expanded with a further ten units delivered.

41. The Enfield Town to Broxbourne project has completed the design and engagement process, with construction commencing on the on-road elements. The Council also continued to invest in the replacement of fleet vehicles which have reached end of life as well as investing in the installation of electrical vehicle infrastructure.

42. Leisure, Parks & Culture (spend £3.4m). Key outcomes include the planting of 1,000 trees across the borough and completion of works for Tanners End Park and Broomfield Park tennis courts. Works were also completed on Edmonton Cemetery Mausoleum and Burial Chamber providing capacity for 544 burial spaces and 144 crematorium places. Outturn spend includes £0.9m spend on playground and parks infrastructure and highways trees replacement, originally budgeted within Environment & Street Scene.

Housing, Regeneration & Development – £21.7m final spend (£46.5m budget)

43. Corporate property (spend £15.1m) – key outcomes include delivery of the new Children & Families Hub at Thomas Hardy House and grant funded investment in decarbonisation works across the civic estate. The Electric Quarter project completed works on Ponders End library and residual snagging works were completed at Genotin Road offices. Montagu Industrial Estate development continues (via a joint venture partnership with Henry Boot Ltd).

44. Town Centre Regeneration (spend £4.3m) – key outcomes include delivery of new Angel Yard office workspace and completion of Dugdale Centre

ground floor refurbishment works – including refurbishment of the internal performance space (including moveable and expandable tiered seating), an enlarged café and expanded museum collection.

45. Housing Adaptations (spend £2.2m) – the Council received 259 enquiries for adaptations to private homes to allow residents to continue living in them safely and retain their independence. Of these 150 home adaptations were completed.

Meridian Water – £35.6m final spend (£157.0m budget)

46. In recognition of the challenging construction industry market conditions and the need to reduce the Council's exposure to financial risk it was appropriate to revise the Meridian Water capital budget from £157m to £72.7m in Q2 and £63.5m in Period 8 (November 2022)

47. The main reasons for the budget revisions, as approved by Cabinet as part of the period 8 Capital monitoring report are:

    a. £73.4m HIF budget was reprofiled to future years as a result of high construction inflation costs and the prolonged government review of HIF grant programmes which delayed commencement of infrastructure works. The programme was restructured to pause HIF rail and this budget was allocated to SIW.

    b. £11.5m underspend in the Meridian Four project due to a review of the project and a decision not to progress with budgeted works due to the unprecedented market conditions. Alternative delivery options are being considered.

    c. £9.8m underspend in scheme-wide costs, notably interest (£5.2m), management, staff, and recharges (£2.9m) and contingency (£1.5m).

    d. £8.9m underspend in Meridian One (payments for HRA homes) due to delays with construction.

    e. £2.7m Meridian Two land development payments to Vistry Partnerships delayed due to the Development Agreement not being unconditional as of end of March 2023, as a result of funding pressures resulting in a delay to the start of the Strategic Infrastructure Works (SIW) .

    f. Other items such as £1.3m Cadent land swap (completed shortly after end of March 2023. The funds were in an escrow account prior to March 2023, therefore had left our accounts), £2.6m clearance of waste mound (postponed to 2023/24), £1.7m Phase 2 development (delays due to market conditions mentioned above).

48. Key spend areas include.

a. £10.5m related to Meridian One i.e., Land swap/purchase £1.2m, £8.5m HRA payments, circa £1m sundry expense
b. £15.9m on scheme-wide activity – Includes £6.6m of capitalised interest costs
c. £8.4m on activities related to HIF – HIF funding is toward strategic infrastructure works (SIW). Spend was lower than planned due to delays in funding decision.

Companies – £22.6m final spend (£68.0m budget)

49. Energetik (Loan drawdown £19.3m):

50. Key outcomes include continued work on the Meridian Water energy centre build and plant installation (completion date 30th September 2023), installation of phase 1 network to Meridian Water, design of Meridian Water western extension and application for planning permission, procurement of contractor for Meridian Water western extension phase 2, build start for Meridian Water northern extension (sections A1 and A2), retrofit and connection of 20 dwellings to the heat network at Ponders End. S106 contribution of £240k was also made for energy related works. These costs are accounted for within the HRA.

51. Housing Gateway Limited (HGL) (Grant drawdown - £3.2m):

52. HGL purchased 37 properties funded from a combination of the Rough Sleeping Accommodation Programme (RSAP) and Department of Health grant. 100 properties were forecast to be purchased during 2022/23, however due to the severe increase in interest rates , property purchases were paused and as a result no new loans were drawn down.

Capital spend - financing.

53. Capital financing applied in 2022/23 is summarised in Table 2, followed by individual tables providing additional information on each source of financing.

Table 2 – Capital financing applied at outturn.

	General Fund £m	Meridian Water £m	Companies £m	HRA £m	Total £m
Capital grants	22.2	8.6	3.5	29.1	63.4
S106	0.8	0.1	0.0	0.2	1.1
CIL	2.0	0.0	0.0	0.0	2.0
Revenue reserve	0.8	0.0	0.0	0.0	0.8
Capital receipts	0.0	1.5	0.0	12.8	14.3
Right to Buy receipts	0.0	0.0	0.0	12.8	12.8
Major Repairs Reserve	0.0	0.0	0.0	5.7	5.7
Earmarked Reserves	0.0	0.0	0.0	5.9	5.9
Capital Reserves	0.0	0.0	0.0	4.9	4.9
Non-borrowing	**25.7**	**10.1**	**3.5**	**71.5**	**110.9**
Borrowing	**29.7**	**25.5**	**19.0**	**28.3**	**102.5**
capital financing	**55.4**	**35.6**	**22.5**	**99.9**	**213.3**
% borrowing	**54%**	**72%**	**84%**	**28%**	**48%**

Borrowing - £102.5m outturn (£254.7m budget)

	budget £m	actual £m	variance £m
Resources	17.1	2.8	(14.3)
People	0.8	0.3	(0.6)
Environment & Communities	18.3	11.0	(7.3)
Housing, Regen. & Devt.	38.9	15.7	(23.2)
Meridian Water	52.6	25.5	(27.1)
Companies	65.4	19.0	(46.4)
HRA	61.6	28.3	(33.3)
	254.7	**102.5**	**(152.2)**

54. In-year borrowing has reduced from £254.7m budget to £102.5m (a variance of £152.2m). This does not mean that £152.2m of borrowing has been permanently removed from the capital programme - £68.4m of borrowing has already been reprofiled into 2023/24 (approved by Council as part of budget setting) and EMT has provisionally approved the carry forward of a further £2.2m of borrowing into 2023/24.

55. In response to the financial risk from increasing interest rates, the Council has sought to restrict the use of new borrowing to where no alternative funding sources are available.

56. To mitigate the impact of increasing interest rates, all programmes funded by borrowing in the 2023/24 programme and future years are being reviewed and will inform the development of an affordable 2024/25 capital strategy, to be reported to Cabinet in October.

Capital grants - £63.4m outturn (£172.9m budget)

	budget £m	actual £m	variance £m
People	33.5	11.7	(21.8)
Environment & Communities	1.2	2.1	0.9
Housing, Regen. & Devt.	11.4	8.4	(3.0)
Meridian Water	104.4	8.6	(95.8)
Companies	2.3	3.5	1.2
HRA	20.2	29.1	8.9
	172.9	**63.4**	**(109.5)**

57. Meridian Water: £8.6m of Housing Infrastructure Fund (HIF) funding was claimed in arrears to fund HIF related spend of £8.6m during the year.

58. People: £11.7m of Department for Education capital grant was utilised during the year. Unspent capital grant is earmarked for future use within the schools' capital programme.

59. Environment & Communities: A review of unspent grant at year end, resulted in additional grant utilisation at year end. This exercise identified £0.8m additional capital grant funding that was to capital spend on flood alleviation works, further reducing the Council's overall borrowing requirement.

60. Housing, Regeneration & Development: Additional £0.7m Disabled Facilities Grant and £0.2m UK Shared Prosperity Fund grant (applied to Dugdale Centre capital spend), compared to the budget was applied at year end. Journeys & Places grant funding used was reduced by (£4.0m). This reflects the alignment of indicative grant funding at budget setting, with actual grant allocations received.

61. Companies: Housing Gateway Ltd (HGL) secured an additional £0.9m Rough Sleepers Accommodation Programme (RSAP) grant funding to fund the acquisition of homes. The RSAP programme concluded 31 March 2023. A further £0.3m Adult Social Care grant funding was applied to fund HGL adaptations to a property for a vulnerable family. Energetik spend utilised £0.3m of historic GLA heat network grant funding.

62. A full listing of capital grants and third-party contributions applied as funding is detailed in Appendix E.

S106 contributions - £1.1m outturn (£0.4m budget)

	budget £m	actual £m	variance £m
Environment & Communities	0.1	0.3	0.2
HRD	0.0	0.4	0.4
Meridian Water	0.0	0.1	0.1

	budget £m	actual £m	variance £m
Companies	0.2	0.0	(0.2)
HRA	0.0	0.2	0.2
	0.4	**1.1**	**0.7**

63. Environment & Communities: £0.3m additional s106 utilisation for flood alleviation schemes

64. Housing, Regeneration & Development: £0.4m s106 utilisation at year end, including £0.2m for the Dugdale Centre and £0.2m for Journeys & Places projects.

65. Meridian Water: utilisation of £0.1m Building Blocs s106 contribution.

66. Companies & HRA: £0.2m s106 contribution funded spend was originally budgeted within Energetik. Actual spend was incurred within the HRA.

67. All s106 utilisation was approved by the Strategic Planning Board.

Community Infrastructure Levy (CIL) - £2.0m outturn (£1.8m budget)

	budget	**actual**	**variance**
	£m	**£m**	**£m**
Housing, Regen, Development	1.8	2.0	0.2
	1.8	**2.0**	**0.2**

68. Housing, Regeneration & Development: £1.0m CIL budgeted for Journeys & Places is now planned to be utilised in 2023/24. £0.8m CIL was originally budgeted for the Dugdale Centre. This was increased to £2.0m because of increased final spend (details in separate Dugdale report). This represent an overspend, the detail of which will be presented as part of a separate officer Key Decision report.

Revenue reserves - £0.8m outturn (£0.5m budget)

	budget	**actual**	**variance**
	£m	**£m**	**£m**
Environment & Communities	0.4	0.3	(0.2)
HRD	0.0	0.5	0.5
	0.5	**0.8**	**0.3**

69. Environment & Communities: Budget assumed £0.3m revenue funding for vehicle replacement and £0.1m for alley gating. Actual revenue funding applied consisted of £0.1m funding from the On-Street Residential ChargePoint scheme, £0.55m revenue contribution for the installation of electric vehicle charging points and £0.1m from the North London Waste Authorities, a rebate for waste replacement bins.

70. Housing, Regeneration & Development: £0.5m use of insurance receipts for the Civic Centre refurbishment after fire damage.

Capital receipts – £27.1m outturn (£26.4m budget)

	budget £m	actual £m	variance £m
Environment & Communities	0.3	0.0	(0.3)
HRD	3.6	0.0	(3.6)
Meridian Water	0.0	1.5	1.5
HRA	22.4	25.6	3.2
	26.4	**27.1**	**0.8**

71. Environment & Communities: £0.3m capital receipts were originally assumed from soil deposits to fund works at Sloeman's Farm cemetery. £1.5m capital receipts are now planned for use during 2023/24 – 2026/27.

72. Housing, Regeneration & Development: £3.6m capital receipts were originally assumed for the Montagu joint venture project. These are now expected in later years. The current 10 year programme assumes Montagu will be mostly funded from capital receipts, with £10.0m borrowing. The underlying Business case is currently being reviewed and the budget requirement will be updated as part of the development of the 2024/25 capital strategy.

73. HRA use of capital receipts (including Right to Buy receipts) is broadly in line with budgeted assumptions. Further details included in the separate HRA 2022/23 outturn report.

HRA earmarked reserves – £16.5m outturn (£29.7m budget)

	budget £m	actual £m	variance £m
HRA	29.7	16.5	(13.1)
	29.7	**16.5**	**(13.1)**

74. Further details included in the separate HRA 2022/23 outturn report.

Forward look - General Fund capital funds available at 31 March 2023

75. Looking ahead, with the focus on maximising use of non-borrowing capital funding sources, table 3 summarises capital grants, capital receipts, s106 contributions and CIL funding available to fund future years' capital spend. These balances relate to the General fund only and exclude HRA capital funding.

76. **Table 3 –General fund capital funds at 31 March 2023 - £81.7m**

	planned activities	£m
Capital grants		
Disabled Facilities Grant	Disabled adaptation in private homes	5.7
Better Care fund	Mental Health Hub approved	2.7
Department of Health	ringfenced funding - capital projects to be scoped	1.0
Department for Education	Balance sheet review and refreshed Children's capital strategy Sep 23	56.3
Meridian Water	community chest	0.9
GLA	HRA – under review seek to utilise 23/24	0.1
Various	Small other ringfenced grant earmarked to 23/24 schemes	0.2
Capital receipts	Balance sheet review, review of FCR and strategy to generate future capital receipts	2.6
Strategic CIL	Workstream to maximise utilisation	5.1
Section 106 contributions	Workstream to maximise utilisation	7.0
		81.7

77. All balances are being further validated and evaluated to ensure they are used effectively. This is part of ongoing work by the Finance department to reduce in-year borrowing, by applying historic unspent grant (where eligible and in accordance with grant conditions) instead.

78. Separate workstreams are also underway to generate additional capital receipts to support the 2024/25 capital strategy. Updated forecasts of future s106 contributions and CIL receipts are also being generated, to support future funding strategies.

79. General Fund capital receipts of £2.6m is under review. The capital strategy under development will propose that capital receipts are no longer used to fund revenue transformation spend under the Flexible Use of Capital receipts policy other than to generate future capital receipts. The realisation of future capital receipts (from future asset disposals) is key to delivering an affordable ten-year capital programme. There is continued focus on robust capital forecasting measures, including forecasting planned disposals under the Asset Exploitation Strategy.

Period 3 2023/24 capital budget monitoring

80. The challenging economic climate of high levels of inflation (particularly construction) and increasing interest rates continues. The most recent interest rate rise increased the base rate to 5.25%, with forecasts suggesting rates could remain high for at least the next 2 years.

81. In February 2023, Council approved a capital budget of £379.6m for 2023/24. Since then, as part of in year budget monitoring and development of an affordable and financially sustainable 2024/25 Capital Strategy (approval October Cabinet), the entire programme is being reviewed.

82. The review is focused on all programmes funded by borrowing and will result in the re-sizing or pausing of projects as appropriate, to be presented to Cabinet for approval. In addition, the business cases underpinning all relevant projects are being refreshed and in some cases projects will be removed from the budgeted Capital Programme and classed as Pipeline Projects. A Pipeline project will be added back to the approved programme pending the completion of this review. This is to ensure projects are still affordable and deliver value for money in the current economic climate and there is reasonable certainty of the scale and timing of planned spend. This approach will also better ensure that borrowing estimates in the 10 year capital programme (and resulting annual revenue debt financing costs) are more robust.

83. The impact of increasing interest rates on debt financing costs is contributing to pressures on the Council's annual revenue budget. The 2024/25 capital strategy will seek to reduce borrowing (both historic and planned) where possible to help manage this risk.

84. At Period 3 (30 June 2023) the Council had spent £25.0m of its 2023/24 approved capital budget, including £17.6m on the Housing Revenue Account (HRA). Spend includes £10.8m on acquiring new homes in the Borough, £3.1m on housing development projects, £1.3m on building safety and compliance and £1.4m on bringing homes up to a decent standard. A further £1.1m was invested in the schools' capital programme for new windows on schools across the borough. Work also started on a new kitchen at Bush Hill Park School.

85. The first twenty social housing units at Meridian Water are nearing completion and consist of one, two and three-bedroom homes. They are expected to be ready for occupancy this financial year.

86. Finance has met with budget holders to review spend to date and to compile more accurate forecasts for 2023/24 outturn. These will be reviewed and reported in Period 5 of the capital budget monitoring cycle, which will be presented to October Cabinet, alongside the 2024/25 Capital Strategy report.

87. In February 2023, the Council approved an ongoing £28.6m debt financing revenue budget, consisting of £19.7m Minimum Revenue Provision (MRP)

and £8.9m interest costs, with an estimated additional £2.3m to be financed by capital financing smoothing reserves. This was based on historic borrowing taken out in previous years and an estimate of new borrowing required for 2023/24. Interest on new borrowing at budget setting was assumed to be 5%.

88. Interest rates have continued to rise since budget setting. The 2024/25 capital strategy will seek to develop a plan to manage interest rate risk within its revised 10 year capital plan. It is also likely that the new capital strategy will also result in a revised forecast for debt financing costs in 2023/24. Finance is working with Enfield's treasury advisers, Arlingclose, to develop a new Treasury Model for the Council. This will further assist with development of the Council's capital strategy.

Financial Implications

89. This document reports the 2022/23 capital outturn and the first quarter monitoring (period 3) for the 2023/24 financial year. There are no direct financial implications of noting this position.

90. Cabinet is also asked to recommend to Council the approval of the carry forward of £10.2m unspent budgets from 2022/23 to future years, including 2023/24 (Appendix B), of which £2.2m is to be funded by borrowing. The will be an ongoing revenue cost relating to interest and Minimum Revenue Provision to repay this borrowing.

Legal Implications

91. The Council must set the budget (of which the Capital Programme is part of) in accordance with the provisions of the Local Government Finance Act 1992 and approval of a balanced budget each year is a statutory responsibility of the Council.

92. Sections 25 to 29 of the Local Government Act 2003 impose duties on the Council in relation to how it sets and monitors its budget. These provisions require the Council to make prudent allowance for the risk and uncertainties in its budget and regularly monitor its finances during the year. The legislation leaves discretion to the Council about the allowances to be made and action to be taken.

93. Where a service is provided pursuant to a statutory duty, it would not be lawful to fail to discharge it properly or abandon it, and where there is discretion as to how it is to be discharged, that discretion should be exercised reasonably

Equalities Implications

94. Not relevant to this report.

HR and Workforce Implications

95. Not relevant to this report.

Environmental and Climate Change Implications

96. Not relevant to this report.

Public Health implications

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

Property Implications

.

98. All property implications have been considered where relevant in the report. There are no direct property implications arising from this report.

Safeguarding Implications

99. Not relevant to this report.

Crime and Disorder Implications

100. Not relevant to this report.

Conclusions

101. The Council's final capital spend for 2022/23 was £213.3m. This is £273.1m less than budget and reflects the Council's prudent approach to capital spend given current financial conditions.

102. Looking ahead, in response to ongoing financial risks around interest rates and inflationary cost pressures, the Council is developing an affordable and financially sustainable capital strategy for 2023/24 to 2032/33.

Report Authors: Olu Ayodele
Head of Capital and Treasury
olu.ayodele@Enfield.gov.uk

Shirley Haider
Senior Finance Manager
Shirley.haider@enfield.gov.uk

Appendices

Further detailed analysis of the Capital Outturn position is included in the Appendices to this report:

Appendix A	Capital programme outturn 2022/23
Appendix B	Outturn net budget carried forward to 2023/24
Appendix C	Capital outturn and funding by corporate objective
Appendix D	Full year growth to 2022/23 revised budget
Appendix E	Full year reductions to revised budget
Appendix F	Capital grants and contributions utilised in 2022/23

Appendix A – Capital programme outturn 2022/23							
Appendix A – Capital programme outturn 2022/23	**budget**	**actual**	**variance**	**Of which budget carried forward to 2023/24 funded by borrowing**	**Of which budget carried forward to 2023/24 funded by other sources (grants, S106, CIL etc)**	**Of which (remainder) budget changes not carried forward to 2023/24**	**variance**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Digital Services	17.1	2.8	(14.3)	(13.3)	0.0	(0.9)	(14.3)
Resources	**17.1**	**2.8**	**(14.3)**	**(13.3)**	**0.0**	**(0.9)**	**(14.3)**
Schools programme	33.5	11.7	(21.9)	0.0	(19.7)	(2.1)	(21.9)
Extensions to Foster Carers' Homes	0.4	0.0	(0.4)	0.0	0.0	(0.4)	(0.4)
Contribution to Property (Vulnerable Family)	0.2	0.0	(0.2)	0.0	0.0	(0.2)	(0.2)
Community Safety	0.3	0.3	0.0	0.0	0.0	0.0	0.0
People	**34.4**	**12.0**	**(22.4)**	**0.0**	**(19.7)**	**(2.7)**	**(22.4)**
Libraries	0.1	0.0	(0.0)	0.0	(0.0)	0.0	0.0
Community Hubs	0.3	0.2	(0.1)	0.0	0.0	(0.1)	(0.1)
Alley Gating	0.1	0.0	(0.1)	0.0	0.0	(0.1)	(0.1)
Workshops for External Commercialisation	0.3	0.0	(0.3)	0.0	0.0	(0.3)	(0.3)
Journeys & Places	10.5	5.3	(5.2)	0.0	(1.4)	(3.9)	(5.2)
Traffic & Transportation	0.9	0.5	(0.4)	0.0	0.0	(0.5)	(0.5)
Vehicle Replacement Programme	5.5	2.0	(3.4)	(1.1)	0.0	(2.3)	(3.4)
Changes to Waste & Recycling Collections	0.0	0.1	0.1	0.0	0.0	0.1	0.1
Growth of Trade Waste Service	0.5	0.0	(0.5)	0.0	0.0	(0.5)	(0.5)
Highways & Street Scene	8.9	7.4	(1.6)	0.0	0.0	(1.6)	(1.6)

Appendix A – Capital programme outturn 2022/23							
Appendix A – Capital programme outturn 2022/23	**budget**	**actual**	**variance**	**Of which budget carried forward to 2023/24 funded by borrowing**	**Of which budget carried forward to 2023/24 funded by other sources (grants, S106, CIL etc)**	**Of which (remainder) budget changes not carried forward to 2023/24**	**variance**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Edmonton Cemetery	0.6	0.4	(0.2)	0.0	0.0	(0.2)	(0.2)
Southgate Cemetery	0.0	0.1	0.1	0.0	0.0	0.1	0.1
Tottenham Park Cemetery	0.5	0.0	(0.5)	0.0	0.0	(0.5)	(0.5)
Sloemans Farm	0.2	0.2	0.0	0.0	0.0	0.0	0.0
Flood Alleviation	0.6	1.7	1.2	0.0	(0.3)	1.4	1.2
Parks, Playgrounds & Verges	0.3	1.0	0.7	0.0	0.0	0.7	0.7
Environment & Communities	**29.2**	**18.9**	**(10.3)**	**(1.1)**	**(1.7)**	**(7.6)**	**(10.3)**
Build the Change	14.4	7.9	(6.5)	(6.9)	0.0	0.5	(6.5)
Corporate Condition Programme	5.4	2.8	(2.6)	(0.5)	0.0	(2.2)	(2.6)
Corporate Property Investment Programme	3.6	0.3	(3.3)	(0.2)	0.0	(3.1)	(3.3)
Electric Quarter	1.5	0.7	(0.8)	(0.5)	0.0	(0.3)	(0.8)
Energy Decarbonisation (RE:FIT)	1.3	1.3	0.0	0.0	0.0	0.0	(0.0)
Genotin Road (Metaswitch)	(0.8)	0.5	1.3	0.0	0.0	1.3	1.3
Land Investment	7.5	0.8	(6.7)	0.0	0.0	(6.7)	(6.7)
Montagu Industrial Estate	6.5	0.8	(5.7)	(5.7)	0.0	0.0	(5.7)
Town Centre Regeneration	2.6	2.0	(0.6)	(0.4)	0.0	(0.3)	(0.6)
Dugdale Centre	1.5	2.3	0.8	0.0	0.0	0.8	0.8
Forty Hall	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Housing Adaptations & Assistance (DFG)	2.4	2.2	(0.2)	0.0	(0.5)	0.3	(0.2)

Appendix A – Capital programme outturn 2022/23

Appendix A – Capital programme outturn 2022/23	budget	actual	variance		Of which budget carried forward to 2023/24 funded by borrowing	Of which budget carried forward to 2023/24 funded by other sources (grants, S106, CIL etc)	Of which (remainder) budget changes not carried forward to 2023/24	variance
	£m	£m	£m		£m	£m	£m	£m
Vacant Property Review	0.5	0.0	(0.5)		0.0	0.0	(0.5)	(0.5)
Housing, Regeneration & Development	**46.4**	**21.7**	**(24.7)**		**(14.1)**	**(0.5)**	**(10.1)**	**(24.7)**
Meridian Water non-HIF	75.3	27.2	(48.1)		(12.2)	0.0	(35.8)	(48.0)
Meridian Water HIF	81.7	8.4	(73.4)		0.0	(67.7)	(5.7)	(73.4)
Meridian Water	**157.0**	**35.6**	**(121.4)**		**(12.2)**	**(67.7)**	**(41.5)**	**(121.4)**
Energetik	21.7	19.3	(2.3)		(2.1)	0.0	(0.2)	(2.3)
Housing Gateway Ltd	46.3	3.2	(43.1)		(34.2)	0.0	(8.9)	(43.1)
Companies	**68.0**	**22.5**	**(45.4)**		**(36.4)**	**0.0**	**(9.1)**	**(45.4)**
General Fund	**352.1**	**113.4**	**(238.7)**		**(77.1)**	**(89.6)**	**(72.0)**	**(238.6)**
Housing Revenue Account	**134.2**	**99.9**	**(34.3)**		**(26.8)**	**(7.7)**	**0.2**	(34.3)
capital programme	**486.3**	**213.3**	**(273.0)**		**(103.9)**	**(97.3)**	**(71.7)**	**(273.0)**

Appendix B – Outturn net budget carried forward to 2023/24 (subject to Council approval)

	Budget carried forward funded from borrowing	Budget carried forward funded from grants, s106, etc	Accelerated spend budget brought forward	total
	£m	**£m**	**£m**	**£m**
Journeys & Places	(0.1)	(0.2)		(0.3)
Highways & Street Scene		(0.2)		(0.2)
Flood Alleviation		(0.3)		(0.3)
Parks, Playgrounds & Verges		(0.0)		(0.0)
Environment & Communities	**(0.1)**	**(0.7)**	**0.0**	**(0.8)**
Build the Change			0.5	0.5
Corporate Property Investment Programme	(0.2)	0.0	0.0	(0.2)
Electric Quarter	(0.5)	0.0	0.0	(0.5)
Town Centre Regeneration	(0.3)			(0.3)
Housing Adaptations & Assistance (DFG)			0.2	0.2
Housing, Regeneration & Development	**(1.0)**	**0.0**	**0.7**	**(0.3)**
Meridian Water non-HIF	(1.2)		0.0	(1.2)
Meridian Water	**(1.2)**	**0.0**	**0.0**	**(1.2)**
Energetik		(0.1)	0.0	(0.1)
Companies	**0.0**	**(0.1)**	**0.0**	**(0.1)**
General Fund	**(2.3)**	**(0.8)**	**0.7**	**(2.4)**
Housing Revenue Account	**0.0**	**(7.7)**	**0.0**	(7.7)
	(2.3)	**(8.6)**	**0.7**	**(10.2)**

Appendix C – Capital programme and funding by corporate objective

Appendix C – capital programme and funding by corporate objective

corporate objective	capital programme	actual	grants	s106 / CIL	capital receipts	reserves	borrowing	total financing
		£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
An economy that works for everyone	Digital Services	2.8					2.8	2.8
An economy that works for everyone	Corporate Condition Programme	2.8					2.8	2.8
An economy that works for everyone	Build the Change	7.9					7.9	7.9
An economy that works for everyone	Montagu Industrial Estate	0.8					0.8	0.8
An economy that works for everyone	Town Centre Regeneration	2.0	0.5				1.5	2.0
An economy that works for everyone	Corporate Property Investment Programme	0.3					0.3	0.3
An economy that works for everyone	Electric Quarter	0.7					0.7	0.7
An economy that works for everyone	Energy Decarbonisation (RE:FIT)	1.3	1.3					1.3
An economy that works for everyone	Genotin Road (Metaswitch)	0.5					0.5	0.5
An economy that works for everyone	Dugdale Coffee Shop	2.3	0.2	2.2				2.3
		21.5	**1.9**	**2.2**	**0.0**	**0.0**	**17.4**	**21.5**
Clean & Green places	Journeys & Places	5.3	4.2	0.2			0.8	5.3
Clean & Green places	Flood Alleviation	1.7	1.5	0.3			0.0	1.7
Clean & Green places	Parks, Playgrounds & Verges	1.0	0.3	0.3			0.3	1.0
Clean & Green places	Alley Gating	0.0						0.0

Appendix C – capital programme and funding by corporate objective								
corporate objective	**capital programme**	**actual**	**grants**	**s106 / CIL**	**capital receipts**	**reserves**	**borrowing**	**total financing**
		£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Clean & Green places	Changes to Waste & Recycling Collections	0.1				0.1		0.1
Clean & Green places	Growth of Trade Waste Service	0.0						0.0
		8.1	**6.0**	**0.8**	**0.0**	**0.1**	**1.1**	**8.1**
Thriving Children & Young People	Schools programme	11.7	11.7					11.7
Thriving Children & Young People	Extensions to Foster Carers' Homes	0.0					0.0	0.0
Thriving Children & Young People	Contribution to Property (Vulnerable Family)	0.0					0.0	0.0
Thriving Children & Young People	Community Safety	0.3					0.3	0.3
		12.0	**11.7**	**0.0**	**0.0**	**0.0**	**0.3**	**12.0**
Strong, Healthy & Safe Communities	Libraries	0.0		0.0				0.0
Strong, Healthy & Safe Communities	Community Hubs	0.2					0.2	0.2
Strong, Healthy & Safe Communities	Workshops for External Commercialisation	0.0					0.0	0.0
Strong, Healthy & Safe Communities	Traffic & Transportation	0.5	0.5					0.5
Strong, Healthy & Safe Communities	Vehicle Replacement Programme	2.0					2.0	2.0
Strong, Healthy & Safe Communities	Highways & Street Scene	7.4	0.2				7.1	7.4
Strong, Healthy & Safe Communities	Edmonton Cemetery	0.4					0.4	0.4
Strong, Healthy & Safe Communities	Southgate Cemetery	0.1					0.1	0.1
Strong, Healthy & Safe Communities	Tottenham Park Cemetery	0.0					0.0	0.0

Appendix C – capital programme and funding by corporate objective									
corporate objective	**capital programme**	**actual**	**grants**	**s106 / CIL**	**capital receipts**	**reserves**	**borrowing**	**total financing**
		£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Strong, Healthy & Safe Communities	Sloemans Farm	0.2					0.2	0.2
		10.8	**0.7**	**0.0**	**0.0**	**0.0**	**10.1**	**10.8**
More & Better Homes	Land Investment	0.8					0.8	0.8
More & Better Homes	Housing Adaptations & Assistance (DFG)	2.2	2.2					2.2
More & Better Homes	Vacant Property Review	0.0					0.0	0.0
More & Better Homes	Meridian Water non-HIF	27.2	0.2	0.1	1.5		25.5	27.2
More & Better Homes	Meridian Water HIF	8.4	8.4					8.4
More & Better Homes	Energetik	19.3	0.3				19.0	19.3
More & Better Homes	Housing Gateway Ltd	3.2	3.2					3.2
More & Better Homes	Housing Revenue Account	99.9	29.1	0.2	25.6	16.5	28.3	99.9
		161.0	**43.4**	**0.3**	**27.1**	**16.5**	**73.6**	**161.0**
	capital programme	**213.3**	**63.8**	**3.4**	**27.1**	**16.7**	**102.4**	**213.3**

Appendix D – 2022/23 Full year growth to revised budget

Dept	Programme	£m	funding source	Description
People	Schools programme	0.5	DfE grant	Various schools projects as per Children's capital strategy
HRD	Genotin Road	1.3	borrowing	KD4567/KD5464 - correction to programme
HRD	Strategic property acquisition	0.9	borrowing	KD5271 – acquisition of property adjacent to council land
HRD	Enfield to Broxbourne Cycle	2.2	National Highways	KD5424 - New project
HRD	Journeys & Places	1.1	TfL	Bowes, Fox QN, new schemes TFL grant
HRD	DFG housing adaptations	0.3	DFG	DFG confirmation – increase budget
E&C	Digital infrastructure	0.2	National Highways	KD5456 – ducting and fibre network
E&C	TfL Traffic & Transportation	0.4	TfL	TfL confirmation of in-year grant
E&C	Watercourses	0.7	Grant / s106	Grant / s106 confirmed
E&C	Flood alleviation	0.4	Grant / s106	Grant / s106 confirmed
E&C	Waste & Recycling collections	0.1	NWLA rebate	KD4810 – funded NWLA (was originally capital receipt)
HRD	Dugdale Centre	0.8	CIL, UKSPF, s106	Outturn – Programme overspend funded by CIL
E&C	Highways & Street Scene	0.2	TfL	Outturn – Bourne Carriageway TfL funded works
E&C	Electric vehicle charging infrastructure	0.2	Revenue	Outturn - On- Street parking scheme funded works
Companies	Housing Gateway Ltd	0.3	DoH grant	Outturn - HGL property adaptation
Companies	Housing Gateway Ltd	1.0	RSAP grant	Outturn - RSAP grant funded homes acquisition
HRA	Development Programme	0.2	S106 contribution	Outturn – transferred from Energetik
	programme growth	**10.8**		

Appendix E – Full year reductions to 2022/23 revised budget

Department	Programme	£m	funding source	Description
People	Schools programme	(1.3)	DfE grant	removal of completed projects
People	Ext to foster carers' homes	(0.3)	Borrowing	removal of unspent budget
HRD	Land investment	(7.5)	Borrowing	removal of unspent budget
HRD	Vacant property review	(0.4)	Borrowing	removal of unspent budget
HRD	Town centre regeneration	(0.2)	Borrowing	removal of unspent budget
HRD	Build the Change	(6.9)	Borrowing	removal of unspent budget
HRD	Corporate condition prog	(1.5)	Borrowing	removal of unspent budget
HRD	Corporate prop investment	(3.1)	Borrowing	removal of unspent budget
HRD	Electric Quarter	(0.2)	Borrowing	reduced spend pending revised business case
E&C	Alley gating	(0.1)	Revenue	now revenue budget and reduced in scope
E&C	Journeys & Places	(6.9)	TfL grant	removal of indicative budget allocation
E&C	J&P - Angel Edmonton	(0.3)	Borrowing	EMT review - removal of indicative budget
E&C	Traffic & Transportation	(0.9)	TfL grant	removal of indicative budget allocation
E&C	Vehicle replacement prog	(2.2)	borrowing	programme is being re-evaluated
E&C	Edmonton Cemetery	(0.1)	borrowing	removal of unspent budget
E&C	Southgate Cemetery	(0.0)	borrowing	removal of unspent budget
E&C	Tottenham Park Cemetery	(0.5)	borrowing	scheme on hold
E&C	Parks, Playgrounds & Verges	(0.2)	borrowing	removal of unspent budget

Appendix E – Full year reductions to 2022/23 revised budget

Department	Programme	£m	funding source	Description
Meridian W	Meridian Water	(14.9)	borrowing	Reduced consultancy and staff spend, Meridian Four RIBA stage 3 and 4 works no longer progressing
Resources	Digital services	(0.9)	borrowing	Outturn - programme is being re-evaluated
People	Schools programme	(1.3)	DfE grant	Outturn - removal of contingency and capital budgets
People	Vulnerable families - property	(0.2)	borrowing	Outturn - removal of unspent budget
E&C	Highways & Street Scene	(0.4)	borrowing	Outturn - removal of unspent budget - bridges
E&C	Parks, Playgrounds & Verges	(0.1)	borrowing	Outturn - removal of unspent budget
E&C	Community hubs	(0.1)	borrowing	Outturn - removal of unspent budget
E&C	Vehicle workshops	(0.3)	borrowing	Outturn - removal of unspent budget
E&C	Vehicle replacement prog	(0.2)	borrowing	Outturn - programme is being re-evaluated
HRD	Corporate condition prog	(0.7)	borrowing	Outturn - removal of unspent budget
HRD	Corporate prop investment	(0.1)	borrowing	Outturn - removal of unspent budget
HRD	Electric Quarter	(0.1)	borrowing	Outturn - removal of unspent budget
HRD	Town centre regeneration	(0.1)	borrowing	Outturn - removal of unspent budget
HRD	Land investment	(0.1)	borrowing	Outturn - removal of unspent budget
HRD	Vacant property review	(0.2)	borrowing	Outturn - removal of unspent budget
Meridian W	Meridian Water	(21.0)	borrowing	Outturn – revised budget approved for 23/24
Meridian W	Meridian Water HIF	(5.7)	HIF grant	Outturn - HIF grant will be claimed in arrears
Companies	Housing Gateway Ltd	(10.2)	borrowing	Outturn - programme is being re-evaluated

Appendix E – Full year reductions to 2022/23 revised budget				
Department	**Programme**	**£m**	**funding source**	**Description**
Companies	Energetik	(0.2)	S106 contribution	Outturn – transferred to HRA
	programme reductions	**(89.1)**		

Appendix F – capital grants and contributions utilised in 2022/23		
Grant description	**£m**	**capital programme funded from grant**
DfE Basic Need grant	3.6	supply of new school places
DfE School Condition Allocation grant	4.7	school maintenance programme
DfE Higher educational needs grant	3.3	SEND school provision
School contribution to capital	0.2	school maintenance programme
People	**11.7**	
Environment Agency	0.3	Flood alleviation programme
Forestry Commission	0.5	Flood alleviation programme
National Heritage - green recovery	0.4	Flood alleviation programme
Third party contributions	0.1	Flood alleviation programme
GLA	0.1	Flood alleviation programme
Transport for London	0.6	Traffic & Transportation
Forestry Commission	0.0	pocket tree planting
Various contributions	0.0	parks and open spaces
Environment & Communities	**2.1**	
Better Care Fund allocations to DFG	2.0	housing adaptations
DFG equity repayments	0.2	housing adaptations
GLA Good Growth Fund	0.6	Town Centre Regeneration
Salix decarbonisation grant	1.3	Corporate estates
Transport for London	3.3	Journeys & Places
National Highways	0.8	Journeys & Places
UK Shared Prosperity Fund	0.2	Dugdale centre
Housing, regeneration & development	**8.4**	
Housing Infrastructure Fund	8.4	Meridian Water HIF
GLA Meridian Water London Regeneration	0.2	Meridian Water HIF
Meridian Water	**8.6**	

Appendix F – capital grants and contributions utilised in 2022/23		
Grant description	**£m**	**capital programme funded from grant**
Department of Health	0.3	Housing Gateway Ltd home adaptation
Rough Sleepers' Accommodation Programme (RSAP)	2.9	Housing Gateway Ltd property acquisitions
GLA Heat Networks grant	0.3	Energetik
Companies	**3.5**	
GLA Building Council Homes for Londoners (BCHL)	22.8	HRA
BEIS National Net Zero Retrofit	0.7	HRA
BEIS - Wave 1 SHDF funding grant	0.1	HRA
HCA and Ladderswood	0.7	HRA
HFL grant	4.9	HRA
Housing Revenue Account	**29.1**	
Capital grants applied	**63.4**	

London Borough of Enfield

Report Title	Quarter 1 23/24 Performance Report
Report to:	Cabinet
Date of Meeting:	18th October 2023
Cabinet Member:	Cllr Erbil, Deputy Leader
Directors:	Ian Davis
Report Authors:	Harriet Potemkin Sarah Gilroy
Ward(s) affected:	n/a
Classification:	Part I Public

Purpose of Report

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

Recommendations

Note the progress being made against the key priority indicators for Enfield.

Background and Options

2. 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.

3. 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 2023-26. The report is a management tool that supports Council directors, the Executive Management Team (EMT) and Cabinet in scrutinising, challenging and monitoring progress towards achieving the Council's aims.

4. 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.

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

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

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

7. The table below gives an overview of the performance indicators rated as Red, Amber or Green in Quarter 1 2023/24. As the scorecard has been updated to reflect the new Council Plan, the number of indicators has changed significantly since the previous quarter and comparison to the previous quarter is not possible.

	Q1 2023-2024 (April - June)
Total KPIs RAG rated	62
Number KPIS as Red	17 (28%)
Number KPIS as Amber	13 (21%)
Number KPIS as Green	32 (52%)
Data only KPIS	74

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

Clean and green places

	Q1 2023-2024 (April - June)
Total KPIs RAG rated	6
Number KPIS as Red	2
Number KPIS as Amber	1
Number KPIS as Green	3
Data only KPIS	4

9. The kilograms of residual waste produced per household is on target and the annual figure for 22/23 showed a 9% decrease on the previous year. The percentage of household waste sent for recycling is not yet meeting our target but is higher than at the same period last year. Annual performance for 22/23 was 34.2%, an improvement on the figure for 21/22 of 30.9% (figures awaiting verification from DEFRA). Work to reduce recycling contamination has resulted in a reduction in the tonnes rejected at the re-processor with performance for Q1 23/24 showing a 69% reduction on the rejected loads at the same period in 22/23.

10. We were below target on number of new electric vehicle charging points, with no charging points installed in Q1 23/24. The Highways Team is working with Legal on a Deed Variant to our PFI contract to allow slow electric vehicle chargers to be attached to lamp columns. Once agreed, the procurement of slow electric vehicle chargers can commence. We are still on track to install 300 chargers by the end of 23/24.

Strong, healthy and safe communities

	Q1 2023-2024 (April - June)
Total KPIs RAG rated	8
Number KPIS as Red	1
Number KPIS as Amber	1

Number KPIS as Green	**6**
Data only KPIS	**17**

11. Our crime indicators show that total notifiable offences were down 1.3% on the previous 12 months. Enfield recorded 90.3 offences per 1,000 population between July 2022 and June 2023, this was the 14th lowest rate of the 32 London boroughs. Residential burglary, domestic abuse incidents, hate crime and violence against the person offences have all recorded a decrease in comparison to the previous 12-month period. Domestic abuse violence with injury offences have recorded a 14% increase on the previous 12 months and knife crime offences have increased by 6% on the previous 12 months.

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

13. This quarter's report contains the latest data for the adult social care indicators now being monitored by Office for Local Government (Oflog). Enfield's social care clients and carers recorded a higher quality of life score than the London average of 0.398. Our adult social care clients and carers also find it easier, on average, to find information about services than the London average.

14. The measure on short term services reflects the proportion of new clients who received short-term adult social care services during the year where no further requests was made for ongoing support. Since short-term services aim to re-able people and promote their independence, this measure provides evidence of a good outcome in delaying dependency or supporting recovery. Therefore, local authorities would want to see a higher figure for this indicator. We recorded a significant decrease from 91.2% in 2020/21 to 59.8% in 2021/22. The provisional figures for 22/23 (awaiting verification) show an improved performance for 22/23.

15. Enfield recorded a 26.8% staff turnover rate among the local authority and independent sector adult social care workforce. When comparing with other boroughs who have a similar numbers of care facilities/similar size adult social care workforce, Enfield records a similar overall turnover rate.

16. The proportion of drug users successfully completing treatment has increased over the last two quarters and is now in line with the local target of 20%. Several actions have been taken to improve performance including analysis and audits of caseloads for complexity as well as targeting transfers for recovery.

Thriving children and young people

	Q1 2023-2024 (April - June)
Total KPIs RAG rated	9
Number KPIS as Red	1
Number KPIS as Amber	1
Number KPIS as Green	7
Data only KPIS	12

17. This quarter's scorecard contains a number of indicators that are reported annually. The take up rate of funded early years education for 2-year-olds as of January 2023 was 61.5%, lower than both the London (65.2%) and England (73.9%) averages. The take up rate of funded early years education for 3 and 4-year-olds was 83.5%, slightly lower than the London (83.7%) and significantly lower than the England (93.7%) average. Enfield early years foundation stage pupils were slightly more likely to achieve a good level of development than England overall (65.2%) but less likely than London (67.8%) and Outer London (67.9%). Inspection outcomes for early years providers and childminders show that 96% of inspected providers were rated as good or outstanding as of 31 March 2023. This is in line with the England average and slightly above the London average of 95%.

18. We were below target for the percentage of young people engaged in suitable education, training and employment (ETE) at the end of their court order. However, the data for Q1 shows an increase from Q4 22/23 (40%). Just under 70% of young people ended in ETE. Seven young people were not engaged in suitable education, training and employment at the end of their order.

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

More and better homes

	Q1 2023-2024 (April - June)
Total KPIs RAG rated	26
Number KPIS as Red	9
Number KPIS as Amber	6
Number KPIS as Green	11
Data only KPIS	14

20. Although the number of households living in temporary accommodation has not increased significantly (and is slightly lower than it was at quarter

1 of 2022/23), it remains above our target, reflecting the London-wide crisis in the supply of affordable homes. The proportion of households in B&B accommodation also continues to increase as temporary accommodation providers exit the market. A new five-year strategy for the provision of accommodation to prevent homelessness and to meet our statutory homelessness duties was approved at the September 2023 Cabinet meeting. It sets out a number of potential delivery options for constructing new temporary accommodation in Enfield, including building new homes using modular techniques, extending existing temporary accommodation blocks and repurposing general needs housing schemes for temporary accommodation use.

21. In Council Housing, we are meeting our targets for percentage of homes with a current gas safety certificate; and proportion of homes for which required asbestos management surveys, fire and legionella risk assessments have been carried out. We were below target for percentage of homes for which all lift safety checks have been carried out as 5 communal passenger safety lifts had outstanding lift inspections at the end of Q1 23/24. This was due to the lifts being out of service and remedial works have been booked.

22. Our council housing complaints performance has recorded a significant improvement from Q4 22/23 following the deployment of additional resources to address backlogs. Although the indicator remains below target, performance in July 2023 was further improved with 85% of complaints responded to within target.

23. The turnaround time for local authority housing properties has been significantly impacted by the holding of properties for the Walbrook and Shires rehousing project. The figure in the report shows the average number of days taken to re-let general needs minus the held period (42 days). Repairs on void properties continue to show good progression. We are still seeing a large proportion of properties needing substantial repair works and clearances when handed back at the end of the tenancy and the service continues to work with tenants or next of kin to provide guidance on how to leave the property when the tenancy ends.

24. In Planning, we recorded an increase in the percentage of pre-application advice given within 60 working days from the previous quarter. Although April remained below target, May and June were in line with the target. Looking ahead to Q2/Q3, the intention is to further refine the target for pre application enquires to better reflect the different types of pre application enquiries –focused on householder, new building and major development proposals which will enable us to better track performance against differing customer needs.

25. In relation to fast track performance, this indicator looks at the time taken to determine Lawful Development Certificates (LDCs) and PRHs (applications for prior approval) by officers. This is now a function of a newly trained team of officers. Although Q1 was below target, performance in Q2 is steadily improving and already meeting the targets.

26. In relation to undetermined applications, although Q1 remains below target, the Planning “Wellbeing and Improvement” project has succeeded in reducing the number of legacy planning applications from around 1,800 at the end of 2022 to just over 700 as of the end of August 2023.

An economy that works for everyone

	Q1 2023-2024 (April - June)
Total KPIs RAG rated	1
Number KPIS as Red	0
Number KPIS as Amber	0
Number KPIS as Green	1
Data only KPIS	17

27. This section of the scorecard includes a number of contextual socio-economic indicators. Enfield continues to face higher rates of unemployment (claimant count) than London (4.9%) and UK (3.7%) averages. As in previous quarters, unemployment rates are highest in Edmonton Green, Lower Edmonton, Haselbury and Upper Edmonton. Borough-wide unemployment is higher than average in all age groups between 18 and 44 years.

28. The scorecard also includes new indicators relating to procurement spend with local and MSME organisations. In 22/23, procurement spend with Enfield based organisations (14.4% of total procurement spend) was higher than the previous year but spend with MSME organisations (13.9%) was lower.

Accessible and responsive services

	Q1 2023-2024 (April - June)
Total KPIs RAG rated	9
Number KPIS as Red	4
Number KPIS as Amber	2
Number KPIS as Green	3
Data only KPIS	0

29. Performance in Q1 23/23 was below target for percentage of initial complaints, Member Enquiries (MEQs) and Subject Access Requests (SARs) responded to within target. Complaints performance has improved in the last quarter with significant improvement in Housing and Regeneration seeing a month on month increase in performance. Planning had several overdue cases which brought overall performance down but has put arrangements in place to ensure more robust monitoring of cases.

30. Targeted work with Heads of Service is being undertaken to further improve performance and the process of MEQs being recorded on the system has been changed to ensure all enquiries are uploaded. A new proactive approach across Environment and Communities department focusing on MEQ responses at risk during Q1 has increased performance significantly compared to the previous quarter. Improvements to how MEQs are classified should help to improve performance in future months.

31. In relation to SARs, there were a high number of complex coordinated SARs (29 of the total 53 received, compared to 8 in the previous quarter). A vacancy in the team will be filled to help address this. The service will also be conducting a deep dive to understand reasons for delays and to establish an improvement plan.

32. Although the average wait time for calls answered by the contact centre in relation to Council Housing was below target, it showed a marked improvement on the previous two quarters.

Financial resilience

	Q1 2023-2024 (April - June)
Total KPIs RAG rated	**3**
Number KPIS as Red	**0**
Number KPIS as Amber	**2**
Number KPIS as Green	**1**
Data only KPIS	**10**

33. The council tax collection rate as of the end of June 2023 was 28.1%. This is a very slight reduction on the collection rate at the same period last year (28.19%). The business rates collection rate as of the end of June 2023 was 26.09%. This is an improvement on the collection rate at the same period last year (24.51%).

34. This section of the performance scorecard includes the latest publicly available data for the Office of Local Government (Oflog) finance indicators with Enfield's outturn compared to similar local authorities. Enfield spends a slightly higher proportion of its core spending power on social care than the median average of our CIPFA neighbours (63.9%). According to the Institute for Fiscal Studies data, Enfield has one of the largest gaps in the country between relative funding and relative need of all local authorities (4th highest gap in percentage terms out of 150 local authorities). That is a £271 per person gap between relative funding and relative need. This means that a higher proportion of Enfield's budget has to be spent on core statutory services than other local authorities.

35. In relation to total debt as a percentage of core spending power, Enfield is an outlier when compared to the median average of our CIPFA neighbours (275.7%) and the England median (226.7%). It should be noted that most councils suffering severe financial problems in recent

years have had debts significantly higher per head of population, such as Woking's £19,000 per head and Thurrock's £8,600, compared with Enfield's £3,400.

36. Enfield spends a smaller percentage of its core spending power on debt servicing than our CIPFA neighbours and records the 18th lowest rate out of the London boroughs. A separate report on how we're managing our debt is presented at this Cabinet meeting.

Relevance to Council Plans and Strategies

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

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

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

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

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

Financial Implications

41. The performance scorecard includes indicators measuring the Council's financial resilience.

Legal Implications

42. 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.

Equalities Implications

43. Our performance scorecard includes indicators which monitor our performance in tackling inequality in Enfield. Our progress in delivering the objectives of Fairer Enfield is tracked and reported on in our Annual Equalities Report.

Environmental and Climate Change Implications

44. Our performance scorecard includes indicators which monitor our performance in delivering climate action in Enfield. More detailed progress in delivering on our Climate Action Plan is monitored through our annual carbon emissions report and annual climate action progress reports.

Public Health Implications

45. 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.

Safeguarding Implications

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

Crime and Disorder Implications

47. Our performance scorecard includes indicators which help us to monitor community safety.

Report Authors: Harriet Potemkin
Head of Policy and Strategy
harriet.potemkin@enfield.gov.uk

Sarah Gilroy
Policy & Performance Manager
sarah.gilroy@enfield.gov.uk

Appendices
Appendix 1: Q1 2023/24 Performance Scorecard

Background Papers
None

This page is intentionally left blank

Priority One: Clean and green places

Keep our streets and public spaces clean and welcoming

- A total of 2,688 fly tips were reported and removed in Q1 23/24, this was an increase on Q4 22/23 (2,047), Q3 22/23 (1,785) and Q2 22/23 (2,006).
- A new indicator tracking the percentage of reported fly tipping incidents cleared wthin 24 hours recorded 99% performance in Q1 23/24.

Fly tipping - Fixed Penalty Notices (S33 and S87)		
	1,333	Quarterly Q1 23/24
Previous quarter	1,230	

Customer reported fly tips removed		
	2,688	Quarterly Q1 23/24
Previous quarter	2,047	

Percentage of reported fly tipping incidents cleared within 24 hours		
	99%	Quarterly Q1 23/24
Quarterly target	90%	
Annual target	90%	
Previous quarter	New indicator for 23/24	

Enable active and low carbon travel

- No new electric vehicle charging points were installed in Q1 23/24. The Highways Team is working with Legal on a Deed Variant to our PFI contract to allow slow electric vehicle chargers to be attached to lamp columns. Once agreed, the procurement of slow electric vehicle chargers can commence. We are still on track to install 300 chargers by the end of 23/24.
- In 22/23, 3 new School Streets were introduced, and 6 more were made permanent after initially being introduced on an experimental basis. There are now a total of 16 School Streets in the borough.

Number of new electric charging points installed on public highway and in public car parks		
	0	Quarterly Q1 23/24
Quarterly target:	75	
Annual target:	300	
Previous quarter	0	

Km of new cycle routes added to the network		
	2.5km	Annually 22/23
Previous year	1.4km	

Number of school streets introduced in year		
	9	Annually 22/23
Previous year	11	

Priority One: Clean and green places

Facilitate reuse of materials, reduce waste and increase recycling rates

- Contamination work undertaken in 22/23 has resulted in a reduction in the tonnes rejected at the re-processor. Q1 23/24 recorded a 69% reduction on the rejected loads when compared to the same period in 22/23 (618.4tn). The percentage contamination rates in May and June were below the 10% target.

- The recycling rate for Q4 22/23 was a slight improvement on performance at the same period last year (30.2%). Annual performance for 22/23 was 34.2%, an improvement on the figure for 21/22 of 30.9% (figures awaiting verification from DEFRA).

Indicator	Oflog indicator	Result	Period	Quarterly target	Annual target	Previous quarter
Rejected dry recycling loads (tonnes)		193.3 tn	Quarterly Q1 23/24	325 tn	1375 tn	299 tn
Percentage contamination rate at material recycling facility	Oflog indicator	11.1%	Quarterly Q1 23/24	10%	10%	16.7%
Residual waste per household (kg) (cumulative)	Oflog indicator	544 kg per h/h	Quarterly Q4 22/23	600kg per h/h	600kg per h/h	399.1 kg per h/h
Percentage of household waste sent for recycling	Oflog indicator	31.1%	Quarterly Q4 22/23	40%	40%	33.5%

Priority Two: Strong, healthy and safe communities

Improve feelings of safety and reduce crime and antisocial behaviour

- Total notifiable offences were down 1.3% on the previous 12 months. Enfield recorded 90.3 offences per 1,000 population between July 2022 - June 2023. This was lower than the London average of 99.8 and the 14th lowest rate of the 32 London boroughs.
- Residential burglary, domestic abuse incidents, hate crime and violence against the person offences have all recorded a decrease in comparison to the previous 12 month period.
- Domestic abuse violence with injury offences have recorded a 14% increase on the previous 12 months. In London there was an increase of 3.7% over the same period.
- Knife crime offences have recorded a 6% increase on the previous 12 months. London recorded a much larger increase of 21% in the same period.
- There are gaps in the ASB data from the Metropolitan Police for this period. Comparison with the previous 12 month period is therefore not possible.

Measure	July 2022 - June 2023	Previous 12 months
Total notifiable offences	30,136	30,548
Burglary - residential offences	1,443	1,675
Domestic abuse incidents	4,874	6,466
Domestic abuse violence with injury offences	1,029	906
Anti Social Behaviour calls	5,723	9,962
Hate crime overall total (5 strands combined)	688	814
Non domestic abuse violence with injury offences	2,555	1,971
Violence against the person offences	9,281	9,469
Number of knife crime offences	602	566

Anti Social Behaviour calls: There are gaps in the data from the Metropolitan Police for this period. Comparison with the previous 12 month period is therefore not possible.

Priority Two: Strong, healthy and safe communities

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

- The increase in the number of admissions to residential and nursing care this quarter is due to clients who are approaching age 65, but who have had to permanently go into care homes for a variety of reasons such as strokes or early onset dementia. Overall, we are a high achieving council for this indicator and in 2021/22, we were the 25th best performing local authority nationally for this measure. 3.46 admissions per 100,000 population (16-64) represents a total of 7 admissions.

- Enfield's social care clients recorded a higher quality of life score than the London average (0.398). Enfield's carers also reported a higher quality of life score than the London average (7.1). We were also the 37th best performing local authority for this measure in 21/22. Additionally, our adult social care clients and carers find it easier, on average, to find information about services than the London average (ASC clients - 63.2% and carers - 51.6%).

- The measure on short term services reflects the proportion of new clients who received short-term services during the year where no further requests was made for ongoing support. Since short-term services aim to re-able people and promote their independence, this measure provides evidence of a good outcome in delaying dependency or supporting recovery. Therefore, local authorities would want to see a higher figure for this indicator. We recorded a significant decrease from 91.2% in 2020/21 to 59.8% in 2021/22. The provisional figures for 22/23 (awaiting verification) show an improved performance for 22/23.

			Quarterly target	Annual target	
New admissions to supported permanent Residential and Nursing Care (65+) per 100,000 population over 65 (cumulative)	106	Quarterly Q1 23/24	107.6	430.5	Previous quarter: 122.7 (Q1 22/23)
New admissions to Residential and Nursing Care 18-64 (per 100,000 population) (cumulative)	3.46	Quarterly Q1 23/24	1.48	5.92	Previous quarter: 0 (Q1 22/23)
Percentage of current social care clients with Long Term Support receiving a Direct Payment	55.2%	Quarterly Q1 23/24	56%	56%	Previous quarter: 55.8%
Percentage of adults with learning disabilities in settled accommodation	87.4%	Quarterly Q1 23/24	86%	86%	Previous quarter: 86%
Percentage of people who use services who say that those services have made them feel safe and secure	86.3%	Annually 21/22			Previous year: 90.4%
Quality of life of people who use adult social care services (out of 1.0) (Oflog indicator)	0.403	Annually 21/22			Previous year: 0.426
Quality of life of carers (out of 12) (Oflog indicator)	7.4	Annually 21/22			Previous year: 7.8 (18/19)
Percentage of people who received short-term services during the year (who previously were not receiving services) where no further request was made for ongoing support (Oflog indicator)	59.8%	Annually 21/22			Previous year: 91.2%
Percentage of people who use adult social care services who find it easy to find information about services (Oflog indicator)	65.9%	Annually 21/22			Previous year: 64.2%
Percentage of carers who find it easy to find information about services (Oflog indicator)	57.5%	Annually 21/22			Previous year: 64.9% (18/19)

Priority Two: Strong, healthy and safe communities

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

- The 26.8% staff turnover rate is based on a workforce of 8,800 across the local authority and independent sector. This includes people providing direct care, ancillary and administrative staff and managerial staff. This means that around 2,000 people left the ASC local authority and independent workforce in 21/22. When comparing with other boroughs who have a similar numbers of care facilities/similar size adult social care workforce, Enfield records a similar overall turnover rate.

Number of requests resulting in a service per 100,000 population		
Oflog indicator	**1,192**	Annually 21/22
Previous year	Not available	

Staff turnover in the adult social care workforce		
Oflog indicator	**26.8%**	Annually 21/22
Previous year	Not available	

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

- The proportion of drug users successfully completing treatment has increased over the last two quarters and is now in line with the local target of 20%. Several actions have been taken to improve performance including analysis and audits of caseloads for complexity as well as targeting transfers for recovery. There continues to be weekly review of planned and unplanned discharges focusing on non-opiate completions, evaluation of treatment and recovery pathways and increasing access to peer mentors and mutual aid across the system.

- The actual reported figure for proportion of young people exiting treatment in a planned way was 64%. However, this was because the service is being transferred to a new provider and existing clients are showing as having "exited" treatment when they have transferred provider. If we exclude this issue, the actual successful completion rate is 80.2% as reported.

Successful completion rate (%) for all drug users in treatment (aged 18+), excluding alcohol-only users (NDTMS Partnership)		
	20%	Quarterly Q4 22/23
Quarterly target:	20.0%	
Annual target:	20.0%	
Previous quarter	18.3%	

Substance misuse: proportion of young people exiting treatment in a planned way of all treatment exits		
	80.2%	Quarterly Q4 22/23
Quarterly target:	77%	
Annual target:	79%	
Previous quarter	92%	

Percentage of patients who completed treatment within a month of diagnosis at Enfield Sexual Health Clinics		
	93%	Quarterly Q3 22/23
Quarterly target:	90%	
Annual target:	90%	
Previous quarter	93.2%	

Priority Two: Strong, healthy and safe communities

Support communities to access healthy and sustainable food

- Take up of healthy start vouchers as of the end of Q1 23/24 was just below the Outer London average of 59% and lower than the England average of 65%.

Take up of healthy start vouchers

	58%	Quarterly Q1 23/24
Quarterly target:	58%	
Annual target:	58%	
Previous quarter	Not available	

Priority Three: Thriving children and young people

Help all children to have the best start in life

- Enfield's take up of free early years education for 2 year olds was significantly lower than the London average of 65.2% and significantly below the England average of 73.9%.
- Enfield's take-up rate for 3-4 year olds was slightly below the London average of 83.7% and significantly below the England average of 93.7%
- Enfield early years foundation stage pupils were slightly more likely to achieve a good level of development than England overall (65.2%) but less likely than London (67.8%) and Outer London (67.9%).
- Inspection outcomes for early years providers and childminders show that 216 out of 226 (96%) inspected providers were rated as good or outstanding as of 31 March 2023. This is in line with the England average and slightly above the London average of 95%.

Measure	Value	Frequency	Annual target	Previous year
Percentage of children benefitting from funded early years education - 2 year olds	61.5%	Annually 2023	62.0%	59.0%
Percentage of children benefitting from free early years education - 3 and 4 year olds	83.5%	Annually 2023	88.0%	82.0%
Percentage of pupils achieving a good level of development at the end of the Early Years Foundation Stage	65.4%	Annually 21/22	No target set	69.7% (18/19)
Percentage of all early years providers and childminders judged as good or outstanding by Ofsted (as at 31 March)	96%	Annually 22/23	96%	96%

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

- 1,041 out of 1,164 completed Children & Family assessments were authorised within 45 working days of the assessment start date. There has been a steady improvement over the past year (the figure was 61% in Q1 22/23) and performance is now in line with the target.

Measure	Value	Frequency	Quarterly target	Annual target	Previous quarter
Looked after children (LAC) per 10000 population (81,723) aged under 18	53.2	Quarterly Q1 23/24			51.3
Percentage of Children & Family Assessments for children's social care that were authorised within 45 working days of their commencement (Cumulative)	89.4%	Quarterly Q1 23/24	85%	85%	78.7%
Number of children on a Child Protection Plan per 10,000 children	40.1	Quarterly Q1 23/24			39.3
Percentage of children subject to a Child Protection Plan for a second or subsequent time (within past 2 years)	10.1%	Quarterly Q1 23/24			6.6%
Percentage of 19-21 year old care leavers in employment, education or training	72.3%	Quarterly Q1 23/24	70.0%	70.0%	54.9%

Priority Three: Thriving children and young people

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

- 2.9% of 16-17 year olds were NEET or not known as of Q1 23/24. This includes 1.4% of 16-17 year olds who are not in education, employment or training (NEET) and 1.5% who are not known. The percentage of 16-17 year olds who are NEET is lower than the England average of 3.2% but higher than the London average of 1.7%. 70.2% of young people are seeking employment or training, 10.5% are NEET due to illness.

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

			Quarterly target	Annual target	Previous quarter
Number of first time entrants to the Youth Justice System aged 10-17 (known to Youth Justice Service)	13	Quarterly Q1 23/24			18
Percentage of young people sentenced at court who are given a custodial sentence	0%	Quarterly Q1 23/24	5%	5%	0%
Total number of young people sentenced at court who are given a custodial sentence in the period	0	Quarterly Q1 23/24			0
Percentage of young people engaged in suitable education, training and employment at the end of the order (Pre and Post Court)	69.6%	Quarterly Q1 23/24	85.00%	85%	40%
Percentage of 16-17 year olds not in education, employment or training (NEET) and Not Known (NK)	2.9%	Quarterly Q1 23/24	3.4%	3.4%	3%

Improve educational outcomes for all children and young people

Education Health and Care Plans (EHCPs)

- 97.7% of EHCPs were completed within 20 weeks. This indicator has remained broadly stable over the last few quarters.

			Quarterly target	Annual target	Previous quarter
Percentage of Education Health Care Plans (EHCPs) completed within 20 weeks (excluding exceptions)	97.7%	Quarterly Q1 23/24	85%	85%	97.2%

Priority Three: Thriving children and young people

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

- The number of SEND pupils who attend school outside of the borough has been gradually increasing over the last 2 years. 892 SEND pupils were attending school outside of the borough as of the end of Q1 23/24, this is 30% higher than at the same period in 22/23.

			Previous quarter
Percentage of pupils (0-25 years old) with an Enfield maintained Education Health Care Plan (EHCP)	7.9%	Quarterly Q1 23/24	New measure for 23/24
Number of pupils (0-25 years old) with an Enfield maintained Education Health Care Plan (EHCP)	4,220	Quarterly Q1 23/24	New measure for 23/24
Percentage of SEND pupils who attend independent special schools out of the borough	20%	Quarterly Q1 23/24	New measure for 23/24
Number of SEND pupils who attend independent special schools out of the borough	128	Quarterly Q1 23/24	New measure for 23/24
Number of SEND pupils who attend school outside of the borough	892	Quarterly Q1 23/24	865

Engage children and young people in positive activities

- The total number of young people who engaged in our local youth offer (including our universal youth services and Inspiring Young Enfield) in 22/23 was 12,636.

			Previous year
Number of young people engaged in local youth offer provided by Youth Services	12,636	Annually 22/23	New measure for 23/24

Priority four: More and better homes

Build and facilitate more good quality affordable homes for local people

Planning

- In relation to pre-application advice, the timescale reflects the determination targets for major planning applications and is a realistic objective based on the current position. Although April remained below target, May and June were in line with the target and the overall position for the Q1 is amber with a performance of 58%. Looking ahead to Q2/Q3, the intention is to further refine the target for pre-application enquires to better reflect the different types of pre-application enquiries – focused on householder, new building and major development proposals which will enable us to better track performance against differing customer needs.

- The targets for the number of applications (major, minor and other) have been amended in line with current Government performance criteria. They are now a more accurate reflection of performance and the service experienced by applicants as extensions of time are no longer being used to extend the determination period.

- In relation to undetermined applications, the indicator has been amended to equate to 8 weeks' worth of "live" planning applications. This indicator monitors if the "Wellbeing and Improvement" project is succeeding in addressing the number of legacy planning applications which at the start of the project was in excess of 1,800. The current position as of 1st September 2023 was 719, reflecting the significant progress that has been made.

- In relation to the percentage of pre-application advice given leading to a successful planning decision, while performance will be influenced by the response of applicants to the pre-application advice received, a recent Planning Advisory Service review of our pre-application service identified the importance of having a positive and proactive culture by officers. This is addressed in a Pre-Application Action Plan and supported by the current Wellbeing and Improvement project which, by addressing caseloads, is enabling greater focus to adding value at pre application stage so that the advice and support given by officers to applicants is more solution focused and focused on delivering positive outcomes.

- In relation to fast-track performance, this indicator looks at the time taken to determine Lawful Development Certificates (LDCs) and PRHs (applications for prior approval) by officers. This is now a function of a new team formed of officers from the Technical Support team who have received training to enable them to deal with this type of application. The target has therefore been set at 60% within 7 weeks. Q1 shows the performance for the first month of June. This will then move to 70% within 6 weeks for Q2, 80% within 6 weeks for Q3 and 90% within 6 weeks for Q4. This reflects the upskilling taking place within the Fast Track Team and over time, the plan is to expand their role to undertake the assessment of householder extensions. This will then release capacity for senior planning officers to focus on larger and more complex development proposals. Performance of the fast track team for Q2 is steadily improving and already meeting the targets.

Indicator	Result	Period	Quarterly target	Annual target	Previous quarter
Percentage of pre-application advice given within 60 working days of registration of a valid enquiry	58%	Quarterly Q1 23/24	60%	60%	53.6%
Percentage of major applications determined within target	100%	Quarterly Q1 23/24	60%	60%	100%
Percentage of minor applications determined within target	71.4%	Quarterly Q1 23/24	70%	70%	94.3%
Percentage of other applications determined within target	77.9%	Quarterly Q1 23/24	70%	70%	93.5%
Percentage of 2 year rolling major applications determined within target	96.3%	Quarterly Q1 23/24	80%	80%	96.6%
Percentage of 2 year rolling minor applications determined within target	82.6%	Quarterly Q1 23/24	80%	80%	90.3%
Percentage of 2 year rolling minor & other applications determined within target	89.5%	Quarterly Q1 23/24	80%	80%	91.7%
Number of live planning applications in the system that are undetermined	719	Quarterly Q1 23/24	580	580	New indicator
Percentage of pre-application advice given leading to a successful planning decision	50%	Quarterly Q1 23/24 (data only covers June 2023)	75%	75%	New indicator for 23/24
Fast track performance: percentage of applications determined within 7 weeks	51.61%	Quarterly Q1 23/24 (data only covers June 2023)	60%	60%	New indicator for 23/24

Priority four: More and better homes

Build and facilitate more good quality affordable homes for local people

Planning

Number of new dwellings approved at Planning stage (net additional)		
	277	Quarterly Q1 23/24
Quarterly target	312	
Annual target	1,246	
Previous quarter	New indicator for 23/24	

Housing Development

- The 47 completed homes include 25 London Affordable Rent homes at Bury Street West (excludes 25 market homes), 10 social rent at Maldon Road & 12 affordable rent at Gatward Green.

Number of council owned homes delivered (completions) (affordable housing)	
47	Annually 22/23

Number of new dwellings started on site on council schemes (all tenures)	
59	Annually 22/23

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

- As of January 2023, 7.2% of premises (residential and non-residential) in Enfield had Full Fibre broadband. This is significantly lower than the England average of 36%. Enfield records the lowest percentage of full fibre broadband availability in Outer London.

Percentage of all premises that have coverage from a Full Fibre service from fixed broadband		
	7.2%	Jan-23
Previous 6 months	4.6%	

Priority four: More and better homes

Invest in and improve our council homes

Tenant satisfaction measures

- There was a small decrease recorded in the number of council homes meeting the Decent Homes Standard. A new Council Housing Asset Management Strategy is scheduled for approval at September Cabinet and sets out how the Council will achieve 80% decency by March 2024 and full compliance by 2026.

- The percentage of repairs completed within target timescale recorded a fall below target in Q1. In this quarter we have moved to reporting jobs that were previously due in 90 days to a 30 day target. The transition has affected completion times which will be corrected in the next quarter's figures.

- The Council remains on track with gas, fire, asbestos and legionella safety measures. 5 communal passenger safety lifts had outstanding lift inspections at the end of Q1 23/24. This was due to the lifts being out of service and remedial works have been booked.

- The percentage of complaints responded to within complaint handling code timescales recorded a significant improvement from Q4 22/23 following the deployment of additional resources to address backlogs. Although the indicator remains below target, performance in July 2023 was further improved with 85% of complaints responded to within target. Further steps will be taken in the coming months to improve triaging of service requests versus complaints and to improve performance in areas of the service which are generating complaints (e.g. turnaround time for repairs).

Indicator	Result	Period	Quarterly target	Annual target	Previous quarter
RP01 Percentage of homes that do not meet the Decent Homes Standard	31.8%	Quarterly Q1 23/24	30%	30%	31%
RP02 Percentage of repairs completed within target timescale (YTD)	85.4%	Quarterly Q1 23/24	98%	98%	95.1%
NM01 Anti-social behaviour cases relative to the size of the landlord	26.51	Quarterly Q1 23/24 (data only covers June 2023)			New indicator for 23/24
BS01 Percentage of council owned homes which have a current gas safety certificate	100%	Quarterly Q1 23/24	100%	100%	99.9%
BS02 Percentage of homes for which all required fire risk assessments have been carried out	100%	Quarterly Q1 23/24	100%	100%	99.03%
BS03 Percentage of homes for which all required asbestos management surveys or re-inspections have been carried out	100%	Quarterly Q1 23/24	100%	100%	100%
BS04 Percentage of homes for which all required legionella risk assessments have been carried out	99.5%	Quarterly Q1 23/24	100%	100%	99.7%
BS05 Percentage of homes for which all required communal passenger lift safety checks have been carried out	95.7%	Quarterly Q1 23/24	100%	100%	98.3%
CH01 Number of complaints relative to the size of the landlord	15.83	Quarterly Q1 23/24			47.29
CH02 Percentage of complaints responded to within complaint handling code timescales	77.2%	Quarterly Q1 23/24	95%	95%	53.06%

Priority four: More and better homes

Invest in and improve our council homes

Repairs

- In relation to repairs completed on target, in this quarter we have moved to reporting jobs that were previously due in 90 days to a 30 day target. The transition has affected completion times which will be corrected in the next quarter's figures.
- ERD repairs completed right first time recorded a slight drop on Q4 22/23. An improvement plan is being actioned to improve on the right first time job.

Measure	Quarterly Q1 23/24	Quarterly target	Annual target	Previous quarter
Percentage of responsive repairs completed by agreed target date (YTD)	93.8%	98%	98%	91.1%
Number of repair orders raised concerning damp and mould	195			222
Percentage of urgent repairs completed on time (YTD)	96%	97%	97%	95.2%
Percentage of Enfield Repairs Direct repairs completed right first time	82.85%	90%	90%	84%

Void management

- The turnaround time for local authority housing properties has been significantly impacted by the holding of properties for the Walbrook and Shires rehousing project. The figure in the report shows the average number of days taken to re-let general needs minus the held period. If the held period is included, the average time taken to re-let general needs local authority housing in Q1 was 93 days.
- Repairs on void properties continue to show good progression for Q1. This is the result of working closely with our main contractors.
- We are still seeing a large proportion of properties needing substantial repair works and clearances when handed back at the end of the tenancy. The service continues to work with tenants or next of kin to provide guidance on how to leave the property.

Measure	Quarterly Q1 23/24	Quarterly target	Annual target	Previous quarter
Percentage of stock vacant and unavailable to let	2.62%			2.35%
Average time taken to re-let general needs local authority housing (YTD) * excluding held period	42	25	25	42

Priority four: More and better homes

Drive up standards in the private rented sector

- Continual monitoring of private sector licensing applications shows we are on target to receive the predicted number of selective license applications over the scheme's lifetime. Additional HMO license applications remain below predicted numbers and the forecast has been revised.

Private sector housing licensing applications received

	721	Quarterly Q1 23/24
Quarterly target		
Annual target		
Previous quarter	973	

Private sector housing licensing inspections and interventions carried out

	1,391	Quarterly Q1 23/24
Quarterly target	1,181	
Annual target	4,725	
Previous quarter	1,303	

Private sector housing licensing enforcement notices

	82	Quarterly Q1 23/24
Previous quarter	85	

Homelessness and temporary accommodation

- Although the number of households living in temporary accommodation has not increased significantly (and is slightly lower than it was at quarter 1 of 2022/23), it remains above our target, reflecting the London-wide crisis in the supply of affordable homes. The proportion of households in B&B accommodation also continues to increase as temporary accommodation providers exit the market. The growing use of hotel accommodation for nightly paid accommodation is a key budget pressure for 2023/24.

- A new five-year strategy for the provision of accommodation to prevent homelessness and to meet our statutory homelessness duties was approved at the September 2023 Cabinet meeting. It sets out a number of potential delivery options for constructing new temporary accommodation in Enfield, including building new homes using modular techniques, extending existing temporary accommodation blocks and repurposing general needs housing schemes for temporary accommodation use.

Number of households living in temporary accommodation

	3,120	Quarterly Q1 23/24
Quarterly target	3,000	
Annual target	3,000	
Previous quarter	3,100	

Number of children living in temporary accommodation

	4,434	Quarterly Q1 23/24
Previous quarter	4,336	

Number of children in B&B accommodation

	247	Quarterly Q1 23/24
Previous quarter	169	

Families with children in Bed and Breakfast accommodation for more than 6 weeks, excluding those pending review

	150	Quarterly Q1 23/24
Quarterly target	0	
Annual target	0	
Previous quarter	95	

Number of homeless applications received

	1,231	Quarterly Q1 23/24
Previous quarter	802	

Number of Homelessness Prevention duties ended with positive prevention

	86	Quarterly Q1 23/24
Previous quarter	164	

Percentage of successful statutory preventions (accommodation sustained or straight into private rented sector)

	45.5%	Quarterly Q1 23/24
Previous quarter	46.1%	

Priority five: An economy that works for everyone

Enable local people to develop skills to access good quality work

- Enfield continues to face higher rates of unemployment (claimant count) than London (4.9%) and UK (3.7%) averages. As in previous quarters, unemployment rates are highest in Edmonton Green, Lower Edmonton, Haselbury and Upper Edmonton. Borough-wide unemployment is higher than average in all age groups between 18 and 44 years.
- Enfield continues to has lower estimated employment levels than the regional and national averages. However, employment has increased over the past year.
- Enfield's working age residents (16-64) are less likely to hold no qualifications than London (5.5%) and England (6.6%) overall. However, when comparing the population aged 16+, Enfield residents are significantly more likely to hold no qualifications (22.5%) compared to London (16.2%) and England (18.2%) overall.
- On the other hand, 68.5% of the working age population have a Level 3 (A Level or equivalent) or above qualification. This is above the national average (61.5%) but lags behind London as whole (71.4%).

Employment rate in Enfield (working age population)	72.3%	Quarterly Q4 22/23	**Previous quarter**	70.2%
Claimant count as a percentage of working age population	5.9%	Quarterly Q1 23/24	**Previous quarter**	5.8%
Median gross weekly pay	£708.80	Annually 21/22	**Previous year**	£670.50
Number of households with earnings below London Living Wage (LLW)	10,634	Quarterly Q1 23/24	**Previous quarter**	9,271
Percentage of working age residents (16-64) who have no qualifications	4.4%	Annually 21/22	**Previous year**	7.1%
Percentage of working age residents (16-64) who do not have a Level 2 qualification	19.9%	Annually 22/23	**Previous year**	21.3%
Percentage of working age population (16-64) with a Level 3 or above qualification (Oflog indicator)	68.5%	Annually 22/23	**Previous year**	59.8%
Percentage of adults with learning disabilities in employment	15.9%	Quarterly Q1 23/24	**Quarterly target** 15.9%; **Annual target** 15.9%; **Previous quarter**	15.9%

Priority five: An economy that works for everyone

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

- Business start ups in Q1 23/24 were 20% higher than the same period last year. The most common industries were: real estate, professional services & support activities (246); wholesale and retail trade (167); construction (147); and recreational, personal and community service (90).

- In 22/23, procurement spend with Enfield based organisations was higher than the previous year but spend with MSME organisations was lower.

Business rates income	£97.9m	Annually 22/23	**Previous year**	£117.3m
Business start-ups (as reflected in opening of first current account from a bank's small business product ranges)	958	Quarterly Q1 23/24	**Previous quarter**	869
Procurement spend Council-wide with Enfield-based organisations (by value)	£46.96m	Annually 22/23	**Previous year**	£37.03m
Procurement spend Council-wide with Enfield-based organisations (by volume)	14.4%	Annually 22/23	**Previous year**	12%
Procurement spend Council-wide with MSME organisations (by value)	£45.3m	Annually 22/23	**Previous year**	£60.05m
Procurement spend Council-wide with MSME organisations (by volume)	13.9%	Annually 22/23	**Previous year**	19.4%

Provide support and advice for residents on low incomes

- The number of residents claiming Council Tax Support and/or Housing Benefit is 6% higher than at the same quarter in 22/23.

Number of referrals to Welfare Support and Debt Advice Team	699	Quarterly Q1 23/24	**Previous quarter**	New indicator for 23/24
LBE administered benefits: combined benefits caseload (Housing Benefit and Council Tax Support)	41,014	Quarterly Q1 23/24	**Previous quarter**	No data for previous quarter

Priority five: An economy that works for everyone

Transform our industrial land to create modern and low carbon spaces for business

- According to the latest Authority Monitoring Report from 21/22, Enfield gained 3,125 sq.m in Strategic Industrial Location space (SIL). A total of 27,334 sq.m of general industrial space was gained outside strategic industrial sites, this includes 11,142 sq.m for the new Beavertown brewery at Ponders End Industrial Estate.

Net increase in floorspace in Strategic Industrial Locations (square metres)		
	3,125	Annually 21/22
Previous quarter	1,613	

Net increase in floorspace in Locally Significant Industrial Sites (square metres)		
	0	Annually 21/22
Previous quarter	653	

Our principles

Accessible and responsive services

Complaints, FOIs, MEQs and SARs

- Complaints performance was largely impacted by the Housing, Regeneration and Develpment department. However, performance has improved in the last quarter with significant improvement in Housing and Regeneration seeing a month on month increase in performance. Planning had several overdue cases which brought overall performance down but has put arrangements in place to ensure more robust monitoring of cases.
- MEQ response time in People department recorded an improvement from Q4 performance, and the average response rate is 7 days. Targeted work with Heads of Service is being undertaken to further improve performance and the process of MEQs being recorded on the system has been changed to ensure all enquiries are uploaded.
- A new proactive approach across Environment & Communities department focusing on MEQ responses at risk during Q1 has increased performance significantly compared to the previous quarter.
- In Housing, Regeneration and Development, improvements to how MEQs are classified should help to improve performance in future months.
- There were a high number of complex co-ordinated SARs (29 of the total 53 received, compared to 8 in the previous quarter). A vacancy in the team will be filled to help address this. The service will also be conducting a deep dive to understand reasons for delays and to establish an improvement plan.

Initial review complaints - percentage responded to inside target (Council overall)

70%		Quarterly Q1 23/24
Quarterly target	95%	
Annual target	95%	
Previous quarter	69%	

Final review complaints - percentage responded to inside target (Council overall)

87%		Quarterly Q1 23/24
Quarterly target	95%	
Annual target	95%	
Previous quarter	94%	

Percentage of FOIs answered within 20 days (Council overall)

93%		Quarterly Q1 23/24
Quarterly target	100%	
Annual target	100%	
Previous quarter	90%	

Percentage of MEQs responded to within 8 days (Council overall)

81%		Quarterly Q1 23/24
Quarterly target	95%	
Annual target	95%	
Previous quarter	79%	

Percentage of SARs closed within a calendar month (Council overall)

57%		Quarterly Q1 23/24
Quarterly target	100%	
Annual target	100%	
Previous quarter	63%	

Contact Centre

- During this quarter the contact centre were 6.5 FTE down due to staff changes that required recruitment and training which impacted on performance. Officers are also being encouraged to deal with the query fully at first contact and we will be able to monitor this once the new telephony system is implemented.

Percentage of calls answered by contact centre (Gateway Telephones)

89%		Quarterly Q1 23/24
Quarterly target	80%	
Annual target	80%	
Previous quarter	88%	

Average wait time for calls answered by the contact centre (Gateway Telephones)

00h 02m 57s		Quarterly Q1 23/24
Quarterly target	00h 03m 00s	
Annual target	00h 03m 00s	
Previous quarter	00h 03m 18s	

Average wait time for calls answered by the contact centre (Gateway Telephones - Council Housing)

00h 08m 16s		Quarterly Q1 23/24
Quarterly target	00h 03m 00s	
Annual target	00h 03m 00s	
Previous quarter	00h 17m 24s	

Percentage of calls to the contact centre answered within 5 minutes

81%		Quarterly Q1 23/24
Quarterly target	80%	
Annual target	80%	
Previous quarter	78%	

Our principles

Financial resilience

- The council tax collection rate as of the end of June 2023 was 28.1%. This is a very slight reduction on the collection rate at the same period last year (28.19%).The business rates collection rate as of the end of June 2023 was 26.09%. This is an improvement on the collection rate at the same period last year (24.51%).
- The Oflog data explorer tool compares the local authority's outturn with the England median and the median of the local authority's CIPFA nearest neighbours (statistically similar authorities). For reference, Enfield's CIPFA neighbours are Haringey and the other Outer London boroughs (excluding Barking and Dagenham, Bromley, Kingston and Richmond).
- Enfield spends a slightly higher proportion of its core spending power on social care than the median average of our CIPFA neighbours (63.9%). According to the Institute for Fiscal Studies data, Enfield have one of the largest gaps in the country between relative funding and relative need of all local authorities (4th highest gap in percentage terms out of 150 local authorities). That is a £271 per person gap between relative funding and relative need. This means that a higher proportion of Enfield's budget has to be spent on core statutory services than other local authorities.
- Enfield spends a smaller percentage of its core spending power on debt servicing than our CIPFA neighbours and records the 18th lowest rate out of the London boroughs. A separate report how how we're managing our debt is presented at this Cabinet meeting.
- In relation to total debt as a percentage of core spending power, Enfield is an outlier when compared to the median average of our CIPFA neighbours (275.7%) and the England median (226.7%). It should be noted that most councils suffering severe financial problems in recent years have had debts significantly higher per head of population, such as Woking's £19,000 per head and Thurrock's £8,600, compared with Enfield's £3,400.

Indicator	Value	Period	Quarterly target	Annual target	Previous quarter / Previous year
Percentage of Council Tax collected (in year collection)	28.1%	Quarterly Q1 23/24	28.47%	95%	Previous quarter: 28.19% (Q1 22/23)
Council Tax arrears from previous years	£36,090,250	Quarterly Q1 23/24			Previous quarter: £32,724,996 (Q1 22/23)
Percentage of Business Rates collected (in year collection)	26.09%	Quarterly Q1 23/24	27%	96%	Previous quarter: 24.51% (Q1 22/23)
Business Rate/NNDR arrears from previous years	£19,341,791	Quarterly Q1 23/24			Previous quarter: £21,382,712 (Q1 22/23)
Percentage of all council invoices paid within 30 days	99.59%	Quarterly Q1 23/24	98%	98%	Previous quarter: 99.51%
Non-ringfenced reserves as a percentage of Net Revenue Expenditure (Oflog indicator)	36.80%	Annually 2021/22			Previous year: New indicator
Non-ringfenced reserves as a percentage of service spend (Oflog indicator)	34.1%	Annually 2021/22			Previous year: New indicator
Total Core Spending Power per dwelling (Oflog indicator)	£1985.82	Annually 2021/22			Previous year: New indicator
Level of Band D council tax rates (Oflog indicator)	£1,518	Annually 2023/24			Previous year: £1,446
Council Tax revenue per dwelling (Oflog indicator)	£1,513	Annually 2023/24			Previous year: £1,427
Social care spend as a percentage of core spending power (Oflog indicator)	67.1%	Annually 2021/22			Previous year: New indicator
Debt servicing as a percentage of core spending power (Oflog indicator)	9.2%	Annually 2021/22			Previous year: New indicator
Total debt as a percentage of core spending power (Oflog indicator)	458.8%	Annually 2021/22			Previous year: New indicator

This page is intentionally left blank

FINANCE AND PERFORMANCE SCRUTINY PANEL 2023/24 CHAIR: Cllr Nawshad Ali

Date of meeting	Topic	Report Author	Lead Members	Executive Director/ Director	Scope
12 June 2023	Work Programme Planning				
31 October 2023	P-card payment monitoring.	Julie Barker	Cllr Tim Leaver	Fay Hammond	Update to the Panel following a Council review
	Commercial property assets and investment return/income generation	Nick Denny/ Doug Ashworth	Cllr Tim Leaver	James Wheeler	An area of interest for the Panel, information requested on Council owned properties, and whether they are properly used and income is maximised.
	Information on Quarterly Monitoring Reports (Revenue, Capital and Performance)	Olga Bennet (capital) Kevin Bartle (revenue) Eleanor Brown (performance)	Cllr Tim Leaver	Fay Hammond	The Panel to receive regular monitoring updates which have been recently presented to Cabinet.
16 January 2024	Customer Service Performance data	Lee Shelsher	Cllr Ergin Erbil	Simon Pollock	Information requested on changes being introduced and towards self serve information requested on website analytics and bounce rate and customer experience.
	Council Companies	Will Wraxall	Cllr Leaver	Fay Hammond	An area of interest for the Panel Deferred from 2022/23 work programme

					Information requested on the performance and resilience of Council Companies and how well money is spent/invested
	Procurement, including update on legislative changes.	Michael Sprosson	Cllr Tim Leaver	Fay Hammond	Update to the Panel following a Council review and legislative changes Further to the report to the Panel on 19/10/22
	Information on Quarterly Monitoring Reports (Revenue, Capital and Performance)	Olga Bennet (capital) Kevin Bartle (revenue) Eleanor Brown (performance)	Cllr Tim Leaver	Fay Hammond	Regular monitoring To receive the monitoring reports which have been recently presented to Cabinet
6 March 2024	Budget overview on Temporary Accommodation and Housing Revenue Account	Joanne Drew Claire Eldred Olga Bennet	Cllr George Savva Cllr Tim Leaver	Sarah Cary Fay Hammond	Discussed and agreed at work planning – to be examined in depth Financial information requested in respect of Housing pressures, temporary accommodation costs and the HRA budget
	Information on Quarterly Monitoring Reports (Revenue, Capital and Performance)	Olga Bennet (capital) Kevin Bartle (revenue) Eleanor Brown (performance)	Cllr Tim Leaver	Fay Hammond	Regular monitoring To receive the monitoring reports which have been recently presented to Cabinet

Additional Meeting date tbc	Budget for SEN children's services / care packages / transport	Neil Best	Cllr Tim Leaver Cllr Abdul Abdullahi	Fay Hammond Tony Theodoulou	Discussed and agreed at work planning – to be examined in depth Financial information requested in respect of special needs schooling, packages and transport costs relating to SEN children's services

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank

This page is intentionally left blank