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FINANCE & PERFORMANCE SCRUTINY PANEL

Tuesday, 16th January, 2024 at 7.00 pm in the Conference Room, Civic Centre, Silver Street, Enfield, EN1 3XA

Membership:

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

AGENDA – PART 1

1. WELCOME AND APOLOGIES

2. DECLARATION OF INTEREST

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

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

To receive and agree the minutes of the meeting held on Tuesday 31 October 2023.

4. CUSTOMER SERVICE PERFORMANCE (Pages 5 - 20)

To update the panel on Customer Service performance data from last Finance & Performance Scrutiny Panel March 2023; to include self-serve, council website analytics, bounce rates, customer experience, contact centre, and library hubs.

5. COUNCIL COMPANIES (Pages 21 - 62)

To provide an update on the performance of all Enfield Council Companies as at Quarter 2 of 2023/24 and provide an estimated outturn position for 2023/24.

(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).

6. PROCUREMENT LEGISLATIVE CHANGES (Pages 63 - 94)

To receive an update on the key features of the new Procurement Act 2023 and NHS Provider Selection Regime together with details of local planning and implementation and an assessment of the key implications and impacts for the Council.

7. QUARTERLY REVENUE MONITORING REPORT (Pages 95 - 134)

To receive the most recent Quarterly Revenue Monitoring Report.

8. QUARTERLY CAPITAL MONITORING REPORT (Pages 135 - 160)

To receive the most recent Quarterly Capital Monitoring Report.

9. QUARTERLY PERFORMANCE MONITORING REPORT (Pages 161 - 190)

To receive the Quarterly Performance Monitoring Report presented at the last meeting, as requested.

10. WORK PROGRAMME 2023/24 (Pages 191 - 194)

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

11. DATES OF FUTURE MEETINGS

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

Thursday 7th March 2024
Thursday 11th April 2024.

12. 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).

AGENDA – PART 2

13. COUNCIL COMPANIES

Item 5 above refers.

MINUTES OF THE MEETING OF THE FINANCE & PERFORMANCE SCRUTINY PANEL HELD ON TUESDAY, 31ST OCTOBER, 2023

MEMBERS: Councillors Nawshad Ali (Chair), Sabri Ozaydin (Vice Chair), Thomas Fawns, Alessandro Georgiou, Paul Pratt, Julian Sampson, Doug Taylor and Mahmut Aksanoglu

Officers: Fay Hammond (Executive Director - Resources), Steve Muldoon (Assistant Director of Finance), Nick Denny (Director of Property), Doug Ashworth (Head of Property Development), Julie Barker (Head of Exchequer Services), and Petra Stephenson (Governance Officer)

Also Attending: Shanise Mensah (Youth Parliament) and Iceniean Brazil (Youth Parliament)

1. WELCOME AND APOLOGIES

Cllr Sabri Ozaydin (Vice Chair) welcomed everyone to the meeting and invited Panel Members and Officers to introduce themselves.

Apologies for absence were received from Cllr Nawshad Ali (Chair) and Cllr Ayten Guzel who were substituted by Cllr Doug Taylor and Cllr Mahmut Aksanoglu, respectively.

Apologies for lateness were received from Cllr Aksanoglu.

2. DECLARATION OF INTEREST

In respect of item 5, Cllr Doug Taylor advised that he was a Board Member of Energetik.

Cllr Sabri Ozaydin advised that he was a Director of Housing Gateway Ltd; and Cllr Thomas Fawns advised that he was a Governor at Durants School.

3. MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on Wednesday 29 March 2023 were agreed.

4. P-CARD PAYMENT MONITORING

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

Julie Barker, (Head of Exchequer Services) highlighted key issues such as the reduction in the number of cards in circulation, reduction in spend, the controls in place, improved transparency for better reporting and the creation of business accounts with Amazon and Travelodge resulting in better deals, best value and a reduced risk of misappropriation of funds.

Noted

1. In response to Members' questions on misappropriation, maximum spend and sanctions, it was confirmed that Exchequer were satisfied that the 263 cards now in circulation were primarily used by front line services for small spend items. Purchase cards provide flexibility for services and allow officers to get discounts and obtain best value in relation to the purchases they buy online. It was also confirmed that monitoring is in place to ensure officers are using the most appropriate payment option when purchasing goods and services. There will always be a need to use purchase cards but to control spend purchasing limit categories have been introduced.
2. In respect of sanctions and misappropriation, spend is monitored every month. If suspected misappropriation is uncovered a referral is made to the Counter Fraud Team who investigate and draft a report with recommendations which could include referral to HR to consider misconduct or to the police to consider prosecution. Exchequer has made 3 referrals to the Counter Fraud Team in the last 6 months.
3. In respect of paragraph 12, Members suggested checking, in future for equivalent spend via the Neptune purchasing system to ensure there is no reckless spending using purchase orders rather than on the card now there are controls in place.
4. It was confirmed that purchase cards are the best way to acquire road tax as it is possible to track and reconcile spend. There is also a fee for direct debits.
5. In response to concerns about People, Fay Hammond (Executive Director- Resources) provided reassurance regarding improvement and the new system should rectify issues. It is the area with the most cards.
6. Members congratulated Julie on the positive change.

5. QUARTERLY MONITORING REPORTS

Received the Quarterly Monitoring Reports (Revenue, Capital and Performance reports) for information.

Steve Muldoon highlighted the key points in the reports.

Revenue

1. Cllr Georgiou highlighted that the three Quarterly Monitoring Reports should have been separated as items rather than amalgamated to make them easier to address.
2. In response to Members' questions on the recurring theme of Digital Services' overspend, officers asserted that there is a strategy in place to return to balance in the current year with numerous plans to address the figures which include redundancies and reducing systems.
3. It was confirmed by officers that the aim for next year is to return to balance without using reserves.
4. In response to Member questions, it was confirmed that in the published plan £9M or £10M of growth is expected but temporary accommodation pressures remain.
5. In response to further queries regarding Millfield Theatre officers confirmed that there is no budget pressure next year as the new lease replacement should fully cover any costs.
6. In respect of reductions in pension fund contributions, it was advised that keeping investments at a good level was paramount to ensure commitments can be honoured.
7. With regards to HIF funding additional money was received but not as much as expected so proposals had to be scaled back.

Performance Report

Members expressed dissatisfaction at the non-attendance of the Deputy Leader, Cabinet Member or relevant officers.

It was agreed that the report should be carried over to the next meeting so questions could be answered.

Noted.

1. In response to an enquiry from a Member of Youth Parliament, Shanise on what has been done to reduce knife crime in London, officers explained that teams work closely with the police and young people, and there are several schemes to reduce and prevent knife crime.

6. WORK PROGRAMME 2023/24

An updated work programme for the municipal year was received at the meeting.

Noted.

7. DATES OF FUTURE MEETINGS

Future dates were noted.

An additional meeting date will be scheduled via an email to Members.

8. COMMERCIAL PROPERTY ASSETS AND INVESTMENT RETURN/INCOME GENERATION

After part 2 discussions the item was noted and it was agreed that the Property Director, Nick Denny would talk through the deck at a later date.

The meeting ended at 8:50pm

London Borough of Enfield

Report Title	*Update on Customer Service Performance*
Report to	*Finance and Performance Scrutiny Committee*
Date of Meeting	*16/01/2024*
Cabinet Member	*Councillor Tim Leaver/Councillor Ergin Erbil*
Executive Director / Director	*Simon Pollock, Executive Director of Environment & Communities; Eleanor Brown, Director of Customer & Communications*
Report Author	*Lee Shelsher Head of Customer Solutions*
Ward(s) affected	*All*
Classification	*Part 1 Public*
Reason for exemption	*N/A*

Purpose of Report

1. To update the panel on Customer Service performance data from last Finance & Performance Scrutiny Panel March 2023; to include self-serve, council website analytics, bounce rates, customer experience, contact centre, and library hubs.

Main Considerations for the Panel

2. The Customer Service team in reference to above and this report relates to the library service, community hubs, contact centre, webchat, web team and chatbot. In addition to these services the team also deliver the archive service. The budget for these services totalled £4.2m in FY2023/24 and an additional £0.3m of savings is marked for delivery during this financial year.

3. This report includes Key Performance Indicator (KPI) data, learning from successes, challenges, an example of using customer experience data and expertise to drive improvements to a universally accessed Council service, and future improvement plans centred around innovation and aspiration regarding customer service.

4. The Customer Service team are on a continuous journey to improve our front door services and influence customer experience across the organisation. We use data (including customer & employee feedback) to drive an evidence-led approach, refining our delivery models and shaping future approaches. For example, a recent project to improve our telephony platform is part of the technical infrastructure required to realise our omni-channel ambition whereby customers use their "channel of choice" to contact us, whilst also increasing our self-serve channel shift to enable 24/7 customer convenience and best value for the organisation.

5. We aim to always create a "digital by desire" approach where residents are moving to online solutions, enabling agents to resolve more complex enquiries or spending time supporting digital exclusion.

6. We consistently work towards a balance of customer expectation versus delivery. Since last year's report, key customer service successes include:
   - Library physical visits increased since Covid due to cost of living, warm space initiative etc (face to face customer enquiries) but equally an increase in online interactions of 52%
   - 12% decrease in telephony enquiries and an increase in online enquiry channels (webchat and website)
   - Launch of new chatbot functionality, built within the in-house Web Team (no external supplier costs) enabling better use of online chat agent time to support more complex enquiries. 67,000 chats since launch.

7. From an external perspective, it is clear that organisations continue to struggle when meeting customers' expectations post pandemic. Regarding contact centres, the Contact Centre Management Association (CCMA) that supports contact centres from all industries, stated in a recent report "*In 2023 the proportion of those who believe customer service is worsening (34%) is now almost double the proportion of those who believe service is improving (18%)*"[1].

8. However, we are delighted to advise that unlike the wider context, we can report positive progress in this area. In response to our surveys including questions such as "The call agent understood my issue and was keen to help", ratings have increased from 69% to 71% from Q1 to Q2 2023/24. Additionally, the team receive regular compliments for their customer service delivery and empathy to customer need.

9. There is still room for improvement and further investment is required in technology, processes and people to continue these developments and realise our customer service ambitions for Enfield Council.

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[1] See embedded report 'CCMA' in appendix

10. The Committee may also be aware that a library service engagement is currently underway to ensure our libraries, being a statutory service are “comprehensive and efficient for the future”[2]

Background and Options

Libraries & Community Hubs

11. Contributing to many Council and national priorities such as strong, healthy and safe communities, thriving children and young people, an economy that works for everyone; these two services facilitate a high proportion of the Council’s face to face customer enquiries. Together, they work with over 100 partners, activating over 10,000 volunteering hours to deliver initiatives that range from mental and physical health support, skills and employment, to ICT literacy and family/children matters.

12. Recent library successes include the GLA-funded library at Fore Street which was awarded two industry recognised design awards for its regeneration and community facilitation contributions. Using S106 and CIL funding, we have delivered a new sensory space supporting speech and language, sensory needs and dementia; created a makerspace facility for local creators and entrepreneurs which has received extremely positive use of 183 sessions since April 23 and feedback from small businesses, schools and makers alike.

13. The library service also receives income from initiatives such as Visa Verification, trusted by Central Government to deliver high quality transactions for people all over the UK and influencing their visit to the borough.

14. Community Hubs deliver an early intervention/prevention programme with partners, supporting employment and skills, family support and money matters whilst signposting to health initiatives for a holistic approach to finding solutions for residents. See table on the next page for recent outcomes:

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[2] Libraries as a statutory service - GOV.UK (www.gov.uk)

Examples	Results
Quantitative Community hubs hold Tea & Toast (T&T) sessions. The purpose of tea and toast is about connecting people to preventative help and partners, that feed into system and strategic understanding and planning, whilst strengthening community across people of all ages, ethnicities, communities, socio-economic boundaries.	Since April 23 there have been 1,423 attendees and they have received support from 47 partners offering Information, advice and guidance, resulting in: • 35 people have been seen by the Welfare and Debt advice team and supported to maximise benefits, consolidate debt, and reduce council related debt. • 250 people have received information about how to adapt their home to prevent untimely falls and hospitalisation and stay well at home. • 223 people were referred into Jobs and Skills support through STEP, our jobs and skills partner. 84 of these were Roma Bulgarian.
Qualitative	• 94% felt that T&T had improved their mental health • 97% felt more socially connected as a result of tea and toast. • 94% said they would come back to the T&T sessions.
Financial, health and social benefit example - diabetes	The Diabetes Clinic through our partnership screened 261 members of the public: • 53 (20% of those screened) found to be at risk of diabetes and advised to see their GP. • The estimated annual cost saving by identifying 53 people and helping them early is £93,545 (source - Public Health Intelligence, Enfield)

15. Key Performance Indicators

	FY22/23	**FY23/24 (projected)**	**Comments**
Total Library physical visits	1,003,868 **Target 950K**	1,200,000	FY23/24 April-Oct shows a 19% increase in library visitor numbers compared to previous year
Total Library digital use e-Newspaper/e-books and e-magazines	1,424,211	2,000,000	FY23/24 April to October shows a 52% rise in many library e-offer deliverables compared to previous year
Total Community Hub visitor numbers	41,495 **Target 42K**	50,000	FY23/24 April to October shows a 24% rise in Hub visitor numbers compared to previous year. Visits split: Enfield Town 53%; Edmonton 47%
Total Food Pantry visits	Monthly average 126 monthly visits (Oct 22 pantries established)	Monthly average 124 visits	Visits split: Enfield Town 40%; Edmonton 60%

Customer Contact Centre and Webchat

16. The Customer Contact Centre handles all incoming calls to Enfield Council's main telephone number (0208 379 1000) and online chat enquiries via the website. A first-tier general enquiry/second tier Housing Advisory contact centre, agents handle all initial enquiries and where possible provide first contact and triage solution before transferring these to back office services if necessary. Not all customer calls are handled by the Contact Centre. For example, Council Housing Repairs go directly to a call centre within Housing & Regeneration Division. The majority of Housing Advisory (e.g. homelessness) calls are referred to the Housing Advisory Service call centre also within the Housing & Regeneration Division. Council tax and benefit enquiries are handled through an outsourced contact centre.

17. Since the previous report, multiple digital transformation projects have underpinned performance improvements within the Contact Centre. Namely embedding the Council's new Customer Relationship Management (CRM) and Content Management System (CMS); new customer satisfaction system implementation & adoption; replacing the Council's customer-facing telephony platform; creating chatbot functionality to answer simple customer enquiries online.

18. Coupled with improvements to both processes and staff development, we are now starting to see demonstrable evidence of customer enquiry channel shift with reduced call volumes as per the figures below:

	FY22/23	**FY23/24 (projected)**	**Comments**
No. of telephone calls	230,127	200,000	FY23/24 April-Oct shows a 13% decrease in call volumes compared to previous year

19. This is primarily due to:
    - A successful proactive channel shift mechanism in place whereby the Telephony Agents guide the caller through the self-serve capabilities of the improved web offer. This is possible due to functionality delivered by the new customer platform/dashboard allowing agents to recognise the webpages the customer is using and guide them accordingly ie “Please push the button in front of you, that’s great you have completed the transaction”. This approach supports the customer to self-serve online next time rather than calling the contact centre.
    - Customer feedback regarding the website’s performance is used by the Web Team to make further improvements as later KPIs within this report will demonstrate.
    - Improvements to webchat functionality including chatbot automation introduced in November 22, has established Webchat as a complimentary contact channel for the customer. Services within Enfield Council such as Electoral, Housing Repairs have been included in this channel of choice through Customer Services.
    - Payment webforms have increased online payments and customer self-serve which has increased by 7%.Customers are offered an ICT course or support within libraries and community hubs to support digital literacy.

20. Supporting our customers to increase their online communication with us is important. Firstly, we know from the CCMA that post pandemic, there has been an increase in digital customer communication with organisations, allowing the customer to make requests, report issues etc, at a time and using contact channels that are most convenient to them. Secondly, it enables the Council to use its staff in a more cost effective and efficient way. Simple enquiries are handled electronically, freeing up staff time to focus on supporting our more vulnerable customers and complex enquiries.

21. An example of this is our Community Support line which handles enquiries relating to the cost-of-living crisis and recently (Integrated Care and Equipment Service), which has seen a dramatic increase in customer calls compared to the previous year. During 2022/23, 7,048 calls were received. However, the predicted volume for 2023/24 is 21,000 calls as between April – Oct 23 there was a 220% increase in call volumes compared to the same time period of the previous year. Despite this increase in calls, there has not been an increase in call wait times and the

answer rate has remained at nearly 90%. This is due to digital channel shift in customer enquiries elsewhere, freeing up agents to successfully handle the community support calls.

22. Telephony Key Performance Indicators

	23/24 (Year to Date)	**Target**	**Comments**
Answer rate	89%	80%	This includes impacts of *in year* savings made at Telephony Agent level (we are now 6 FTE lower on Telephony Agents compared to the start of the previous Financial Year), whilst achieving our set customer satisfaction targets for both channels Telephony and Webchat.
Average Wait Time (for calls to be answered)	2min53sec	3min	

23. Further performance improvements are anticipated in Q4 since the new telephony platform went live at the end of Oct 23. November's early indicators have demonstrated the following performances:
    - Answer rate: Year to Date (YTD) 89% vs Month to Date (MTD) 92%
    - Average wait time: (YTD) 2:53mins vs (MTD) 1:16mins
    - Same day call back wait times: Sept 23 average 5h27mins vs Nov 23 average 3hrs06mins

24. Channel shift has also enabled capacity to deliver new business for Enfield Council services such as STEP (Skills Training Employment Pillar) to support outbound campaigns for members and users around their journey progress and ICES (Integrated Care and Equipment Service) to support customers with responsive kit.

25. Webchat Key Performance Indicators

	FY22/23	**FY23/24 (projected)**	**Comments**
Total no. of webchats	62,688	69,000	FY23/24 April-Oct shows a 35% increase in uptake of webchat channel by customers compared to previous year. NB these figures include chatbot answers
Total no. of chatbot chats (automated)	12,649	19,584 (YTD)	Proportion of chatbot chats have increased from an average of 38% last year to 48% this year.

26. Our webchat capability allows several conversations to happen at once ensuring effective use of human resources and finding a solution for the customer quicker. The Web Team have also built an in-house Chatbot that using existing web software guides the customer to the resource on the website. For example, the customer types “bin not collected” and the Chatbot will search keywords and present the customer with the form on the web to complete. This type of software will grow as we progress further automation solutions for customer channel choice. See Aspirations later in the report.

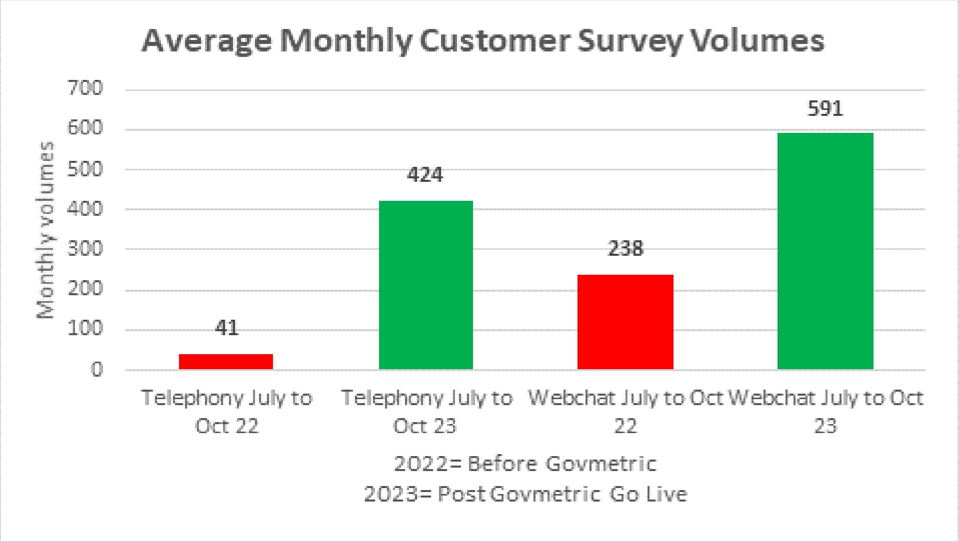
27. The above figures show a clear channel shift to online customer interactions. This was enabled through the introduction of a new Customer Relationship Management system (CRM) in March 2022. Development of in-house technical expertise within the Web Team and new functionality from both the CRM & CMS have also supported greater customer self-service online and a subsequent reduction in call volumes. This outcome was acknowledged with an industry award for Citizen Engagement and has become a Local Authority case study in Customer Experience design.

Customer Satisfaction – Contact Centre

28. In October 2022, we implemented a new customer feedback tool called GovMetric for telephony, website & webchat, SMS and email to better capture customer feedback regarding their customer experience and the service they received. This feedback spans both the Contact Centre and services across the organisation (e.g. residential waste collections), providing end-to-end customer feedback regarding their interactions with us as an organisation for the first time.

29. An essential tool for data-led improvements, GovMetric drives a continual service improvement focus, identifying detailed customer feedback and trends. This insight is used to address concerns & improve our customer journeys end to end.

30. To ensure a comprehensive customer voice, high numbers of customer survey responses are key. GovMetric has increased customer feedback volumes significantly compared to the previous tool as demonstrated on the next page:



31. This increased response rate allows us to refine what we do before enquiries escalate to complaints, as well as implementing solutions which avoid repetition in the future thereby reducing failure demand.

32. For the Contact Centre, GovMetric provides detailed feedback, which is used to improve call agent performance monitoring, identify knowledge gaps and refines training whilst improving average handling time. It is also used to increase morale and motivation as high performers are identified and celebrated (to date over 20 compliments regarding individual agents have been received).

33. Feedback has informed website and content improvements as well as implementation of new digital systems such as the recent telephony platform.

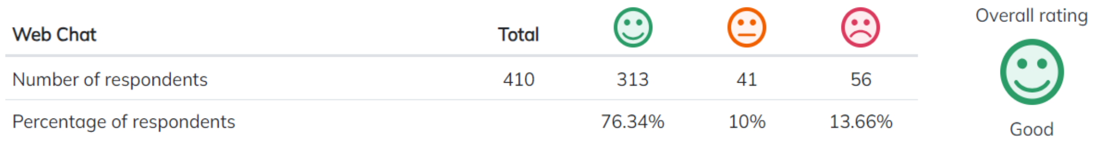
34. Lastly, data has been used to improve service provision such as Waste and Planning customer experience. In the future, there are opportunities to use GovMetric across other services to improve Council-wide customer experience standards.

35. <u>Key Performance Indicators</u>

	23/24 (Year to Date)	**Target**	**Comments**
Telephony customer satisfaction	70%	70%	Customer satisfaction at the start of the financial year was at 67% (against a target of 70%) and increased to 71% in Oct 2023. NB: this includes call handling outside of contact centre when calls are transferred to back office services.

Webchat customer satisfaction	85%	80%	KPI target increased for 23/24. Performance has improved quarter-on-quarter, peaking at 90% in Oct 23

And we can ask more pertinent questions to drill down into focussed areas:-



Web Chat	Total	🙂	😐	🙁
Number of respondents	410	313	41	56
Percentage of respondents		76.34%	10%	13.66%

Overall rating

🙂

Good

Website

36. The Council's new website was launched in March 2022, after working with customers, stakeholders and service users to create a far better experience alongside the Customer Relationship Management system. Our vision has always been to support customers to find information easier and then action faster. The website is currently rated 8/10 by Sitemorse, an improvement from 5/10 with the previous website and is a cross industry standard measurement.

37. The website has also become a space for campaigns and for people to get involved such as the recent cost of living content to enable residents to find support, warm spaces and others to volunteer. Over 70% of users told us that as a result of the website, they better understood how to obtain cost of living support and did so.

38. We are ambitious to achieve Web Content Accessibility and to be critiqued by organisations such as the Shaw Trust to strive towards accreditation. This an extremely sought after accreditation and important to accessibility as the testers involved review from the perspective of many user disabilities such as visual impairment.

39. We are also reducing the web estate, grown over many years and sometimes in silo. This will reduce what are known as 'microsites' which not only will deliver financial savings, but will also contribute towards the Council's branding standardisation, online access and user experience.

40. Since the Council's new website went live in March 22, the Web Team has successfully launched an additional 8 new or migrated microsites or offshoots to the main website. Bringing these sites in-house improves the user experience, reduces costs and brings the sites under governance and best practices for accessibility, search engine optimisation and performance. These include:

- Fostering and Permanence
- Educational Psychology Service

- Safeguarding Enfield
- Housing Gateway
- Joyce and Snells Regeneration
- LGPS Pensions website
- Health and Wellbeing

41. Additionally, the web team **retired** the following offsites since Mar 22 to reduce cost and complexity of the digital estate:

- Enfield Innovations
- Enjoy Enfield
- Enfield Strategic Partnership
- Build Enfield
- Improving Enfield
- Whitewebbs
- CEPN Training Hub
- Enfield Youth
- Social Care Centre of Excellence

42. Further sites are under development to be launched before the end of the fiscal year:
    - Informed Families (Children's social care)

Website Key Performance Indicators

43. **Total cases submitted via the website:** Since the website's launch and coupled with digital infrastructure improvements through the new CRM, customers are using our website more to submit their enquiries. Comparing a 6 month period pre and post launch, there has been a growth in 7% as per the table below:

Apr - Sep 23	Apr - Sep 22	Difference
147,905	138,165	7%

Customer Satisfaction: As mentioned previously under Customer Satisfaction, GovMetric feedback is used to improve our website functionality. Negative website feedback is reducing. With just under 5 million page views this year, we've received 3137 pieces of feedback (0.06% of total views).

44. **Time spent on website:** Website visitors are finding what they need quicker and spending less time on the site completing their tasks. Both average length of visits and pages views reduced over a six-month period year on year as per the table below:

	Mar - Aug 23	Mar - Aug 22	Difference
Avg. Session Duration (mins)	02:18	02:26	-5.3%
Pages per session	2.33	2.43	-3.9%

45. **Bounce rate:** The website's overall bounce rate is currently **28.6%. This is compared to the old website's bounce rate of 39.6%.** Some notable improvements are listed below comparing 6 month periods. These pages are in the top 10 most visited pages on the website.

Bounce rate	**Mar - Aug 23**	**Mar - Aug 22**	**Difference**
Barrowell Green Recycling Centre	31.1%	46.5%	-33.1%
Council tax	9.7%	10.5%	-7.6%
Planning register	14.0%	39.0%	-64.0%
Jobs and careers	16.0%	17.0%	-5.8%
Pay a PCN	15.4%	38.5%	-60.0%
Bulky rubbish collection	29.9%	31.5%	-5.2%
Rubbish and recycling	7.0%	20.3%	-65.4%

46. **Webform/Web Payment numbers:** The table below shows a 7% increase in the number of customers currently using webforms and online payments compared to the previous year. This is an increase in customers self-serving online without contact centre agent assistance.

	FY22/23	**FY23/24 (projected)**	**Comments**
Total no. of webforms completed	275,113	295,000	FY23/24 April-Oct shows a 7 % increase in the uptake of completed Webforms compared to previous year.

Case Study: Improving Customer Experience - Residential Waste Collections

47. The following case study is an example of where both data and expertise from Customer Services supported a multi-disciplinary approach across the Council to create tangible improvements to the customer experience of residential waste collections.

48. During 2021/22, complaints analysis for waste services identified a growing increase in missed bin collection complaints over a three-year period.

49. Changes to collection frequency, introduction of paid garden waste collections, and challenges to service delivery during the pandemic contributed towards these volumes. For example, many customers had higher expectations when paying for garden waste collections in addition to

their council tax payments; when missed, fortnightly collections left residents with full bins for longer compared to weekly collections.

50. However, many complaints related to repeat missed collections over long time periods the cause of which was unknown. Consequently, a project was established to understand what was happening, why and how to resolve it. This was a multi-disciplinary team involving waste services, customer services, transformation and digital services. Call and online chat data, customer feedback, complaints and data from the website was triangulated with frontline staff shadowing and observations to identify the root cause and design solutions to address this. The project also designed and implemented other solutions to improve the customer experience for refuse collections.

51. As a result of these improvements:
    - Repeat missed bin complaints are at all time low falling from 49 monthly average in 2021 to 9 monthly average in 2023.
    - Increased customer satisfaction with how we've handled and resolved missed bin collections with overall increase in meeting customer expectations increasing by 3% from Q1 to Q2 in 2023/24June to July 23
    - Fewer customers are calling us multiple times to report a missed bin – reducing failure demand. In 2021/22 we received 1,907 avoidable customer calls. Since removal of 4pm rule in Nov 22, during 22/23 this dropped to 1,275.
    - Missed bin MEQs are decreasing. The monthly average between Jan 22 to Sept 22 and Jan – Sept 23 has fallen by 40% from 15 to 9 per month respectively. Although there have been some peaks and troughs over the past 9 months.
    - Since Oct 22 to Sept 23:
        - Repeat missed bin collections (all waste streams) has reduced from 401 to 271.
        - Repeat missed garden waste collections have reduced from 64 to 23.
        - Quarterly number of missed bin collections have reduced from 4,650 (0.19%) to 2,922 (0.12%)
        - Quarterly garden waste missed bin collections have reduced from 729 (0.38%) to 415 (0.22%)

Unified Communications Technology, Tools and Future Aspirations

52. The past 12 months have seen a number of digital customer experience projects begin delivering tangible improvements across Customer Services. These have contributed towards the increase in performance outlined in this report.

53. An example of this is the Unified Communications project, which completed its first phase in October 23 by replacing the telephony platform and call handling systems for the Contact Centre, Council Housing Repairs call centre and the IT Service Desk call centre. The new telephony systems went live on 25th October 2023.

54. The previous telephony platform (ININ) used by the contact and call centres above were 'end of life' and had to be replaced.

55. This also presented an opportunity to upgrade the technology we use to handle customer calls thereby improving the customer and staff experience as well as increase the stability of our digital infrastructure by moving to a cloud-based system.

56. Phase 1 is a proof of concept to trial the new technology before undertaking procurement for council-wide telephony. New functionality driving performance improvement in the Contact Centre includes:

    - Cloud hosted for service quality and continuity
    - New wallboard for manager and agent status awareness
    - New gamification dashboard to show how agents are performing
    - Allocation of call queues to individual agents and call back allocation for effective call handling

Wider Ambition

57. The project will soon be entering its second phase with procurement completing in Oct 24. The aim is to rationalise our telephony platforms to realise revenue savings as well as improving the customer experience end-to-end by monitoring calls from the contact centres through to the back-office conclusion.

58. By creating one telephony platform for all of LBE’s telephony systems, the following benefits will be achieved:
    - We can finally monitor customer calls from front to back offices and use this insight to improve customer experience end-to-end.
    - Better system integration will advance our ‘single view of customer’ ambition – one repository for customer contact & enquiry history.
    - Ability to translate conversations into different languages, reducing our reliance on external translation services.
    - When customers report an issue (website, online chat, telephony) investigation tasks are automatically created and sent to services for faster resolution.
    - Customers can communicate with us through additional channels including social media with lower-level enquiries managed by chatbots/automation.
    - We proactively tell customers when an issue occurs (rather than customers contacting us).

Next Steps

59. There are a number of ongoing initiatives and projects due for completion over the next 12 months, including the above Unified Communications project and consolidating our digital estate. We will also continue to embed recent capabilities such as enhanced customer feedback, tailoring agent training to improve performance and developing chatbot functionality.

60. In terms of new initiatives, in 2024/25 we will have the technical capability to track repeat customer contact. This is an important customer experience KPI which the organisation has not had the ability to track previously.

By understanding why customers are contacting us about the same issue or enquiry, we can design and implement improvements which resolve the enquiry first time and at first point of contact. This will avoid repeat contact in the future, thereby reducing failure demand. This results in a better customer experience as well as a more efficient use of staff time and resource allocation (both in the Contact Centre and in the back-office services).

61. The Web Team is working with Digital Services to scope out further development of AI and automation of our CRM. Further investment in this area will support the opening of more customer communication channels and the efficiencies these unlock. For example, if a customer prefers to tweet about a fly tip in Turkey Street, CRM finds this information logs it, sends it to the relevant service to resolve and then returns a tweet that the action is in hand.

Relevance to Council Plans and Strategies

62. Overall Customer Service contributes towards the Council Plan priority – Accessible and Responsive Services. Improving customer experience through our processes, people and technology contributes towards a positive experience for our customers and residents when interacting with the Council through the Contact Centre, Libraries and Community Hubs. We also use our data and expertise to support services across the organisation to improve their service provision with better customer service.

63. Clean and green places: Customer services provide spaces to discuss issues and find solutions such as libraries and community hubs. Libraries are already signed up to the Libraries Green Manifesto.

64. Strong, healthy and safe communities: Libraries and community hubs working with partners to support “health on the high street” around delivery of activities, advice and guidance for all matters relating to physical and mental health. We also facilitate social capital and partnerships in spaces such as the Public Living Room Library, welcoming groups such as REACT and Fore Street 4 All our contact centre works with Integrated Care and Equipment Service and community lines to support the Cost of Living agenda. Our website is there to provide both accessibly and quality information.

65. Thriving children and young people: We deliver education, resources, study space, activities and a safe building to learn from birth, with a class visit happening every day in an Enfield Library.

66. An economy that works for everyone: We offer skills and employment facilities throughout our buildings such as job clubs, CV writing, application and interview techniques and support STEPs in delivery of their service via telephony and webchat.

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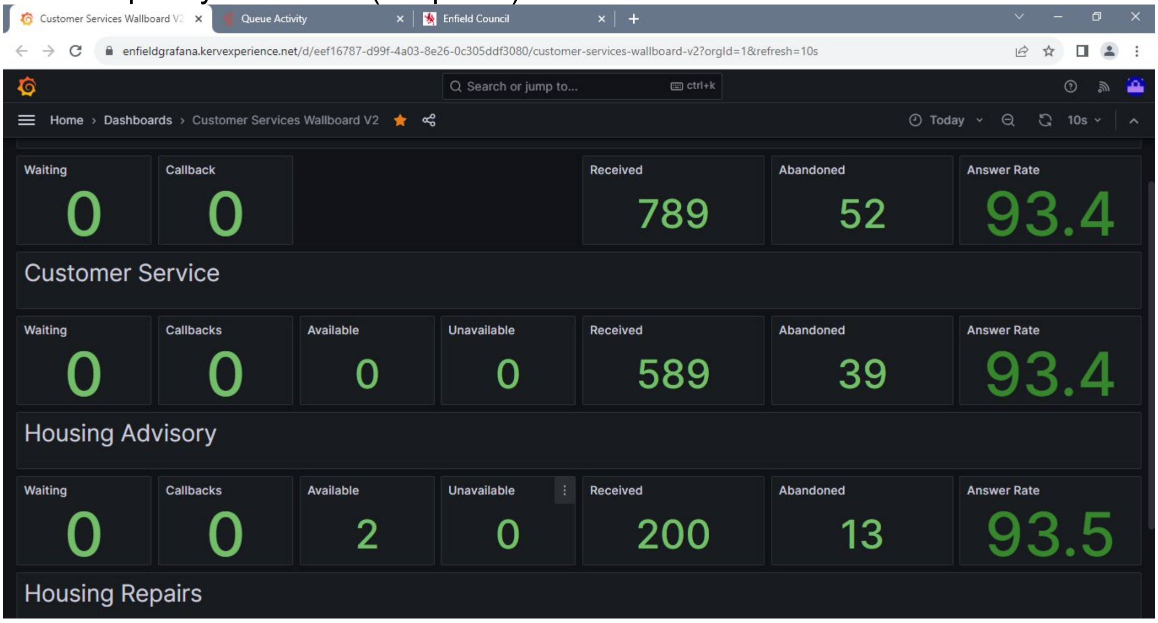
Appendices

Useful links

Makerspace
https://www.enfield.gov.uk/news-and-events/2023/08/makerspace-project-provides-opportunities-for-creative-residents

New telephony wallboard (snapshot)



enfieldgrafana.kervexperience.net/d/eef16787-d99f-4a03-8e26-0c305ddf3080/customer-services-wallboard-v2?orgId=1&refresh=10s

Waiting	Callback			Received	Abandoned	Answer Rate
0	0			789	52	93.4

Customer Service

Waiting	Callbacks	Available	Unavailable	Received	Abandoned	Answer Rate
0	0	0	0	589	39	93.4

Housing Advisory

Waiting	Callbacks	Available	Unavailable	Received	Abandoned	Answer Rate
0	0	2	0	200	13	93.5

Housing Repairs

CCMA Report

CCMA-Voice-of-the-C
ontact-Centre-Consun

Agenda Item 5

London Borough of Enfield

Report Title	Council Companies Overview
Report to	Finance and Performance Scrutiny Panel
Date of Meeting	16.01.24
Cabinet Member	Cllr Tim Leaver
Executive Director / Director	Fay Hammond/Olga Bennet
Report Author	Olu Ayodele
Ward(s) affected	
Classification	Part 1 Public and Part 2 Confidential Appendix
Reason for exemption	By virtue of paragraph(s) marked below with * of Part 1 of Schedule 12A of the Local Government Act 1972: 3 Information relating to the financial or business affairs of any particular person (including the authority holding that information).

Purpose of Report

1. To provide an overview of the purpose, operation and financial position of the Council's companies. Financial information is based on the 2023/24 Period 6 position, reported to Cabinet in November. The detailed reports are attached as appendices.

Main Considerations for the Panel

2. The Council currently has 4 operational companies
    a. Lea valley Heat Network Limited (trading as Energetik limited)
    b. Housing Gateway Limited (HGL) and subsidiary Enfield Lets
    c. Montagu limited liability Partnership
    d. Meridian Water Estate Management Company

3. An overview of each company is provided below.

4. **Energetik**

5. A limited liability company established by the Council in 2015 to develop, own, and operate community energy networks in the borough and provide better value energy that is reliable and environmentally friendly. It is 100% owned by the Council and funded through Council loans and grants.

6. The Company has 4 operational satellite heat networks, and the construction of the Meridian Water Energy centre is expected to be operational in a few months.

7. Total funding of £94m has been approved, consisting of £77m in loans and £17m grants. A total of £53.5m - loans of £36.5m and grants £17m have been passed across to Energetik.

8. A working capital facility of £3.5 million has also been approved by the Council to support Energetik's operational costs, whilst connection fee income grows, as housing developments link up to the network.

9. Energetik is currently updating its business plan to reflect changes in the wider economic landscape, such as inflation and interest rates, as well as the revised expected delivery of key developments (including Meridian Water and Joyce & Snells).

10. Energetik will not be entering into any new contractual commitments until the business plan and financial model refresh is completed.

11. Energetik provides quarterly performance reports to the Council, as well as regular reporting via the Council's Interdependency Board. This is in addition to the company's internal reporting and governance arrangements.

12. **Housing Gateway Limited**

13. A limited liability company established by the Council in 2014 to provide quality affordable rented accommodation, thereby assisting the Council manage its temporary accommodation challenges and discharging its statutory homelessness duty.

14. The Company is funded through a combination of loans and grants, with Council's outstanding debt related to HGL forecast to be £107.9m as at

31st March 2024. The company has not drawn down any loans during 2023/24, as the company has been minimising its debt exposure, by temporarily, using its cash reserves to purchase properties.

15. Since inception HGL has built up a portfolio of 632 homes.

16. The company provides quarterly performance reports to the Council. In addition the company manages its financial operations through a Finance and Investment Committee.

17. **Enfield Lets**

18. Established in 2020 as an ethical letting agency, operating as a division of Housing Gateway Limited providing early intervention, affordable options, and removing typical barriers to letting.

19. It is governed by the same framework as HGL.

20. **Montagu limited liability Partnership**

21. Established in 2018 as a 50:50 joint venture with Henry Boot Developments Ltd (HBD) to redevelop the Montagu Industrial Estate for regeneration benefits.

22. The first phase of the scheme has been completed and work is ongoing with Henry Boot Limited to review how Phase 2 will be delivered.

23. **Meridian Water Estate Management Company**

24. Cabinet established in December 202 to comply with the terms of the Development Agreement with Vistry/Countryside Partnerships

25. The primary purpose of the company is to set up a framework for the procurement and provision of services to residents of Meridian 1 and 2 and future phases. Services include highway and grounds maintenance, waste, and utilities.

26. The company is governed by a board of directors and provides regular report to the Meridian Water Executive Board

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Appendices
Companies Period 6 Finance report – Part 1
Companies Period 6 Finance report – Part 2

London Borough of Enfield

Appendix

Report Title	LBE Companies Period 6 Performance Monitoring Report 2023/24
Report to	Cabinet
Date of Meeting	15 November 2023
Cabinet Member	Cllr Tim Leaver
Executive Director / Director	Fay Hammond – Executive Director of Resources Olga Bennet - Director of Capital and Commercial
Report Authors	Nadeem Akhtar Interim Finance Manager- Capital & Treasury Nadeem.Akhtar@enfield.gov.uk Olu Ayodele – Head of Capital and Treasury
Ward(s) affected	All
Key Decision Number	N/A
Classification	Part 1 Public
Reason for exemption	By virtue of paragraph(s) marked below with * of Part 1 of Schedule 12A of the Local Government Act 1972: 3 Information relating to the financial or business affairs of any particular person (including the authority holding that information).

Purpose of Report

1. To update Cabinet on the performance of all Enfield Council Companies as at Quarter 2 of 2023/24 and provide an estimated outturn position for 2023/24, based on company loan drawdowns, which are treated as Capital expenditure and form part of the Council's capital programme. Performance relates to financial (capital and revenue) and non-financial aspects of each company.

2. The report looks at the financial position of each company from the Shareholder point of view (i.e. Council capital investment) as well as from the Company's point of view, as a separate legal entity.

3. The report also provides an update on ongoing work between the Council and the Companies, to respond to changing market conditions, and looks forward at forthcoming decisions.

4. The report covers Lee Valley Heat Network Operating Company Limited (t/a Energetik, hereinafter 'Energetik'); Housing Gateway Limited(HGL); Enfield Let; Montagu 406 Regeneration LLP (Joint Venture); and the Meridian Water Estate Management Company.

Recommendations

It is recommended that

I. Cabinet notes

   a. The 2023/24 forecast loan drawdown for each company;

   b. The 2023/24 performance of each company at Quarter 2;

   c. The current financial position of each company;

   d. HGL is exploring the option of changing current rents to reflect market rent levels.

Background and Options

5. Reporting on the Council's capital investment in its companies has previously, formed part of the quarterly capital monitoring report. In future the financial monitoring of the companies will be reported separately in this report. The report will also provide an overview of their individual performance in the context of their financial accounts and in year financial performance against budget.

6. The background to each company and main considerations are set out below.

Energetik

Executive Summary - Energetik

7. Energetik is a limited liability company which has been set up by Enfield Council to develop, own and operate a series of community energy networks throughout the borough. Since its inception in 2015 Energetik has created 4 satellite heat networks through the use of repayable loan financing from the Council. The Council has secured the low interest rate Tranche 1 loans and has onward lent to Energetik.

8. Total funding of £94m has been secured for the project. The Council has secured a total of £67m in loan funding and £17m grant funding from external organisations. A further £10m loan is yet to be secured from the Public Works Loan Board (PWLB) to finance a proportion of the Council's match funding. The loan and grant funding are split into different 'tranches' (the batch of funding secured). Table 1 below provides further information.

9. The satellite networks are operational. Tranche 1 loans of £16m were secured by the Council of which Energetik has drawn £13.4m

10. Energetik is currently constructing an energy centre near the Meridian Water development, which is expected to become operational at the end of the 2023 calendar year.

11. The Council has secured Tranche 2 Government loans and grant. The energy centre is being financed from £29.8m of low interest rate loans. Energetik has drawn £24.0m of the loans via an on-lending agreement, and £5.0m grant was passed to the Company in the form of an equity investment in return for shares.

12. In March 2021, the Council was successful in securing a Tranche 3 HNIP loan (£11.9m) and HNIP grant (£12m) for the expansion of the heat network from the Meridian Water Energy Centre to west of the Borough. Council approved the works in June 2021. Since the Council approval, the economy has undergone a dramatic change caused by global geo-political events. This has resulted in rising inflation and the Bank of England accelerating the Bank Rate. Rising inflation has meant the cost of raw materials and labour is now more expensive than first anticipated, whilst a rising bank rate has had an adverse effect on the cost of borrowing. The impact of these factors has meant the Council is now reviewing its capital programme including housing and regeneration developments upon which Energetik has built its business model.

13. To date £12m of Tranche 3 financing has been passed to Energetik in the form of an equity investment in return for company shares. A £15m loan was secured from the Mayor of London's Office in April 2023 to fund part of the match funding (the remainder to be funded from the Public Works Loan Board). In June 2023 Contractors have started capital works to connect the Meridian Water energy centre to the Ponders End heat network. The works have been part funded from the grant and there is a need for loan financing to fund the remainder of works. The loan funding will be made available through

a loan agreement that is currently being drafted by the Council's Lawyers and will be funded from the HNIP loan. Further contractual works are on hold subject to a business plan review. The Council continues to hold all undrawn loan balances.

14. Energetik is able to generate cashflows from the 863 customer connections that it has secured. As a result, Energetik has been able to service its debt to the Council in a timely manner. However due to a delay in large Council developments and the impact on future connection fees Energetik does require a working capital facility from the Council to fund operational costs until such time income from developments is realised. The Executive Member for Finance has approved a working capital facility of £3.5m. The legal agreement for this has been signed. The facility was part of the HNIP grant conditions.

15. The Company made a financial loss in the last financial year but is forecasted to return to profit in the current financial year. Energetik continues to remain solvent. As at 1 April 2023 Energetik had an opening loan balance of £33.9m and as at 30 September Energetik had a debt balance of £35.4m owed to the Council. Debt balance at 31 March 2024 is anticipated to be £41.5m, the increase in debt representing the works undertaken at the Energy Centre and contractually committed Tranche 3 works.

16. The Council in turn had an opening debt balance of £45.6m on 1st April 2023 relating to loans it has secured for onward lending to Energetik. The Council is projected to have a loan balance of £59.5m at 31 March 2024. The change relates £15.0m of new debt secured for Tranche 3 investment.

17. Work is ongoing with the company to refresh its business plan in light of delays and rephasing of the developments in the borough and the changes in the wider economic climate, i.e. rising interest rates and inflation, particularly construction inflation. In July 2023, the Council appointed an independent sector specific external consultant to review the financial model used by Energetik to supports its business plan.

18. Energetik are not entering any new contractual commitments until this work is completed. The Council and Energetik are also reviewing the opportunities for external partnerships to facilitate the long-term growth of the network.

Background

19. The company was established in 2015 by the Council to provide better value energy that is reliable and environmentally friendly. Enfield Council owns 100% of the company shares. A shareholder agreement sets out the remit of the company and the extent of its delegated powers and those matters that the Council reserves for its own decision making.

20. The total funding to be provided by the Council is £94.0m. The Council will in turn fund this as follows:

    - £57.6m in the form of low-cost loans from organisations backed by the Government including the Mayor of London's office.

- £10.0m from the European Investment Bank
- £17m in Government grants
- £9.4m borrowed by the Council from the Public Works Loans Board (PWLB).

21. The funding has been divided into three tranches as summarised in table 1:

Table 1: Energetik Funding

Funding Source	Tranche 1	Tranche 2	Tranche 3 (External)	Total Loan Approvals
	£m	£m	£m	£m
EIB Loan	10.0			10.0
LEEF Loan	6.0			6.0
MEEF Loan		15.0		15.0
HNIP Loan		9.8		9.8
HNIP Grant		5.0		5.0
HNIP 2 Loan			11.9	11.9
HNIP 2 Grant			12.0	12.0
MEEF 2			15.0	15.0
PWLB			9.4	9.4
	16.0	29.8	48.3	94.0
Amount drawn (Loans & Grant)	13.4	28.1	12.0	53.5
Loans remaining from 2021 approval	2.6	1.7	36.3	40.5

22. Table 1 details the funding the Council has put in place to support the development of the heat network. The Council has approved three tranches of investment, funded by low-cost government funded loans and grants. (KD4642) in 2019 approved an investment of £30m (£25m on-lending and £5m grant invested as equity). This was to fund the construction of the main heat network at Meridian Water, as well as other satellite schemes. The financial aspects of Energetik's business case are mainly predicated on the delivery of connections at the Meridian Water and Joyce & Snells schemes. which generate connection fees for the company and on which the business plan is underpinned. Around 17,000 customer connection numbers are required to be achieved for revenues to cover operational costs (excluding connection fees). In the early years connection fees are critical to pay operational costs.

23. KD5304 in 2021 approved a further £49m (£37m on-lending made up of £12m HNIP2 £25m PWLB and £12m HNIP grant invested as equity to fund pipework extensions north from Meridian Water to reach Southbury road and then Enfield Town and west to connect and decarbonise the satellite schemes. The key anchor developments, detailed in the report, were Edmonton Green shopping centre, Colosseum Retail Park, and Palace

Gardens, the Civic Centre, North Middlesex University Hospital and GLA home sat NMUH.

24. The business plan was approved in June 2021 (KD5277) as part of the approval process for the Tranche 3 expansion of the heat network.

25. Gross loans of £36.5m have been advanced by the Council to Energetik as at 30 September 2023. £13.4m relates to Tranche 1 and £23.1 relates to Tranche 2. Grants of £5m and £12m have also been passed over to Energetik in the form of equity investment relating to Tranche 2 and Tranche 3, respectively. Total funding given o Energetik amounts to £53.5m as at 309 September 2023.

Overview of Council Investment

Capital Programme

26. Table 2 details the 2023/24 approved capital budgets that fund Energetik's loan drawdowns and forecast drawdowns at year end. The budget was approved by Council on 23rd February 2023 as part of the Council's ten-year capital programme (KD5502).

27. Energetik's capital spend is funded by Council repayable loans and GLA/Government grants that have been invested in Energetik, as equity (shares).

Table 2: Energetik's capital programme and financing 2023/24

	Loan drawdown @ Period 6 2023/24	Approved Budget 2023/24	Forecasted drawdown@ 31 March 2024	Variance
	£m	£m	£m	£m
Energetik Tranche 1&2 (Phase 1)	1.6	5.1	2.5	(2.6)
Energetik Tranche 3 (Phase 2)	0.0	12.4	6.2	(6.2)
Total Capital Expenditure	**1.6**	17.5	8.7	(8.8)
Financed by				
Tranche 1 loans	0	2.6	0	(2.6)
Tranche 2 loans	1.6	2.5	2.5	0.0
Tranche 3 loans (HNIP2)	0	11.9	6.2	(5.7)
Tranche 3 loans (MEEF/PWLB)	0.0	0.5	0.0	(0.5)
Total Financing	**1.6**	**17.5**	**8.7**	**(8.7)**

28. During the period 1 April 2023 to Period 6, a loan of £1.6m was drawn down to finance capital spend relating to works being undertaken at the Meridian

Water Energy Centre , the Meridian Water One Development and to extend pipework west to the Joyce and Snells development.

29. To date capital works have been centred around the development of the Meridian Water Energy Centre, which is anticipated to be completed imminently. Capital works have commenced on the Phase 2 construction of the heat network, with pipe work being installed from the Meridian Water Energy Centre north towards Edmonton Green, which will connect to the Ponders End heat network before continuing north/west.

30. Connection of the Electric Quarter development to the Alma Road development was funded as part of the Tranche 2 loan, and this is complete. The works to take the pipeline north are anticipated to be financed from the Tranche 3 HNIP2 loan under an Interim Loan On-Lending Agreement (KD5646).

31. Energetik forecast capital loan drawdowns of £8.7m in the year 2023/24, compared to a budgeted draw down of £17.6m at 2023/24 budget setting.

32. The significant change in the estimated drawdown is due to programme revisions in light of regulatory and economic conditions (rising interest rates; high inflation; high construction costs, changes to fire regulations) that have affected the Council's and private sector developments that, in 2021, were anticipated to be further ahead than they currently are. Programme changes at these developments has had a knock-on effect on new homes connecting to Energetik's heat network. A delay in connections means connection fee income, and subsequent revenue income from heat sales is delayed. Consequently, there is less revenue available to meet operating costs whilst servicing capital loans that are required to develop other parts of the heat network.

33. Energetik review the affordability and viability of each line prior to entering into contract. The Shareholder has asked Energetik not to enter into any new major contracts until the refreshed business plan is brought to Cabinet.

Revenue Finance

34. Energetik purchases a number of services from the Council under Service Level Agreements. These cover accommodation, accountancy, procurement, and exchequer services. The cost of these services in 2022/23 was £59k.

Overview of Company Performance

Business Plan Update

35. Cabinet last reviewed Energetik's financial business model in June 2021 when it approved the Tranche 3 funding to extend the heat network along the "green" and "yellow" lines. Since then, there has been significant global challenges which has resulted in a combination of increases to energy prices, construction costs & interest rates. In addition, there have been changes and

delays to the phasing of housing developments. Cumulatively, all of these factors have had a significant impact on the company's financial business model. The business plan is currently being updated and will be reported to members later in the financial year.

Connections update

36. As at 31st August 2023, there were 865 total connections to the heat network. This is unchanged from 31st March 2023, but is 25% down on Energetik's budget which was based on the Council's delivery plan for developments made in Q4 2022/23. The forecasted connections at 31st March 2024 is expected to be 1,506. This new forecast is 19% lower than the 2021 original forecast for this point of 1,870.

Financial Performance

Financial Accounts 2022/23 Update

37. The audit has almost concluded and has not found any issues that may lead to a qualification of the accounts. It is anticipated that the audited accounts are to be published by December 2023.

38. Draft financial results from the draft accounts are detailed in Tables 3 and 4.

Table 3: 2022/23 Unsigned Profit and Loss

(£m)	2022/23	2021/22	Change	Change as %
Total Turnover	2,940	2,965	(25)	-0.8%
Gross Profit	2,044	2,604	(560)	-21.5%
Operating Profit/ (Loss)	1,010	1,289	(279)	-21.6%
Net Profit/ (Loss)	380	108	272	251.9%

Table 4: 2022/23 Unsigned balance sheet

(£m)	2022/23	2021/22	Change	Change as %
Total Fixed Assets	45,768	30,454	15,314	50.3%
Current Assets	7,519	12,340	(4,821)	-39.1%
Current Liabilities	(1,914)	(10,925)	9,011	-82.5%
Total Assets Total Assets less Current Liabilities	51,373	31,869	19,504	61.2%
Net Assets	15,602	15,222	380	2.5%
Call-up Share Capital	17,750	17,750	0	0.0%
Retained Earnings	(2,148)	(2,528)	380	15.0%

39. The unsigned profit and loss account and balance sheet show:

- While total turnover was relatively stable year on year, the revenue from heat and electricity sales increased by £350k 43%, with connection fee income reducing by £375k 17%;
- Gross profit reduced by 21.5% as cost of sales increased year on year (YoY) by 148%. This was caused by the unprecedented turmoil in the energy markets, with gas costs increasing by 321% and electricity costs by 93% Combined these increases totalled £541k and was only partially recovered in higher heat and electricity revenues.
- Operating profit fell by 21.6% YoY, due to the impact of increasing cost of sales offset by a reduction in administrative expenses.
- Net profit before tax at £30k, was down £622k YOY as net interest costs increased by £343k 54%, reflecting further loans taken in the year to finance the capital programme. Net profit after tax of £380k increased YOY as a reduction to the deferred tax provision added £350k to profit.
- Total fixed assets increased by 50% YoY upon realisation of new capital assets being constructed.
- Overall net assets of Energetik increased by 3% YoY. Total growth in the Energetik's total assets was offset by an increase in long-term creditors (in recognition of new capital loans raised from the Council, a YoY change of 129%);
- Energetik's share capital remained unchanged whilst the deficit in retained earnings reserve was reduced by 15% YoY, by the in year profit after tax.

Current Year Financial Update

40. Refer to Part 2 of the report.

Risks and opportunities

41. Listed below are key risks identified by Council and Energetik and are under review.

42. **Funding conditions:** The grant and loan offered by HNIP for Tranche 3 was on the basis of the scope assessed at the time. The Council will need HNIP agreement to vary the scope and maintain the cost at the original level. **Mitigation:** Alongside Energetik, engage HNIP's advisors about grant reprofiling.

43. **Development fluidity**: Both private projects and projects led by the Council are fluctuating in delivery commitments and/or timescales, continually impacting the company's projected cash flow and therefore the Council's risk exposure.

44. Delaying capital spend increases grant funder risk as we go beyond backstop dates, and also increases inflation on core build costs, reducing what can be delivered with grant funding.

Mitigation: continue to monitor through the Interdependency Board and encourage Energetik to secure major connections to existing institutions and/or other heat networks. It should be noted however that for Energetik to secure such major connections to existing buildings/heat networks, that additional funding would be required to extend its network and connect.

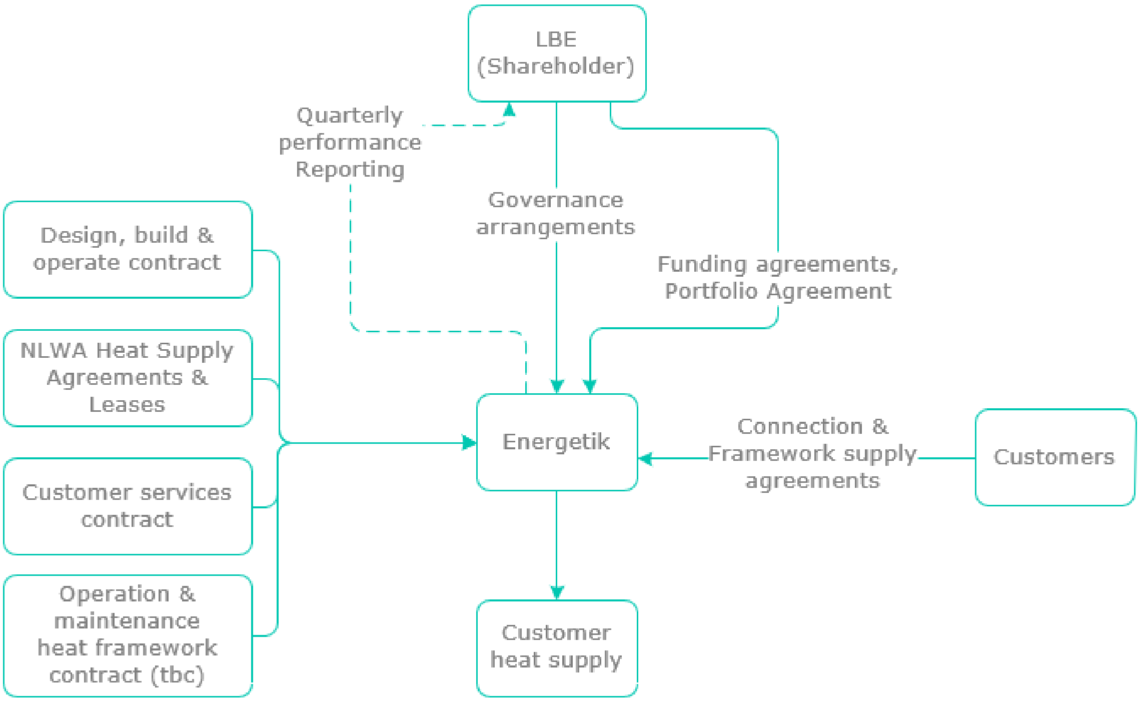
45. **Future growth:** Energetik cannot expand without further investment but making full use of the waste heat from the incinerator requires Energetik to grow. Expansion requires additional up front capital investment.
46. **Mitigation:** Explore further central Government funding opportunities to enable Energetik to continue to grow

47. **Regulation**: Government is bringing in industry regulation for heat networks in late 2023/early 2024, with secondary legislation being introduced over the next two years. Part of the regulation will be to develop heat network zones, obliging heat networks to be built out within zones and mandating certain buildings to connect (new development, large heat consumers in existing buildings etc). This will create an obligation for many buildings to connect to Energetik's heat network over time.
    Mitigation: Enfield, via Energetik, is currently participating in a regulatory Heat Network Zoning pilot project, and will have a significant head start when regulation comes into force, building on the work currently being undertaken.

48. **Construction cost:** aggravated by construction being deliberately slowed to match the delayed delivery of developments.
49. **Mitigation:** enter into contracts sooner where permissible to lock into prices.

Governance

50. Energetik reports to the Council via various formal channels:
    - Quarterly performance reporting
    - 'Client' meetings with Council directors
    - Interdependency board meetings
51. The diagram below outlines the corporate structure of Energetik and identifies the high-level governance and commercial arrangements that have been in place. Energetik is set up as the delivery vehicle. The current arrangement is based on Council led governance reviews to determine the most appropriate structure:



52. **Management structure:** The Board of Directors currently comprises five Directors made up of one Councillor Director, two Non-Executive Directors (NED) from the district heating industry and two executive directors. The Managing Director and the Technical Director (executive) are experienced directors in the delivery and operation of complex heat networks and infrastructure projects of this nature.
53. The day to day business is run by a small but highly experienced in-house management team, which has more than 100 years combined operational, financial and technical expertise in the district and community heating industry, in both the UK and Europe.

Housing Gateway Limited (HGL)

Executive Summary - HGL

54. In February 2014 Cabinet agreed to establish a wholly owned local authority company to acquire and manage properties in the private rented sector, to be used by the Council to discharge its statutory homelessness duties. This was in response to the £3.3m budget pressure facing temporary accommodation in 2014/15, which was predicted to rise to up to £7.8 million if no action was taken.

55. The local authority company – Housing Gateway Limited (HGL) was established in March 2014 and is responsible for the identification of properties; property acquisition; undertaking any necessary renovation to bring the properties up to the required lettings standard and ongoing property management.

56. As at 31 March 2022, the Council has avoided costs of £13.3m in temporary accommodation costs and a further £1.5m is expected in the current financial year.

57. HGL's property acquisitions are financed through loans raised via Enfield Council, as well as grants secured from the Government and the GLA. HGL services the loans annually. HGL had an opening debt balance of £126.8m on 1st April 2023 and is projected to have a loan balance of £120.1m at 31 March 2024 and assumes no further loans drawn. The underlying book value of the fixed assets totalled £157m at the end of 2022/23.

58. The Council has financed the HGL loans through the Public Works Loan Board (PWLB) and onward lent the loan. The Council had an opening debt balance of £109.3m on 1st April 2023. The Council is projected to have a loan balance of £107.9m for specific HGL-related loans at 31 March 2024. The Council has also lent £10.7m to HGL from the overall PWLB loan pool.

59. HGL has made a financial profit in the last two financial years and is forecasted to make a profit in the current financial year. HGL continues to remain solvent.

60. HGL's loan portfolio will be reviewed, with the aim to refinancing loan terms to suit both party's needs. This includes reviewing HGL's internally borrowed position and the impact on a potential dividend to the Council.

61. Following discussions with the Council, HGL are evaluating the implications of increasing existing tenants' rents to market rent from April 2024. The proposal is to issue new tenancies after April 2024 ,at market rent, where the new rent is affordable for the tenant, assuming the Council's affordability criteria can be met

62. HGL has historically let all properties at rents no greater than Local Housing Allowance(LHA). HGL will continue to assist residents who cannot readily access private rented (PRS) accommodation by not requiring credit checks, deposit or rent in advance. However, in order to provide a PRS offer in line

with the private rented market as a whole, creating fairness and responding to the current changes in the market, HGL's rents will be increased to market rent from April 2024.

63. It should be noted that if LHA rates had risen in line with the rents in the private sector, tenants in receipt of benefits would be entitled to benefits equal to the full market rent. HGL's product remains sub-market for purposes of subsidy control as there is not a requirement for a credit check, rent in advance, or a deposit

Background

64. Formed in 2014, Housing Gateway Limited (HGL) is a wholly owned Enfield Council company. Its founding purpose was to assist the Council to manage its Temporary Accommodation challenges. HGL offers assured shorthold tenancies against which the Council can discharge its homelessness duties. Since Housing Gateway's inception, it has built up a portfolio of 632 homes and a strong balance sheet. It has provided a quality housing solution for families who would otherwise be placed in temporary accommodation and hopes to continue expanding to support the Council's aims, to eradicate the use of temporary accommodation, and prevent homelessness[1].

65. HGL's strategic objectives are as follows:

    a) Deliver demonstrably good quality housing for residents ensuring the portfolio meets decency standards and aligns with the Shareholders decarbonisation strategy.

    b) Maximise the financial return to the Shareholder, contributing to the alleviation of the Council's financial pressures arising from the shortfall in the provision of temporary accommodation, whilst balancing the needs of our residents and condition of housing stock.

    c) Develop Enfield Let, an innovative ethical lettings agency, collaborating with the Council to complete a stock transfer of Temporary Accommodation.

    d) Review HGL's operating model to ensure that residents in the most need are prioritised and the number of residents who benefit from HGL's stable, affordable accommodation, are maximised.

    e) Promote the company's governance processes ensuring recruitment and training of key posts.

    f) Support the Council's need for specialist accommodation by developing innovative housing solutions.

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[1] www.enfield.gov.uk/housinggateway

Overview of Council Investment

Capital Programme

66. HGL's capital budget was approved by Council on 23rd February 2023, as part of the Council's capital programme (KD5502).

67. Actual capital spend is undertaken by HGL and is funded by the Council via repayable loans or GLA/Government grants that are passported on, via the Council.

Table 5: HGL's capital programme and financing

	Loan drawdown Period 6 2023/24 £m	Approved Budget 2023/24 £m	Year end forecast £m	Variance £m
Housing Gateway Ltd	0.0	2.2	4.2	2.0
Housing Gateway Ltd (subject to Cabinet second level approval)	0.0	9.0	6.0	(3.0)
Total Capital Expenditure	0.0	11.2	10.2	(1.0)
Financed by:				
Grant	0	0	2.0	2.0
Borrowing	0	11.2	8.2	(3.0)
Total Financing	0.0	11.2	10.2	(1.0)

68. There have been no loan drawdowns as at 30 September, as HGL has been minimising their debt exposure by planning to use existing cash to temporarily fund capital purchases. The year end forecast is based on a drawdown of £10.2m, financed by a new LAHF grant award of £2m and Enfield Council loans. In response to the challenges faced by the Council in temporary accommodation, it is anticipated that this will result in the following capital works and acquisitions:

    - In line with budget HGL anticipates 50 purchases between Oct 23 – Mar 24. Following the Council's agreement for HGL to use its equity differently in June 23 has mobilised the Acquisitions team to secure a healthy pipeline of 31 properties with offers accepted.

    - HGL will also be conducting major works at Brickfield and Greenway House – Revenue £2.4m, capital £3.7m.

Overview of Company Performance

69. **Business Plan Update:** The Council last reviewed HGL's/ financial business plan in depth in March 2021 (KD5277). The business plan covered the period 2021 to 2024. The plan set out key strategic target for the core portfolio is to expand by 300 properties by March 2024. The business plan is currently being updated to reflect its new business model including the management of temporary accommodation and will be reported to Cabinet and Council on completion.

70. **Financial accounts 2022/23:** The external audit of the 2022/23 financial accounts has been completed and the accounts were signed off at the HGL Board meeting on 26th September 2023. Key financial results from the draft accounts are detailed in Tables 7 and 8.

Table 6: Audited profit and loss account

(£m)	2022/23	2021/22	Change	Change as %
Total Turnover	12.97	11.14	1.84	16.5%
Gross Profit	9.08	8.53	0.55	6.4%
Operating Profit & Loss	5.14	0.69	4.45	642.9%
Net Profit & Loss	1.99	2.49	(0.50)	-20.0%

Table 7: Audited balance sheet

(£m)	2022/23	2021/22	Change	Change as %
Total Fixed Assets	156.74	147.16	9.58	6.5%
Current Assets	4.34	10.60	(6.26)	-59.0%
Current Liabilities	(17.36)	(18.06)	0.71	-3.9%
Total Assets	143.72	139.70	4.03	2.9%
Net Assets	12.11	10.11	1.99	19.7%
Callup Share Capital	5.00	5.00	(0.00)	0.0%
Retained Earnings	7.11	5.11	1.99	39.0%

71. The audited profit and loss account and balance sheet show:

- Turnover increasing by 17% year on year (YoY) due to the purchase of 37 properties and a full year impact of the 49 purchased in 2021/22.
- Gross profit increased by 6.5% YoY, as a result of increased property purchases versus new let properties
- Operational profit significantly increased by 643% YoY due to a sizeable reduction in administrative expenses (47%) driven by a large increase in accrued cost in 2021/22 for the major repairs work identified at Greenway and Brickfield House.
- Year on year net profit fell by 20% as 2022 had a significant revaluation on investment properties of £5.7m versus £0.5m in 2023. This large valuation

increase outstripped the large major works identified at Greenway and Brickfield House.
- Total fixed assets increased by 7% YoY upon realisation of new capital assets being acquired.
- Overall net assets of HGL increased by 19% YoY.
- HGL’s share capital remained unchanged whilst the retained earnings reserve increased by 39% YoY to reflect in the year profit.

Financial Performance:

72. Refer to Part 2 of the report.

Other activity at Period 6

73. Following the Council’s agreement for HGL to use more equity per purchase in June 23, HGL has quickly mobilised the acquisitions team to secure a healthy pipeline of 31 properties with offers accepted.

74. HGL successfully bid for and secured £2m grant funding from DULAC to deliver 10 properties (Afghan refugee and TA accommodation.)

75. HGL has also procured main contractors and a professional team to deliver major works at Brickfield House. Additionally, HGL has aligned with the Council’s stock condition survey to provide data which will form a capital works strategy.

76. Additionally, the Finance Team have procured new accounting software to streamline processes and are currently implementing and evaluating the system prior to it going live.

Key risks identified

77. If property values substantially reduced, the company’s asset base and balance sheet would reduce, and HGL may not be able to raise sufficient cash to repay its Council debt should the Council seek to dispose of its HGL Loan portfolio.

78. Rising interest rates will make new debt (to fund acquisitions) more expensive and reduce future profits and dividend opportunities. Current debt remains fixed at relative low interest rates.

Governance

79. HGL has a board of Directors who report to the sole shareholder, Enfield Council. The Chair of the HGL board is a Council appointed Councillor, Cllr Sabri Ozaydin.

80. In addition, HGL has two committees; Finance and Investment, which govern the company’s financial and investment decisions. The operational business

is reported on the board of Directors via regular board meetings and the Shareholder via a quarterly report.

Enfield Let

Executive Summary

81. Established in 2020, Enfield Let is a division of Housing Gateway Limited (HGL). Enfield Let's financial affairs are consolidated within HGL's finances but are shown here, separately, for transparency. Enfield Let deals with letting accommodation to Borough residents and works collaboratively with the Enfield Council to tackle temporary accommodation.

82. Enfield Let's operation continues to remain in an infancy stage in comparison to other Enfield Council companies. This is reflected in the number of properties it has.

Background

83. Enfield Let is a division of Housing Gateway Limited (HGL). It was established in 2020 by the Council to help tackle social injustice in the private rental sector, assisting those who would otherwise struggle to access private housing and ensuring residents are not discriminated against because of their financial status. By providing an effective and affordable early intervention option Enfield Let aims to divert residents from presenting as homeless. This in turn will provide significant savings to the temporary accommodation budget by avoiding expensive nightly paid accommodation costs. Enfield Let aims to ensure quality and standards in the marketplace, building on the existing market offer with a secure and supported nature. Enfield Let is an ethical lettings agency ensuring the usual barriers to letting are removed.

Overview of Company Performance

Financial Performance

84. Refer to Part 2 of the report

Other activity at Period 6:

85. The Council have opted to deliver the temporary accommodation stock transfer via Enfield Let, Housing Gateway's ethical letting agency. Enfield Let have been collaborating with the Council to assist in the delivery of this project. This has involved the procurement of a new IT system, new processes & procedures, legal documents, and financial modelling. Resources have been focused to assist with the delivery of the TA stock transfer as a priority.

86. **Governance:** Enfield Let is the ethical lettings division of HGL, therefore subject to the same governance processes as HGL.

Montagu 406 Regeneration LLP (Joint Venture)

Executive Summary - Montagu

87. Established in 2018 with the Council participating in a 50:50 joint venture with Henry Boot Developments Ltd ('HBD') via an LLP to redevelop the Montagu industrial estate for the regeneration benefits, as well as increasing the quality and value of the site. Phase 1 of the scheme is complete, and most units let.

88. Spend for 2023/24 is anticipated to be £300k split between Capital and Revenue.

89. Income in the budget for 2023/24 is £300k. The Council is currently reviewing its strategy for Montagu in partnership with HBD.

Background

90. Established in 2018 with the Council participating in a 50:50 joint venture with Henry Boot Developments Ltd ('HBD') via an LLP. The objective is to redevelop the Montagu industrial estate for the regeneration benefits, as well as increasing the quality and value of the site. Phase 1 of the scheme is complete, and most units let.

Capital Programme

91. As part of the development of the 2024/25 capital strategy the capital budget of £49.8m has been moved to the pipeline, this means that further capital expenditure will be subject to the refresh of the joint venture financial model and business plan. £150k revenue funding was approved to cover the professional fees (Legal, consultancy and valuation) associated with the current review.

Revenue Finance

92. £150k of spend is anticipated during 2023/24 (P5 forecast) in relation to Legal fees for new lettings and property management consultancy fees.

93. The MRP charge forecasted for FY23/24 is £67k, excluding MRP charge on the £150k capital spend anticipated this year. MRP relates to capital expenditure incurred in years 2016/17 to 2022/23 with respect to land and building acquisitions.

Overview of Company Performance

Business performance:

94. Refer to Part 2 of the report.

Governance

95. The Montagu 406 LLP Board meets on a Quarterly basis with 2 Board Members from HBD and 2 Board Members from the Council. This Board takes all major and strategic decisions.

96. Nick Denny (Director of Property) and Cllr Boztas are the Councils Elected members of the LLP Board.

97. Montagu Operational Board meetings take place on a monthly basis and makes all decisions of an operational nature and implements LLP Board decisions.

98. The Council has a Financial Governance Monthly Call with HBD to discuss any Management Accounts issues which include Forecasting and Budgeting.

99. Further Internal Governance is provided via reporting on the Montagu LLP to the Property Board and risks are also reported to the Assurance Board.

100. A Risk Register is also updated every Quarter.

Meridian Water Estate Management Company (MWEMC)

Background:

101. Cabinet approved the formation of the Meridian Water Estate Management Company Limited (MWEMC) on 8th December 2021 (KD 5309) to comply with the terms of the Development Agreement with Vistry/Countryside Partnerships and the company was incorporated 31st March 2022 (company registration 14014705).

102. The primary purpose of the company is to set up a framework for the procurement and provision of services to residents of Meridian 1 and 2 and future phases. Services include highway and grounds maintenance, waste, and utilities.

103. These services would be provided by external contractors with some from the Council, to private as well as HRA tenants with MWEMC co-ordinating the provision of these services, collection of service charges, establishing sinking funds and managing payments to the Council and contractors.

Capital Programme:

104. There is no impact on the capital programme as the responsibilities of MWEMC will be the provision of services funded from revenue resources.

Revenue Finance:

105. It was originally envisaged that the costs of setting up and running MWEMC would initially be funded by the Council, through providing a working capital loan.

106. MWEMC would then repay this loan, with interest (to comply with Subsidy Control rules), to the Council, using surpluses accumulated in the performance of its function as service charge provider and collection agent on behalf of the Council.

107. To comply with the Council’s Treasury Management Strategy Statement (details below) such a working capital loan can only be extended once a satisfactory business plan has been submitted which demonstrates that MWEMC is viable and capable of repaying the loan with interest within a reasonable time horizon.

108. After set-up costs, it is expected MWEMC will now no longer require financial support from the Council ,as service charge income should be sufficient to support MWEMC in the medium term.

109. Set up and running costs estimated at £60k in 2023/24 and £30k 2024/25 will have to be contained within existing Council revenue budgets as these costs are not eligible for billing to residents through MWEMC.

110. A working capital facility is now not expected to be required, as it is envisaged MWEMC will become self-funding in the medium term.

Business performance:

111. MWEMC, which is incorporated by Guarantee (Council’s liability is £1), is required to file accounts to 31st March 2023 with Companies House by 31st December 2023.

112. Although there was no activity during 2022/23, handovers of units started in September 2023.

Key risks identified:

113. The main risk to the Council, is the cost of running MWEMC until it becomes operational and able to fund its own operations. These costs will not be recoverable, as they are not eligible to be charged to residents in the form of service charges.

114. Another risk is the development of service charge billing mechanisms, which are compliant with HM Revenue & Customs rules. Given the mix of supplies and the role of MWEMC as collection agent and supplier of services, care is required to ensure the correct rates of VAT are applied by the entities involved.

115. This will include the Council as Principal and MWEMC as an agent, where services originate from the Council and Service Level Agreements, are in existence.

Governance

116. The Meridian Water Estate Management Governance Board is responsible for oversight of all MWEMC activities. A review of the terms of reference is in progress and will be reported to the Council through this Board.

Preferred Option and Reasons For Preferred Option

117. This report is reporting on performance to date in the current financial year, and there is option analysis for consideration.

Relevance to Council Plans and Strategies

118. Energetik: in line with Enfield Council's Vision to make Enfield a better place to live and work, delivering fairness to all, growth, sustainability, and

strong communities, Energetik provides the Council with the opportunity to reduce carbon emissions as properties and businesses connect over time.

119. Energetik shares the Council's values and principles and is working to improve Enfield for the long term. The company's activities play a key role in creating good homes in well-connected neighbourhoods and supports the borough's ambitious regeneration and housebuilding programme through its provision of an environmentally friendly heat source.

120. HGL (including Enfield Let): Good Homes in Well Connected Neighbourhoods. An opportunity for us to develop homes and neighbourhoods for people on different incomes, which help people of all ages live healthier and more environmentally sustainable lives.

121. Montagu: The redevelopment of Montagu Industrial Estate will generate employment, encourage economic growth and provide improved industrial accommodation thereby sustaining strong local communities and with improved working conditions in new accommodation, a more-healthy workforce.

122. The Meridian Water Estate Management and Place-keeping Framework supports the delivery of the following Council Plan priorities:

- Enfield Council Plan 2020-2022
- Enfield Council Commercial Framework 2018
- Enfield Council Economic Development Framework 2021
- Enfield Council Green & Blue Framework 2021
- Meridian Water Employment Framework 2020
- Meridian Water Environmental Sustainability Strategy 2020
- Meridian Water Reserved Matters Application for Phase 1a and Outline Planning Permissions for Phase 1 and Phase 2

123. The Estate Management and Placekeeping Framework supports the Meridian Water Employment Strategy, generating the need for employment on site, as well as offering the opportunity to deliver on wider objectives within the Meridian Water Environmental Sustainability Strategy such as increasing resident recycling rates, promoting the circular economy, and reducing operational carbon emissions.

Financial Implications

124. Financial implications are citied throughout the report. In general, loans advanced to Enfield Companies are accounted for in two ways. Firstly, interest and capital repaid to the Council’s Lender(s). Interest is then charged to the Corporate Debt Management Budget. Capital repayments reduce the Councils debt liability on its balance sheet and reduces cash balances. And secondly, interest collected from Companies is recorded as interest income, which is used to offset the Council’s debt costs. All interest is recognised in the Comprehensive Income & Expenditure Statement and in the respective accounting period. Company loans are recorded as long-term debtors on the

Council's balance sheet and capital repayments received from Companies are used to reduce the long-term debtor.

125. Loan capital payments received from Companies are regarded as equivalent to the Minimum Revenue Provision (MRP) charge, in accordance with current capital finance regulations. Current MRP Regulations allow for loan repayments received from Council companies to be treated as the equivalent MRP charge for the respective year. Therefore, the Council is not required to set aside any MRP to cover the loan.

126. In the event of an Enfield Council Company being unable to make a scheduled loan repayment in the relevant financial year, the impact would firstly be a higher Council overall debt interest charge, resulting in an overspend against budget, creating a revenue pressure. Secondly a cashflow risk resulting in the Council's Treasury Management Team having to cover the incoming payment by borrowing from the capital markets, a cost that is not reflected in the loan rate. And thirdly the Council would be required to make an MRP charge to cover the loan repayment, creating an additional revenue pressure.

127. Energetik- The Council will be funding the working capital facility of £3.5m from General Fund Balances, as the facility is required to support operational costs and cannot be financed from debt. There will be an accounting charge of up to £0.5m to comply with the IFRS 9 and determine an accounting adjustment 'expected credit loss' for 2023/24. The charge will impact the General Fund balances in 2023/24. For clarity, the Council's central estimate is that all loans will be repaid in full.

128. HGL- The Council makes MRP payment on the HGL equity as this was financed by Council borrowing. No MRP is paid on the Energetik equity investment as the investment was financed by a Central Government grant.

129. With respect to Montagu, the MRP charge forecasted for FY23/24 is £67k, excluding MRP charge on the £150k capital spend anticipated this year, which is currently forecast to be funded by Capital receipts.

Legal Implications

130. The Council has the power under Section 1(1) of the Localism Act 2011 to do anything which individuals generally may do provided it is not prohibited by legislation and subject to public law principles. Further statutory powers exist for the Council to establish and invest in its companies, and Section 1 of the Local Government Act 2003 permits the Council to borrow and lend (subject to complying with the Prudential Code for Finance in Local Authorities). When taking decisions to invest in the companies, the Council must have proper regard to its fiduciary duty to act prudently with public monies.

131. In its dealings with the companies, the Council must be mindful of its different roles – for example, shareholder, lender, commissioner - and understand the parameters and responsibilities of each. When taking actions

as shareholder, it must comply with the relevant provisions of the Companies Act 2006.

132. When supporting the companies, the Council must also ensure compliance with the Subsidy Control Act 2022 and should seek legal and financial advice on a regular basis.

Equalities Implications

133. There are no direct equalities implications as the report is primarily about reporting on performance of each Council company and Council, as the Shareholder. Direct equalities implications as relevant are detailed in respective individual Company reports .

Environmental and Climate Change Implications

134. There are no direct environment and climate change implications as the matter is primarily about reporting on performance of each council Company and Council, as Shareholder, exposure. Direct environment and climate change implications are detailed in respective Council reports.

Property Implications

135. There are no direct property implications as the matter is primarily about reporting on performance of each council Company and Council, as Shareholder, exposure. Property implications are detailed in respective Council reports.

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

Agenda Item 6

London Borough of Enfield

Report Title	Procurement legislative changes
Report to	Finance and Performance Scrutiny Panel
Date of Meeting	16th January 2024
Cabinet Member	Councillor Tim Leaver - Cabinet Member for Finance and Procurement
Executive Director / Director	Fay Hammond – Executive Director, Resources Olga Bennet – Director of Finance, Capital and Commercial
Report Authors	Michael Sprosson – Head of Procurement Services and Claire Reilly – Head of Procurement Policy and Contract Development
Ward(s) affected	All
Classification	Part 1 Public
Reason for exemption	Not applicable

Purpose of Report

1. During October 2022, the Finance & Performance Scrutiny Panel received a briefing paper on the Government's post-Brexit response to public procurement transformation as set out in the draft Procurement Bill. The briefing paper also described transformational change to NHS led procurement set out in the Provider Selection Regime and described both draft legislations' key features & an initial assessment of implications for the Council.

2. The Procurement Bill received Royal Assent in October 2023 and is now an Act of Parliament (The Procurement Act 2023) with a proposed implementation during October 2024.

3. Subject to parliamentary scrutiny and agreement, the Department of Health and Social Care intends for the Provider Selection Regime (PSR) to come into force on 1 January 2024.

4. Given that these key milestones have now been achieved, it is timely to provide a summary of the key provisions of each Act, the government's

plans, timelines, and transition planning to go live. The report also provides details of the Council's preparatory work to transform and implement, together with an updated impact assessment and implications for the Council.

Main Considerations for the Panel

1. To receive an update on the key features of the new Procurement Act 2023 and NHS Provider Selection Regime together with details of local planning and implementation and an assessment of the key implications and impacts for the Council.

Background

2. **The Procurement Act 2023 – Overview of core provisions**

3. Coverage

4. Part one of the Act sets out which authorities and contracts the Act applies to. It covers contracts awarded by most central government departments, their arm's length bodies and the wider public sector including local government and health authorities. This also includes contracts awarded by utilities companies operating in the water, energy and transport sectors and concession contracts.

5. The Act also sets out a small number of simpler rules which apply to lower value contracts and makes provision to carve out those procurements regulated by the Health and Care Act (Provider Selection Regime), to ensure clarity about which regime applies.

6. Part two of the Act is focussed on the principles and objectives that must underlie the awarding of a public contract. Contracting authorities must have regard to delivering **value for money, maximising public benefit, transparency and acting with integrity.** The Act also includes a duty on contracting authorities to have regard to the particular barriers facing SMEs, and to consider what can be done to overcome them.

7. Public procurement should also support the delivery of strategic national priorities and the Act makes provision for a National Procurement Policy Statement (NPPS). The current priorities require contracting authorities to consider the following social value outcomes alongside any additional local priorities:

    - creating new businesses, new jobs, and new skills in the UK
    - improving supplier diversity, innovation, and resilience
    - tackling climate change and reducing waste

8. Undertaking a procurement

9. The Act sets out how a contracting authority can undertake a procurement and award a contract with competition being at the heart of the regime. The Act looks to boost flexibility for contracting authorities in the UK's procurement processes, addressing the challenge of rigid and prescriptive procedures.

10. Contracting authorities will have greater discretion over what type of procurement procedure they want to use when going out to market, offering more adaptability in their approach. This includes new procedure types like 'Dynamic Markets' and 'Competitive Flexible' processes.

11. The Act also allows contracting authorities to modify the terms of procurement even after it has commenced if these changes are made before certain critical deadlines and are publicised correctly.

12. Another key change is the flexibility in selecting award criteria, with contracts now being awarded based on the "most advantageous tender" (MAT) instead of the previous "most economically advantageous tender" (MEAT). This should allow contracting authorities greater freedom when deciding how to evaluate and choose suppliers, outside the standard lens of pricing.

13. There will continue to be a special regime for certain social, health and education services, specifically identified by forthcoming secondary legislation, which may be procured as 'Light Touch Contracts,' leaving room for authorities to design procurement procedures that are more appropriate for these types of services. These Light Touch Contracts are still subject to the necessary safeguarding requirements.

14. The Act also continues the existing ability to reserve certain contracts for public service mutuals, local voluntary and community sector and for supported employment providers.

15. There are a limited number of circumstances in which it may be necessary to award a contract without competition. The Act sets these out including new rules governing the award of contracts to protect life and public order.

16. Exclusions and debarment

17. The Act addresses the management of excluded and excludable suppliers for contracting authorities, aiming to enhance the integrity of the procurement process and ensure responsible supplier selection. The Act largely retains the existing grounds for mandatory exclusion, such as modern slavery but adds new offences for environmental misconduct and improper behaviour in relation to a procurement (such as theft, corporate manslaughter, and competition law infringements). With regard to supplier's tax conduct, it will still be difficult to enforce responsible tax conduct from suppliers, however the new transparency notices (see below) are expected to require beneficial ownership disclosure of

successful bidders. A move which will help to reduce the risk of tax avoidance and fraud.

18. A notable change is the inclusion of prior poor performance as a basis for exclusion, extending to cases where a supplier has failed to improve their performance despite opportunities to do so. Moreover, the Act allows suppliers to be excluded based on the status of their associated suppliers and subcontractors, not just their individual performance.

19. The Act also establishes a central Debarment List, where a Minister of the Crown may include the names of excluded or excludable suppliers. Suppliers on this list will be temporarily barred from bidding for public contracts. However, they have the option to seek removal if there is a significant change in circumstances. Even if a supplier is not on the Debarment List, contracting authorities must consider these exclusion grounds during tender exercises. This, combined with transparency obligations for reporting poor performance and breaches, increases the likelihood that a supplier's past conduct will impact their bidding eligibility. Suppliers may also inform authorities about their competitors' negative reports.

20. Transparency Notices

21. Running throughout the Act are requirements to publish notices. These are the foundations for the new standards of transparency which will play such a crucial role in the new regime. The Act introduces a range of new statutory notices that must be published throughout the procurement process and contract lifecycle. These new notice types include planned procurement notices, preliminary market engagement notices, pipeline notices, transparency notices for direct contract awards, contract change notices, and termination notices upon the conclusion of a public contract.

22. Contract management

23. The Act introduces a new requirement for contracting authorities to publish contract key performance indicators (KPIs) to evaluate supplier performance, addressing the need for greater accountability and transparency within the procurement process. When contract KPIs are published, contracting authorities are obligated to assess supplier performance against these indicators at least once every twelve months and make this assessment information public. This change aims to improve supplier performance monitoring and provide valuable insights into the effectiveness of procurement contracts. However, this is only required for contracts with an estimated value above £5 million, and excludes certain contract types, such as those awarded through framework agreements ut does include call-off contracts awarded under frameworks.

24. Terminating contracts

25. The Act broadens the implied rights of contracting authorities to terminate public contracts, addressing the challenge of ensuring contract

compliance and integrity. Grounds for termination now include instances where the contract was awarded or materially modified in breach of the Act. Termination is also permitted when a supplier becomes an excluded or excludable supplier, and, under specific conditions, when a subcontractor of the supplier falls into the excluded or excludable category. These changes enhance the authority's ability to maintain contractual compliance and protect the integrity of the procurement process.

26. Supplier registry

27. The Act will introduce a new supplier registration system to centralise information on suppliers. The Act seeks to address a common situation whereby suppliers were required to submit information on themselves across multiple platforms and websites if they intend to bid on work spanning different contracting authorities and sectors. This was a particular time-suck for smaller suppliers. The new supplier registration system will mean suppliers should only need to submit basic profile information once; this information will be stored securely and be made accessible to other procurement systems. The system will also make it clearer what information they need to keep up to date.

28. Oversight

29. The Act gives an appropriate authority oversight over contracting authorities and the power to investigate their compliance with this new Act, as part of a new Procurement Review Unit (PRU). Operational principles are currently being developed covering compliance, public procurement review and debarment.

30. Secondary legislation

31. Whilst the Act provides the base layer of procurement reform, we are awaiting the supporting regulations contained within Secondary Legislation and Statutory guidance. This will set out the detail that is not within the content of the Act and which is necessary to implement certain provisions of the Act.

32. The Government has consulted on two sets of regulations to underpin the Act which the Council has responded to.

33. The first consultation, ‘The Procurement Act 2023 (Miscellaneous Provisions) Regulations 2024’ ran during June & July 2023 and these deal broadly with the scope of the new rules and define areas such as the coverage of the light touch regime and provide certain information on how certain exemptions such as Teckal (where a contracting authority contracts with a legally distinct entity – usually this will be a company that the authority has set up, either on its own or in concert with others – to provide services) will work.

34. The second set of regulations, ‘The Procurement (Transparency) Regulations 202X’ were consulted on during July and August 2023 and

these will contain the detail in terms of the requirements for the many and new different types of transparency notice. They will also contain the transitional provisions to inform contracting authorities whether to apply the PCR 2015 rules or the new rules under the Procurement Act 2023 which apply to a procurement exercise.

35. The Secondary legislation is expected to be laid during early 2024 with policy guidance published during February 2024. Procurement Services and the Council will have a much better understanding of the practical aspects of the Act when these are published.

36. Transformation planning

37. The government's transformation programme is structured under four main themes, Processes, Systems, People and Transition with workstreams focussing on:

- Policy & Legislation – to complete the policy design for the new regulations and to take these through Parliament with a target publication starting from February 2024.

- Learning & Development – to support practitioners and others to develop the knowledge, skills, understanding and confidence to operate effectively within the new regime. The Learning and development offer will include knowledge drops commencing in December 2023, self-guided e-learning available during March / April 2024 and deep dive webinars available from May 2024. The formal learning & development will be supported by Communities of Practice where practitioners can support each other, sharing, discussing, and reflecting on best practice, challenges, and opportunities within the new regime.

- Platform and Systems – to embed transparency by default throughout the procurement life cycle and simplify existing systems by creating a single digital platform for public procurement. Contracting authorities will publish the new notices relating to procurement processes on the new single platform and be able to access commercial data. Suppliers and the public will be able to access opportunities and data on public procurement projects.

- Procurement Review Unit – to establish a new mechanism for monitoring and investigating legal compliance with the new regime, including a central debarment list for suppliers.

38. Transition – Procuring

39. The government has established key principles for transition to the new regime as follows:

- Procurements that commence (i.e., submitting a notice for the purpose of inviting tenders) after the effective date of the new legislation

(October 2024) must be conducted by reference to the new regime only.

- Those procurements that have been conducted or have started under the current regime PCR 2015 should continue to rely on those regulations

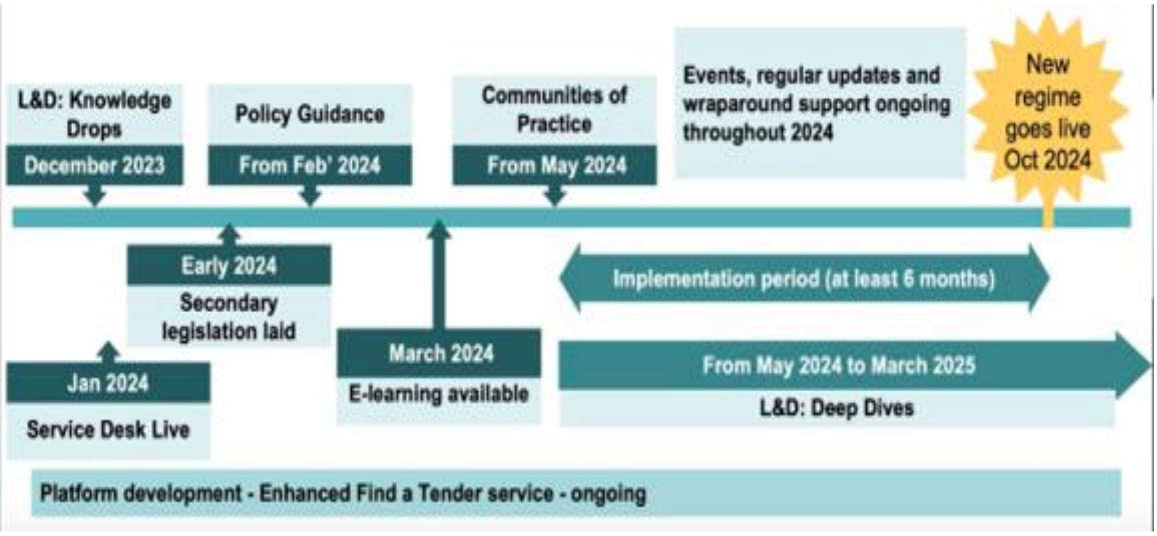
- For non-competitive contracts, any non-competitive procurement entered into later than three months after implementation date will be subject to the rules of the new regime, unless a Voluntary Ex-Ante Transparency Notice (VEAT) has already been published for the procurement.

- Procurements under the current regulations (PCR 2015) will continue to the end of the lifecycle under those regulations until:

- the termination of the contract that is awarded as a result of a process under the PCR 2015
- the decision is reached that no award is to be made
- for a framework, the termination of the last call off contract to finish as a result of an award made within the life of that framework
- for Dynamic Purchasing Systems (DPS) the termination of the last contract awarded by reference to the DPS within its lifetime.

40. Programme delivery to support implementation

41. The chart below sets out the government's key milestones to go-live (Procurement Act 2023):



42. Local Planning & Preparation

43. Procurement Services are now developing a local implementation plan for both the Procurement Act 2023 and the Provider Selection Regime to be executed in multiple stages, including stakeholder identification and engagement strategy, training requirements analysis, development of a

training action plan, implementation, and monitoring. A steering group comprised of senior managers has been established and the transformation will be managed within Procurement Services, collaborating with key functions across the Council including legal services, finance, and cross-Council departmental leads. A project plan is in development, structured under the following key stages:

44. Stage 1: Stakeholder Identification (Week 1-2):

- Identify key internal & external stakeholders involved in the procurement process (RACI Matrix).
- Define roles and responsibilities of each stakeholder.

45. Stage 2: Stakeholder Engagement Strategy (Week 3-4):

- Map stakeholder interests, concerns, and influence.
- Develop a communication and engagement strategy tailored to each stakeholder group.
- Assign dedicated personnel for stakeholder communication.

46. Stage 3: Training Requirements Analysis (Week 5-6):

- Assess the current procurement process and identify skill gaps.
- Determine training needs for stakeholders involved in the procurement process.

47. Stage 4: Training Plan Development (Week 7-9):

- Promote external resources for the training sessions.
- Develop and Design training materials, including presentations, handouts, and e-learning resources over iLearn (if needed for the Council Officers).
- High Level Training / briefing for Members, senior leadership, and non-commissioning staff

48. Stage 5: Training Execution (Week 10-16):

- Arrange training sessions for the team based on the developed training plan.
- Gather feedback from participants and assess need for further support/additional training.
- Record attendance, participation, and certification in a central location.

49. Stage 6: Contract Procedure Rules (CPRs) and Procurement Manual Preparation (Week 1 onwards):

- Collaborate with legal, finance, strategy, governance, and departmental teams to schedule a review of the CPRs and identify required changes.
- Incorporate the feedback and finalise CPRs and Procurement Manual drafts.

- Work with Proactis (the Council's e-tendering supplier) to ensure readiness of the system and arrange system training for the team (New Flexible Procedure, Notices, and other relevant changes).

50. Stage 7: Internal Review and Approval (Week 17-20):

- Circulate the Finalised CPRs and Procurement Manual draft/s for comments/implications for accuracy and compliance.
- Circulate and obtain necessary approvals from relevant members EMT, DMT, Full Council, Directors, Heads of Service etc.
- Review all procurement documents, templates and forms and amend as needed.
- Update all intranet sites and test all links and documents are working as intended.

51. Stage 8: Communication and Rollout (Week 21-22):

- Develop a communication plan to announce and highlight the upcoming changes to the CPRs and Procurement Manual due to the Procurement Bill.
- Communicate the changes, benefits, and implementation timeline to all stakeholders via Staff Matters, News Articles, Drop-in Sessions, and Yammer.
- Address any concerns or questions from stakeholders – via a series of drop-in over one week.

52. Stage 9: Implementation and Monitoring (Week 23 onwards):

- Publish the new CPRs and Procurement Manual as per the defined timeline.
- Monitor procurement processes and projects post-implementation to identify any issues and concerns.
- Establish a feedback mechanism for stakeholders to report challenges or suggestions.
- Ensure all in-flight projects are not impacted.
- Agree all upcoming procurement projects after the cut-off date will follow the new rules and procedures.

53. The implementation plan will be monitored by the steering group where key risks and issues will be managed. Progress reports can be provided to the Finance and Performance Scrutiny Panel on request.

54. **NHS Provider Selection Regime (PSR)**

55. The PSR will replace existing procurement rules for healthcare services and set new flexible and proportionate rules for a fit for purpose decision-making process. The aim is to move away from the expectation of competition in all circumstances and encourage flexibility to promote the interests of patients, taxpayers, and the population, remove barriers to integration and collaboration and allow greater transparency of publishing opportunities and awards.

56. The PSR is set out in the Health Care Services (Provider Selection Regime) Regulations 2023, which the Department of Health and Social Care introduced into Parliament on 19 October 2023 and subject to parliamentary scrutiny and agreement, the Department of Health and Social Care intends for the PSR to come into force on 1 January 2024.

57. NHS England has published its draft statutory guidance to support implementation of the PSR regulations, setting out what relevant authorities must do to comply with them. The draft statutory guidance will sit alongside the PSR regulations supporting relevant authorities to understand and apply the PSR. Relevant authorities must have regard to the statutory guidance once the regulations are in force.

58. The PSR will be a set of new rules for procuring health care services in England by organisations termed relevant authorities. Relevant authorities are:

- NHS England
- Integrated care boards (ICBs)
- NHS trusts and NHS foundation trusts
- Local authorities and combined authorities.

59. The PSR will not apply to the procurement of goods or non-health care services (unless as part of a mixed procurement), irrespective of whether these are procured by relevant authorities.

60. The PSR will be introduced by regulations made under the Health and Care Act 2022. In keeping with the intent of the Act, the PSR has been designed to:

- introduce a flexible and proportionate process for deciding who should provide health care services
- provide a framework that allows collaboration to flourish across systems
- ensure that all decisions are made in the best interest of patients and service users.

61. When the PSR regulations come into force, the PSR will introduce three provider selection processes that relevant authorities can follow to award contracts for health care services. These are the:

- Direct award processes (A, B, and C). These involve awarding contracts to providers when there is limited or no reason to seek to change from the existing provider; or to assess providers against one another, because:
    - the existing provider is the only provider that can deliver the health care services (direct award process A)
    - patients have a choice of providers, and the number of providers is not restricted by the relevant authority (direct award process B)
    - the existing provider is satisfying its existing contract, will likely satisfy the new contract to a sufficient standard, and the

proposed contracting arrangements are not changing considerably (direct award process C).

- Most suitable provider process. This involves awarding a contract to providers without running a competitive process, because the relevant authority can identify the most suitable provider.

- Competitive process. This involves running a competitive process to award a contract. Relevant authorities will need to comply with defined processes in each case to evidence their decision-making, including record keeping and the publication of transparency notices.

62. Subject to parliamentary scrutiny and agreement, PSR legislation will remove the procurement of health care services by relevant authorities from the scope of the Public Contracts Regulations 2015 and therefore the Procurement Act 2023, and will revoke the National Health Service (Procurement, Patient Choice, and Competition) (No. 2) Regulations 2013 on 1 January 2024.

63. Until the PSR is in force, relevant authorities should continue to follow the current rules (the Public Contracts Regulations 2015 and the National Health Service (Procurement, Patient Choice, and Competition) (No. 2) Regulations 2013) for the procurements of health care services.

64. Where relevant authorities have started a procurement exercise **before** 1 January 2024 under the current rules, then these can continue to award.. However, all contracts covered by the PSR will be subject to it after the 1st January, and therefore any contract amendments, extensions etc will have to follow the PSR, even if procured under the PCR 2015.

65. Officers are engaging with NHS peers to understand their local planning & implementation plans and to agree and incorporate relevant and proportionate procedures into the Council’s procurement policy and framework of contract procedure rules.

66. Summary

67. The Procurement Act and Provider Selection Regime reforms are significant and wide ranging and will impact on any officer purchasing goods, services and works on behalf of the Council. There are significant linguistic and stylistic differences in the Act, compared to what we are used to under the current PCR 2015 with no precedent or case law on which to rely on. Under the Act, officers are faced with having to consider not only the Act, but secondary legislation, a national procurement strategy and statutory guidance rather than currently considering only the PCR 2015. There will be much greater procedural flexibility, but internal processes need to be resourced to take advantage of it, with guidance & training essential and the Council will need to be ready and braced to manage the new transparency requirements and volume of statutory notices that must be published.

68. Procurement Services have completed an impact assessment to understand the key implications for the Council and this is attached to this report – Appendix A. These will be managed by the Procurement Act Steering Group and regular updates, along with implementation progress can be provided on request.

69. Members of Procurement Services continue to keep abreast of all learning opportunities and policy developments through regular engagement and participation at the London Procurement Network (comprised of London borough Heads of Procurement), the Local Government Association Procurement National Advisory Group, subscriptions to Government's Transforming Public Procurement department updates and law firm's seminars and information sharing.

70. In the Procurement Services microsite, within the Council's intranet, are pages providing information, guidance and updates on the Act for access by colleagues across the Council: [Procurement Act 2023 (sharepoint.com)]

Relevance to Council Plans and Strategies

71. Procurement Services supports delivery of the Council Plan's objectives which align with the priorities cited within the Procurement Act 2023 and the National Procurement Policy Statement. The graphic below sets out the specific objectives that Procurement Services strive to achieve.

Clean and green places

Ways of achieving through:

- Application of Ethical & Sustainable Procurement Policy / Embedding environmental improvement measures where possible
- Robust project planning & risk management
- LBE Strategy / Policy considerations in projects with client at outset, addressed at Procurement Assurance
- Review client service specifications & contracts – as above
- Embedding effective contract management, monitoring & reviews
- Social Value - refresh local Enfield TOMS against new National Framework
- Social Value - review approach to award criteria
- Embed / drive early market engagement

Priority **One**

Strong, healthy and safe communities

- Support for local SMEs / VCS – opportunities and bidding for contracts. Link with corporate grants commissioning
- Support commissioners with Market capacity building - align with forthcoming Economic Development Strategy

Priority **Two**

Thriving children and young people

- Support delivery of SEN provision
- Determine what is PS role in supporting schools' procurement
- Raise awareness of corporate contracts to schools
- Collaboration corporately /externally and identify synergies
- Strategic review of provision e.g., spot purchasing vs strategic sourcing

Priority **Three**

More and better homes

- Develop Construction / Housing Procurement Pipeline – align with Capital Programme.
- Address PS capacity to support demand
- Address use of third parties for procurement – make a requirement that procurement lead on appointing / identifying role of PS?

Priority **Four**

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Appendices

Appendix 1 – Procurement Act 2023 and Provider Selection Regime Impact Assessment.

Background Papers

Report to Finance and Performance Scrutiny Panel meeting 19th October 2022 – ‘Procurement update (to include update on legislative changes)’

Departmental reference number, if relevant:

L.B.E. Finance and Performance Scrutiny Panel – 16.1.2024 : ‘Procurement legislative changes’ report
Appendix 1 – Procurement Act 2023 Local Impact Assessment

Whilst the Procurement Act 2023 provides the base layer of procurement reform, we are awaiting the supporting regulations contained within Secondary Legislation and Statutory guidance. This will set out the detail that is not within the content of the Act and which is necessary to implement certain provisions of the Act. The table below provides an assessment of the key implications for the Council known so far. These will be reassessed, and mitigating actions developed on publication of the Secondary Legislation and policy guidance, expected during early 2024 and throughout the transition and implementation period.

The assessment also includes consideration of the implications of the Provider Selection Regime on the Council. We are awaiting Details of local implementation and planning from the local NHS Integrated Commissioning Board.

THEME	IMPLICATION	IMPACT
Compliance	• Review and amend all current procurement policy, guidance and governance in response to transparency obligations and debarment rules ; procurement tender templates review and rewrite.	• Expanded publication regime will be a significant workload • New requirements to estimate pipeline spend where this is over £100M, including Direct Awards • Shift to Most Advantageous Tender as award criteria vs Council’s budget challenge • Compliance with LBE governance & Key Decision timescales
Systems	• The Council’s e-tendering portal must be compliant with new data and transparency requirements.	• Ability and range of current system to ensure compliance and provide reporting functionality. Current supplier is engaged with the Government’s online platform development function to ensure system interfaces and is compliant
People	• Capacity and capability of	• Ability to maintain business as usual

	procurement and legal practitioners, non-skilled staff that self-serve below threshold procurements and external organisations commissioned to carry out procurement exercises on behalf of the Council - Training for suppliers on new processes and procedures	and delivery of priority projects whilst transforming to the new regime. - Extensive programme of learning and development must be undertaken across the Council to all affected staff - Programme of supplier engagement on the new requirements.
Contract Management	- Requirement to publish Key Performance Indicators, change notices (variation / modification), annual performance reports for all contracts over £5M whole life value and any contract terminations. - Details of any of all contract variations (bar de minimis) will be reported in the public domain and susceptible to challenge	- All new procurements / contracts should have dedicated contract management resource from the service departments - All new affected contracts must align with reporting obligations around it - All new affected contracts must be redacted as appropriate and published

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Finance & Performance Scrutiny Panel Meeting 16.1.2024

Procurement legislative changes

Michael Sprosson
Head of Procurement Services

Striving for excellence

★★★★

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Agenda

- An overview of public sector procurement reform – NHS Provider Selection Regime & the Procurement Act 2023 :
- Key changes
- Implications & impacts
- Risks & Opportunities
- Transition Planning
- Local planning & implementation

- Q&A

NHS Provider Selection Regime

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Introduction

Provider Selection Regime (PSR) is:

- A new procurement regime introduced by the Health and Care Act 2022 which is to be used in selecting providers of health care services in England from **1 January 2024**

Why?

- To simplify procurement of healthcare services (which are in scope)
- Aims to encourage capability for integration, greater collaboration across the system and move the procurement of health care services away from the expectation of tendering in all cases
- Competitive tendering still available, and required in some circumstances
- Reduce bureaucracy and associated cost

Scope

In scope:

- Services that provide treatment, diagnosis or prevention of physical or mental health conditions
- **Substance use treatment services**, **Sexual and Reproductive Health**, and **Health Visitors** arranged by Local Authorities
- An example for Enfield is the existing arrangement with North Middlesex University Hospital for its Reproductive and Sexual Health Community Services

Out of scope:

- Goods (i.e., medicines, medical equipment)
- **Social care services**
- Non-health care services or health-adjacent services that do not provide health care to an individual, e.g. capital works, catering, business consultancy

PSR Selection Processes

PSR allows 3 processes to appoint providers:

1. Direct award processes - divided into **A**, **B** & **C**

- **A** = is the only capable provider
- **B** = people have choices and number of providers not restricted by the relevant authority
- **C** = where the existing provider is satisfactory / likely to be satisfactory plus no considerable change in the contract

2. Most suitable provider process - award without competition based on key criteria judgements

3. Competitive process - where the above do not work for the relevant authority or wish to run a competitive exercise

Next steps – considerations and implications

- Senior Management Briefings
- Define Roles and Responsibilities
    - Service Area
    - Procurement Services
    - Legal Services
    - Finance
- Capability and Capacity
- Governance, Local Rules, Processes and Systems
- Compliance

The Procurement Act 2023

PA23 – Timetable

Milestone	Date
Royal Assent received	October 2024 – achieved
Knowledge drops launched	December 2024 – achieved
Dedicated service desk available	December 2023 / January 2024 – expected
Policy guidance available	From February 2024 – expected
Secondary legislation laid in Parliament	March 2024 – expected
E-learning modules launched	April 2024 – expected
Official implementation period commences	April 2024 – expected
Deep-dive L&D launched	May 2024 – expected
Central platform phase 1 go-live	Autumn 2024 – expected
Go-live for new regime	October 2024 - expected

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Key Changes

- Simpler more flexible procedures which support creativity and innovation
- Reduced red tape associated with public procurement, signalling a significant decrease in the number of regs from PCR2015
- Greater transparency
  - Heightened emphasis on achieving VFM, with more stringent measurements & reporting
  - CAs mandated to publish procurement data throughout the contract lifecycle
- Clear focus on driving wider social, environmental and other strategic priority benefits as well as considering the impact of procurement on SMEs, VCS
  - Driving a greater emphasis on early market engagement
- Procurement Review Unit

Implications & Impacts

THEME	IMPLICATION	IMPACT
Compliance	• Review and amend all current procurement policy, guidance and governance in response to transparency obligations and debarment rules ; procurement tender templates review and rewrite.	• Expanded publication regime will be a significant workload • New requirements to estimate pipeline spend where this is over £100M, including Direct Awards • Shift to Most Advantageous Tender as award criteria vs Council's budget challenge • Compliance with LBE governance & Key Decision timescales
Systems	• The Council's e-tendering portal must be compliant with new data and transparency requirements.	• Ability and range of current system to ensure compliance and provide reporting functionality. Current supplier is engaged with the Government's online platform development function to ensure system interfaces and is compliant
People	• Capacity and capability of procurement and legal practitioners, non-skilled staff that self-serve below threshold procurements and external organisations commissioned to carry out procurement exercises on behalf of the Council • Training for suppliers on new processes and procedures	• Ability to maintain business as usual and delivery of priority projects whilst transforming to the new regime. • Extensive programme of learning and development must be undertaken across the Council by all affected staff • Programme of supplier engagement on the new requirements.
Contract Management	• Requirement to publish Key Performance Indicators, change notices (variation / modification), annual performance reports for all contracts over £5M whole life value and any contract terminations. • Details of any of all contract variations (bar de minimis) will be reported in the public domain and susceptible to challenge	• All new procurements / contracts should have dedicated contract management resource from the service departments • All new affected contracts must align with reporting obligations around it • All new affected contracts must be redacted as appropriate and published

Risks

- Increased focus on transparency

- Resource implications on meeting requirements
- Increasing requirement on publication of pipelines, notices and contract information & performance
- Greater scrutiny on public procurement from suppliers, residents & other 3rd parties

- Publication of supplier performance may influence the market – pricing for risk, more disputes, distraction from core services or even making the buyer less attractive

- Procurement professionals not making the most of this opportunity !

Opportunities

- To turn the dial from transactional to commercial procurement
  - Competitive flexible procedure will drive creativity, engagement & negotiations
  - A move away from a ‘race to the bottom’ approach to pricing
  - An opportunity to add real value
- Levelling up of skills for procurement professionals
- A focus on forward planning
  - £18M view of the procurement pipeline
  - Integration of procurement in the budget-setting process
  - Benchmarking and market engagement
- Creating a view of Enfield as a ‘Buyer of Choice’
  - Being an organisation that suppliers want to work with
- A huge open door for SMEs & local suppliers through dynamic markets, agile processes & negotiations

Planning for Reform

- The changes are wider than **JUST** procurement – this is organisational change
- We need support from other colleagues
- all staff whose work touches on procurement – legal, finance, contract managers, service commissioners & reporting teams
- We need Members, EMT and Boards to be aware, engaged and supportive of change
- Collaboration with local public sector partners
- Share resources, knowledge & best practice
- Link into our local Community of Practice
- Access the knowledge drops & wider Cabinet Office L&D offer

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Transition Planning

- Core project planning and delivery group established
- Review contracts register
- Prepare Procurement pipeline / Annual Procurement Plan
- Policy / Procedural Review
- Systems Review
- Team Resource & Skills Assessment
- Prepare for Transparency – systems, processes and resources

Q&A / Close

London Borough of Enfield

Report Title	**Quarterly Revenue Monitoring 2023/24 - Quarter 2**
Report to	Cabinet
Date of Meeting	15 November 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 Council’s revenue forecast position compared to the budget for 2023/24, based on the position at the end of August 2023. It also provides an update on progress against the budgeted savings planned for 2023/24, collection fund performance, the Dedicated Schools Grant forecast and impact on earmarked reserves balances.

Recommendations

2. Cabinet is requested to note the following:
    a. The forecast adverse variance of £27.452m reported in respect of financial year 2023/24, after additional in-year savings and mitigations

have been found of £8.461m. This is stated excluding further potential risks of up to £5.512m and £0.650m in opportunities.

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

c. The impact of the forecast on the reserves balances as set out in paragraphs 123-129/Table 5 and the consequences this has for longer-term financial resilience

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

Background and Options

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

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

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

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

7. This report is set out as follows:
   i. 2023/24 Revenue Forecast – executive summary and overview
   ii. 2023/24 Revenue Forecast – variance commentary by Department
   iii. Collection fund for council tax and business rates
   iv. Update on 2023/24 savings to be delivered
   v. Dedicated schools grant forecast
   vi. Forecast reserve balances

Relevance to Council Plans and Strategies

8. 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.

9. The report may also bring to light how the council has used its limited resources to deliver the Council Plan priorities in the projection through to March 2024. These priorities are:
   a. Clean and green places
   b. Strong, healthy and safe communities
   c. Thriving children and young people
   d. More and better homes
   e. An economy that works for everyone

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

Financial Implications

Executive Summary – 2023/24 Revenue Forecast

11. The financial projection for 2023/24 has been identified as being equally, if not more, challenging than the previous year with the largest area of pressure arising from the continued growth in the cost of supporting households needing temporary accommodation. The overspend reported in the 2022/23 outturn of £21.186m (see item 11 of the Cabinet meeting held on 13 September 2023) included a significant proportion of ongoing pressures, some of which were addressed through growth added into the 2023/24 budget, but some of which continue and are now driving overspends in the current year.

12. Early on it was identified that the pressure from Temporary Accommodation alone was approaching a magnitude of circa £20m. In order to mitigate this, departments were tasked with identifying in-year mitigations and savings, over and above those budgeted for, and the task of not overspending their budgets, i.e. not allowing the situation to deteriorate further. A further measure taken has been for Executive Directors to review all proposed expenditure items in excess of £10,000 as they come forward for approval, in order to prevent any unnecessary significant spend from being committed. Work is ongoing to identify in-year savings opportunities,

undertake “deep dive” reviews into certain areas of council expenditure and assess areas of overspend in order to bring these back under control. In respect of the Temporary Accommodation variance itself, a task force has been set up to work through all the issues and find ways in which to bring down the variance arising by means of action to be taken through the year.

13. 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 £2.717m of reserves, is £27.452m – a £1.633m deterioration from Q1. Of this, the Temporary Accommodation service represents £17.145m, meaning a further net overspend of £10.307m across other parts of the council which in itself is a very significant overspend.

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

Table 1: Summary of 2023/24 Forecast Variances

Department	Net Budget £m	Forecast before use of reserves £m	Variance £m	Specific Reserves £m	Total Forecast Variance £m
People - Adult Social Care	97.935	97.419	(0.516)	(0.637)	(1.153)
People - Public Health	(4.971)	(4.971)	-	(500)	(500)
People – Children’s Services	52.655	56.338	3.683	(0.854)	2.829
People – Education	4.542	4.380	(0.162)	-	(0.162)
Environment & Communities	34.753	36.888	2.135	(0.879)	1.256
Housing	6.687	25.260	18.673	(0.090)	18.583
Resources	29.448	32.475	3.027	(0.855)	2.172
Chief Exec	10.652	10.877	0.225	0.046	0.271
Service Net Costs	**231.701**	**258.766**	**27.065**	**(3.769)**	**23.296**
Corporate Expenses	18.627	18.343	(0.284)	1.052	0.766
National Pay Award and Inflation	4.236	8.411	4.175	0.000	4.175
Capital Financing: Minimum Revenue Provision & Interest	28.585	30.800	2.215	0.000	2.215
Contingency	3.000	0.000	(3.000)	0.000	(3.000)
Bad Debt Provisions	0.791	0.791	0.000	0.000	0.000
Net Expenditure	**286.942**	**317.111**	**30.169**	**(2.717)**	**27.452**
Expenditure financed by:					
Business Rates	(111.567)	(111.567)	0.000	0.000	0.000
Council Tax	(149.144)	(149.144)	0.000	0.000	0.000
Other non-ring-fenced Government Grants	(26.231)	(26.231)	0.000	0.000	0.000
Total Financing	**(286.942)**	**(286.942)**	0.000	0.000	0.000
Budget Funding Shortfall	**-**	**30.169**	**30.169**	**(2.717)**	**27.452**

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

15. The key variances within the above forecast variance are highlighted in Table 2 below, with further commentary set out in the departmental commentaries later within this report. However, the key areas driving the

overspend are Housing (TA) £17.1m, higher pay award than provided for of £3.6m, Looked After Children £2.5m, 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 higher levels of demographic/demand growth, contract inflation growth and wage growth than was anticipated when the budget was originally set.

16. 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 £8.461m.

17. It is important to note that, as set out in Appendix A, there is a further £5.512m of risks being flagged by departments which is not included in the above forecast variance. This relates to potential increases in costs or reductions in income which at this stage are not certain to happen, may be subject to decisions yet to be taken or the timing of an event is in doubt. Within this, the People department is recording £4.163m of risk, much of which is due to the forecast being based on its service areas being able to contain future demographic growth within current levels and forecast across the remainder of the year. A further £0.650m of opportunities are also flagged by departments, hence should all of these risks and opportunities materialise, the current forecast overspend of £27.452m would deteriorate by a further £4.862m to an adverse variance to budget of £32.314m.

18. Risk reserves held by the council are consequently reducing rapidly. The position at the end of March 2023 (excluding HRA, Schools, Insurance and General Fund reserves) was a balance of £83.6m, but as a consequence of the projected deficit, in-year mitigations being taken from reserves and planned reductions to smoothing reserves and redundancy reserves, this balance will reduce to £42.1m by March 2024. Should the net risks and opportunities flagged above also materialise, this would further reduce to £37.2m. 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.

19. 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).

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

Table 2: Gross Variance and Key Themes

Department	Gross Variance (£m)	Key Themes
People – Adult Social Care & Public Health	(0.516)	a. Overall ASC (excluding Public Health) is forecasting a net underspend of £1.153m (£0.516m before reserves drawdown) towards wider People department pressures from one-off monies identified. 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% are 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 or reducing 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	3.683	e. £2.5m overspend on Looked After Children, of which External Care Purchasing (£1.9m) is due to increased demand and delays to savings from children's homes; £0.3m on UASC/former UASC f. Disabled Children's service £0.6m overspend on client budgets due to increased demand g. £0.9m 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.
Housing	18.673	j. £17.235m due to TA, of which £13.235m on cost of properties/hotels, HB subsidy loss over by £2.057m, £1.27m bad debt, £1.46m incentives, offset by £1m HSF and £2.2m Homelessness Prevention Grant. k. £1.438m due to NRPF properties where both the number of units and their cost has increased substantially.
Environment & Communities	2.135	l. Leisure, Parks & Culture £0.752 adverse, due to Millfield Complex and income shortfall on leisure centres m. Planning & Growth £1.188m gross adverse variance, £0.411m net after reserves drawn – due to declining planning application income, plus cost of planning appeals
Resources	3.027	n. Digital Services £0.6m overspend, mainly on contracts, Public Sector Network certification plus unachievable savings on CRM

Department	Gross Variance (£m)	Key Themes
		o. Property - £1.478m reactive and servicing R&M, plus £0.250m CCP overspend. p. £0.4m deferred saving on bringing the Bailiff Enforcement team in-house. q. £0.9m drawn from reserves re Financial Assessments team (£0.4m), Property (£0.4m) and Digital Services (£0.1m)
Chief Executive	0.225	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 s. Meridian Water is reporting a budgeted shortfall in rental income of £0.174m
Corporate	3.104	t. Pay awards anticipated to exceed provision by £3.6m u. Capital financing impact from MRP and interest £2.2m v. Offset by Corporate Contingency £3m released plus £0.9m lower concessionary fares w. Technical adjustment to reflect a stricter approach to capitalisation of costs £2.1m x. Pressure forecast in energy and business rate for Council buildings
Other points		y. Overall deficit forecast of £27.452m will need to be met from risk reserves, which will reduce to £42.072m z. There are further net risks not in the above forecast deficit of £4.862m, analysed in Appendix A and clarified in each Department’s commentary. This is substantially dependent on the departments’ ability to stem demand pressures. aa. 2023/24 MTFP savings target of £15.8m will fall short by £2.9m

2023/24 Revenue Forecast – Departmental Commentary

People – Departmental Overview

21. 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 £232m service budget. It comprises Adult Social Care, Public Health, Children's Social Care and Education.

22. As a whole, the department is projecting a gross overspend of £3.005m, before reserve drawdowns of £1.991m reduce this to a net overspend of £1.014m. In essence this is driven by Children & Families which is forecasting a net overspend of £2.829m, of which Looked After Children represents £2.458m, and the Joint Service for Disabled Children £0.630m. There are further potential risks of circa £1.4m for the directorate.

23. This is then mitigated by underspends currently forecast in the other directorates. Adults are forecasting an underspend of £1.153m after reserve drawdowns of £0.637m. However there is an underlying overspend within Customer Pathway of £0.727m 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.

24. The overspend forecast of £1.014m is stated after identifying in-year mitigations of £3.063m. It should be noted however that a significant proportion of this mitigation is one-off in nature and so will not be available in 2024/25. It should also be noted that there are risks of £4.163m, largely due to the potential for further in-year demographic growth above that recognised in the forecast. The department is basing its forecast on the premise that it will be able to manage and contain demographic growth across the remainder of the year within this forecast, which will be highly challenging but an important contribution towards ensuring that the council's financial position does not deteriorate further.

People – Adult Social Care

25. 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.

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

27. 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.

28. 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.

29. 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.

30. 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.

31. 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.

32. 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.

33. 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.

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

35. 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.

36. 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.

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

People – Public Health

38. The service is projecting a balanced position with respect to ring-fenced grant activity. Any ‘unders’ and ‘overs’ in the position are adjusted for as required by top-ups to or drawdowns from the ringfenced PH reserve. An additional £0.500m has been identified to invest in Council services that contribute towards Public Health outcomes, over and above £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.

39. The underlying operating forecast before reserve top-up indicates a balance to budget. This arises from an underspend on 0–19-year-olds of £0.337m (before any impact from Agenda for Change) and offset by an overspend of £0.297m from the main Core Services and Leadership and in commissioned services which includes Substance Misuse of £0.040. There

are several lease related issues in this area identified as a potential draw upon the reserve and a further substantial demand from the prior landlord; however it is not considered that LBE is liable for this demand of over £0.500m and so is excluded from both the forecast and risks.

40. 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.

41. 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 in the year to date 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.

42. 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

43. The Children and Family Services division forecast outturn is £55.484m and an overspend of £2.829m with the two largest variances being in external care purchasing for Looked After Children (£1.938m) and Joint Services for Disabled Children (£0.487m), both demand-led services. The position is exacerbated by deferred savings of £0.760m.

44. The **Children in Need** service is projecting an overspend of £0.085m mainly due to a vacancy factor of £0.256m in the Child Protection & Vulnerable Children service, which has largely been met.

45. 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.

46. The **Looked After Children** service is projecting an overspend of £2.458m against a net budget of £30.071m 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 £0.005m pressure comes from minor variances in other cost centres within the LAC service. The drivers of the issues and variances are as follows:

47. The budget for external care purchasing is projected to be overspent by £1.938m 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.

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

49. 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.

50. 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.

51. 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.

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

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

54. Since the last report, the forecast for care purchasing has increased by £0.407m due to a significant increase in demand for residential, fostering and semi-independent placements. The reporting method has changed since Period 3, where reported variance included both current portfolio and estimated in-year growth. For this report, the net variance of £1.938m considers only the current client portfolio, assuming that the service will be able to manage and contain any further growth. In-year growth is therefore flagged up as risk of £1.085m and excluded from the reported variance.

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

56. Leaving Care is projected to overspend by £0.185m 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.

57. 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.

58. 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.

59. UASC & former UASC budget is projected with an overspend of £0.330m. Of this, £0.170m is due to a realignment of budget last year to create a number of posts to deal with high caseloads and the anticipated increase in demand. Due to pressures in housing, it is taking longer for those eligible care leavers who were former UASCs to be offered their permanent tenancy, and a review of packages now projects an overspend of £0.160m.

60. **Young People and Community Safety** is reporting an underspend of £0.190m due to identified in-year saving opportunities to offset escalating pressures in other services.

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

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

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

64. 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.

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

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

67. 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.

68. 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

69. 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.

70. 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

71. The overall E&C variance to budget is £1.256m adverse – the main reasons for the variances are as follows:

72. The Environment & Street Scene directorate is reporting an adverse variance of £0.393m. This is due to a number of factors as follows:

Street Lighting energy costs are higher than budget by £243k as the actual procurement cost came in higher than the assumed budget uplift in the 2023/24 MTFP.

Waste Operation budget pressures of £0.931m, due to increased demand and the effect of behavioural changes following Covid – through various mitigating actions this has been revised down to £0.553m.

There is a Fleet budget pressure of £175k, which is mainly due to delays in the replacement programme, i.e., ageing vehicles requiring increased repairs and maintenance.

These pressures are mitigated by favourable variances through the NLWA commercial waste disposal rebate £0.100m and an underspend in regulatory services of £0.500m, bringing the net overspend for the division down to £0.393m.

73. The Planning and Growth directorate is reporting an adverse variance of £0.411m, which is due to declining planning applications adding up to circa £0.291m, an in-year budget pressure of £0.235m related to planning appeals and decisions, offset by an in-year favourable variance in the Town Centre team of £0.115m.

74. The Leisure, Parks & Culture directorate is reporting an adverse variance of £0.752m, 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. There is also a reported pressure of £0.444m relating to a shortfall in leisure centre income.

75. The Customer & Communications directorate is projecting a favourable variance of £0.220m from across the division, which is made of £0.140m operational under spend and £0.100m efficiency from freezing recruitment of vacant posts in the Customer Operations Services. There is a further favourable variance of £0.080m in the Libraries & Customer Experience Services, which is related to vacant posts and operational efficiencies and other minor variances.

Note: 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. Exiting the contract early would entail significant legal and financial implications and therefore the contract remains in place until 2025 despite more cost-effective alternatives to delivering the service being available.

76. 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.

77. 83% of the total E&C directorate’s saving/income target (£3.160m) set for 2023/24 is classified as deliverable (£2.627m), while 12% (£0.398m) 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.

78. The E&C contribution identified towards the in-year saving target is included in the reported forecast, at £4.636m. However, these savings/mitigations are only contributing towards reducing the existing departmental budget pressures.

Housing

79. The overall Housing Advisory Service variance to budget is £18.583m adverse after £0.090m drawdown of reserves, split between Temporary Accommodation (£17.145m) and NRPF (£1.438m) with the main reasons for the variance as follows:

80. The Temporary Accommodation (TA) service is forecasting an overspend of £17.145m, which is predominantly caused by a rise in the number of households becoming homeless due to the cost of living crisis, a lack of available temporary accommodation at affordable rates and hence a sustained reliance on expensive hotel accommodation. The net property overspend alone is currently projected to be £13.235m in TA (with a further property overspend of £1.438m for NRPF). Related to this there is also likely to be a housing benefit subsidy overspend of £2.057m, a bad debt provision of £1.27m above budget, an overspend in incentive payments of £1.46m, an overspend on nomination fees of £0.656m, a shortfall in the HGL SLA of £0.8m, various other small differences totalling £0.486m and an additional £0.381m in running costs. Additional income is forecast through a £1m Household Support Fund award and a further £2.2m of Homelessness Prevention Grant. The £1m HSF was awarded to partly offset the increase in incentive payments through Out of Borough procurement. Mitigations continue to be worked upon with the aim of reducing and eliminating reliance on hotels and other expensive block booked accommodation hence reducing the projected overspend in the coming months.

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

Resources

82. Since the Q1 budget monitoring report, the Property Service has transferred from the former HRD department into Resources. There is now an overall reported overspend of £2.172m in the Resources department which consists of the following variances:

83. In Digital Services a net overspend of £0.484m is reported (P3: £0.303m), which relates to Digital Service contracts costs. The overarching pressure within Digital Services is £1.8m. This is substantially 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, £0.107m of contract inflation and £0.181m of urgent remedial work as part of the Public Sector Network certification. Other residual overspends are also inflation 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 to identify cost savings.

84. The Property directorate is reporting an estimated overspend of £1.350m, which is primarily due to reactive and servicing works (R&M) £1.250m and £0.250m Corporate Condition Programme (CCP), mitigated by various CMFM operational and staffing under spends of £0.150m. All budget pressures are managed by underspends elsewhere leading to a neutral forecast position except for R&M and CCP revenue.

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.

A potential cost risk of £0.295m has been reflected in respect of fees which will be incurred on the property asset disposal programme and represents work on those projects/properties which may not be able to be capitalised or funded through flexible capital receipts. The directorate has offered to wind up the Salix Recycling fund/reserve, which has released a £0.417m surplus fund to the general fund.

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

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

86. 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 £0.084m across the department.

87. 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.

88. In Digital Services, a risk of £0.4m is shown, this reflects dual running and risks in delivering savings on contracts.

89. 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 saving will instead be delivered through an alternative means on SIM contracts. The £0.300m saving relating to the bringing the Bailiff Enforcement team in-house has been delayed, as has £0.065m relating to the Digital staff restructure.

90. 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

91. There is an overall reported overspend of £0.271m which consists of the following variances:

92. Within Law and Governance, which is showing a net £0.246m overspend, Legal Services is projecting an overspend of £0.351m. 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.

93. 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.

94. Meridian Water P5 forecast is shown with a £0.174m adverse variance, which is due to rental income shortfalls.

95. Other net underspends of £0.270m 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 (£0.052m) these have been offset by additional schools traded income being projected.

96. 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). Meridian Water in-year savings of £0.193m previously anticipated in Period 3 are now deemed unlikely to be deliverable. Work is ongoing to mitigate the budget pressures reported in 2023/24 and further updates will be provided once complete.

Corporate Items

97. There is an overall reported overspend of £4.156m which consists of the following variances:

98. 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.

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

100. 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.

101. 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 £2.2m 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.

102. 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.

103. 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.

104. Other minor variances total circa £0.3m favourable and include the corporate levies and the joint Coroners service, whilst the corporate contingency, set at £3m, will be used to mitigate against the variances noted above.

105. Due to a number of corporate debt write offs there is a risk that there may be a pressure on the sundry bad debt provision (BDP) budget dependent on collection rates. It is too soon to quantify this and a further update will be provided in the P8 report.

Collection Fund

106. The forecast below in Table 3 below shows a total Collection Fund surplus at the end of 2023/24 of £5.2m. Enfield's share of the surplus is £1.3m. The forecasts are based on a number of assumptions which can vary significantly throughout the year.

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

Table 3: Collection Fund Forecast Outturn Summary

	Council Tax (£m)	Business Rates (£m)	Total (£m)
Collection Fund (Surplus)/Deficit B/fwd. 1 April 2023	**(4.055)**	**8.083**	**4.028**
Surplus distributed/ deficit recovered (income) re 2022/23 forecast surplus/deficit*	2.842	(10.520)	**(7.678)**
In year collection fund forecast (surplus)/deficit	1.804	(3.357)	**(1.553)**
Forecast (Surplus)/Deficit Outturn 31 March 2024	**0.591**	**(5.794)**	**(5.203)**
Allocation of Collection Fund Forecast Outturn Balance			
London Borough of Enfield	0.460	(1.738)	(1.278)
Greater London Authority	0.131	(2.144)	(2.013)
Central Government	0.000	(1.912)	(1.912)
Total Allocations	**0.591**	**(5.794)**	**(5.203)**

Council Tax and Business Rates Collection Performance

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

109. The net collection for **Council Tax** at the end of August 2023 was 45.1% of the £195.339m total Council Tax income. This is 1.1% above the target set and 0.06% down against the same point in 2022/23, when the total Council Tax income was £182.401m. The full in-year collection target is 92%.

110. The net collection for **Business Rates** at the end of August 2023 was 42.7% of the £122.739m total Business Rates income. This is 2.2% above the target and is an improvement on last year when it was at 41.9% of the £115.079m total Business Rates income. The full in year collection target is 93%.

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

Achievement of Savings (Appendix B and Appendix C)

112. 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

113. 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).

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

115. 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 be reflected in the MTFP update for 2024/25.

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

Dedicated Schools Grant (DSG)

117. 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 4 – 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:

118. 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.

119. 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.

120. 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.

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

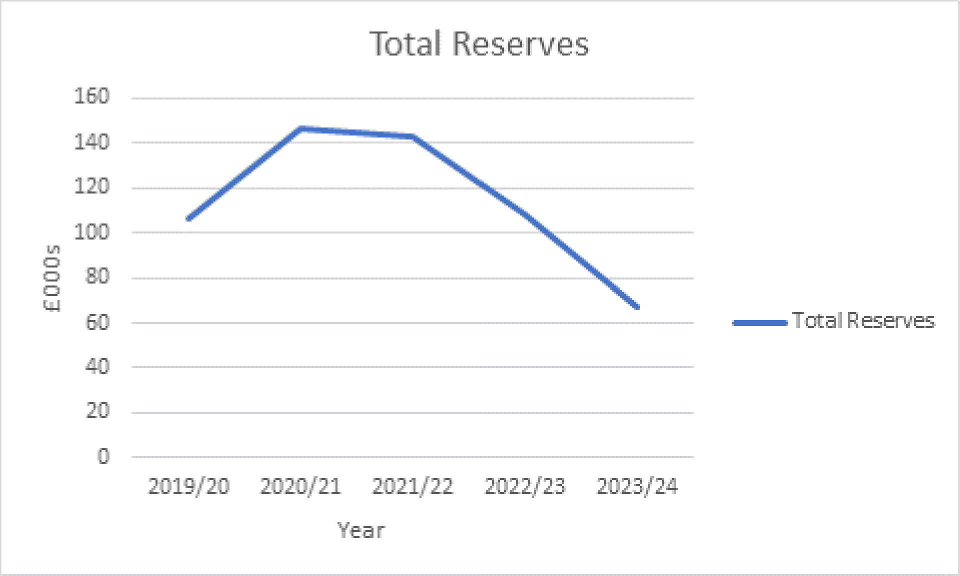
122. The London Mayor has recently announced that grant funding will be made available during the 2023/24 academic year for the provision of universal free school meals for all primary school children in state-funded schools in London who do not currently qualify for Government-funded free school meals. 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

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

Table 5 – Forecast Reserves balances

	2022/23 Outturn Balance £m	**2023/24 Forecast Balance £m**
Risk Reserve	**(3.440)**	**(5.778)**
Balance Sheet Management	(2.295)	(1.295)
Collection Fund Pooling Reserve	(2.059)	(2.005)
Collection Fund Equalisation Reserve	(13.628)	(13.628)
Housing Benefit Smoothing Reserve	0.726	(4.240)
Adult Social Care Smoothing Reserve	(3.697)	0.000
NLWA Reserve	(0.514)	(1.566)
Meridian Water Reserve	(1.297)	(1.297)
MTFP Smoothing Reserves	**(22.764)**	**(24.031)**
Capital Financing	(23.428)	(23.428)
Service Specific	(13.757)	(7.622)
Property	(0.925)	(0.436)
Grants & Other Contributions	(19.274)	(8.229)
Sub-total	**(83.588)**	**(69.524)**
Potential Risk Reserve Drawdown	-	27.452
Sub-total of all GF risk reserves	**(83.588)**	**(42.072)**
Insurance	(7.513)	(7.263)
General Fund Balance	(13.949)	(13.949)
Total GF Earmarked Reserves & Balances (excl. HRA & Schools)	**(105.050)**	**(63.284)**



124. 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.

125. 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 £27.452m the risk reserve balance will be insufficient, thus this will require further reductions in other reserves.

126. 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.

127. 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.

128. The £20.5m 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.

129. 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

130. 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.

131. 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

132. 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

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

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Appendices

Appendix A: Breakdown of Departmental Variances

Appendix B: Achievement of Savings

Appendix C: Savings & Income Monitor

Appendix D: Collection Fund

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 5 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	48,710	49,437	727	(637)	90	(637)	970	
Learning Disabilities	31,134	30,890	(244)		(244)	(249)	741	
Mental Health	7,951	7,735	(216)		(216)	(220)	110	
Strategy & Resources	7,698	7,104	(594)		(594)	(605)	95	
Supporting People	2,709	2,520	(189)		(189)	(192)		
Director	(267)	(267)	-		-			
PEOPLE (PUBLIC HEALTH)								
PH Grant	(5,556)	(5,556)	-	(500)	(500)	(500)		
Data and Intelligence	585	585	-		-			
People (Adults and Public Health) Total	**92,964**	**92,448**	**(516)**	**(1,137)**	**(1,653)**	**(2,403)**	**1,916**	**-**
PEOPLE (CHILDREN & FAMILIES)								
Children in Need	9,723	9,808	85		85			
Looked After Children	30,074	32,532	2,458		2,458		1,085	
Young People and Community Safety	3,167	3,572	405	(595)	(190)	(190)		
Joint Service for Disabled Children	5,129	5,759	630		630		295	
Other Services	4,562	4,667	105	(259)	(154)	(350)		**(150)**
People (Children) Total	**52,655**	**56,338**	**3,683**	**(854)**	**2,829**	**(540)**	**1,380**	**(150)**
PEOPLE (EDUCATION - GF)								
Enhanced Pension Costs	1,716	1,732	16		16	(75)		
SEN Services	968	968	-		-		867	
Educational Psychology Service	565	565	-		-			
Schools Improvement Service	419	277	(142)		(142)	(45)		
Early Years	543	540	(3)		(3)			
Asset Management & Development	53	53	-		-			
Other Services	278	245	(33)		(33)			(300)
People (Education) Total	**4,542**	**4,380**	**(162)**	**-**	**(162)**	**(120)**	**867**	**(300)**
PEOPLE TOTAL	**150,161**	**153,166**	**3,005**	**(1,991)**	**1,014**	**(3,063)**	**4,163**	**(450)**
HOUSING								
Temporary Accommodation	5,777	23,012	17,235	(90)	17,145	-		
Families with NRPF	905	2,343	1,438	-	1,438			
Other	5	5	-	-	-	-		
Housing Total	**6,687**	**25,360**	**18,673**	**(90)**	**18,583**	**-**	**-**	**-**

LB ENFIELD **APPENDIX A**

General Fund Revenue Monitor 2023/24

Period 5 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
ENVIRONMENT & COMMUNITY								
E&C Direction & Business Management	790	790	-	-	-	-		
HRD Direction & Business Management	555	475	(80)	-	(80)	(80)		
Environment & Street Scene directorate	21,965	22,460	495	(102)	393	(4,123)	654	
Leisure, Parks & Culture directorate	4,183	4,935	752	-	752	(250)		
Planning and Growth	1,541	2,729	1,188	(777)	411	(115)		
Customer & Communications directorate	5,719	5,499	(220)	-	(220)	(68)		
Environment & Community Total	**34,753**	**36,888**	**2,135**	**(879)**	**1,256**	**(4,636)**	**654**	**-**
RESOURCES								
Digital Services	12,226	12,810	584	(100)	484	(205)	400	-
Property	4,780	6,528	1,748	(398)	1,350	(20)	295	
Corporate Finance	2,954	3,073	119	-	119			
Capital & Procurement	1,839	1,839	-	-	-			
Financial Assessments	3,526	3,883	357	(357)	-			
Income Collection	2,362	2,784	422	-	422			
Exchequer Services	1,145	940	(205)	-	(205)	(237)		(200)
Executive Director	616	618	2	-	2			
Resources Total	**29,448**	**32,475**	**3,027**	**(855)**	**2,172**	**(462)**	**695**	**(200)**
CHIEF EXECUTIVE								
Chief Executive	333	232	(101)	-	(101)			
HR & OD	2,251	2,152	(99)	-	(99)	(104)		
Law & Governance	6,993	7,239	246	-	246	(76)		
Corporate Strategy	1,134	1,100	(34)	(36)	(70)	(70)		
Meridian Water	(686)	(512)	174	-	174			
Electoral Services	627	666	39	82	121			
Chief Executive Total	**10,652**	**10,877**	**225**	**46**	**271**	**(250)**	**-**	**-**
NET SERVICE BUDGETS	**231,701**	**258,766**	**27,065**	**(3,769)**	**23,296**	**(8,411)**	**5,512**	**(650)**
% of net revenue expenditure over/(under) budget					**10%**			
CORPORATE BUDGETS	**55,241**	**58,345**	**3,104**	**1,052**	**4,156**	**(50)**	**-**	**-**
GRAND TOTAL - NET COUNCIL EXPENDITURE	**286,942**	**317,111**	**30,169**	**(2,717)**	**27,452**	**(8,461)**	**5,512**	**(650)**
% of budget over/(under)					**10%**			

Appendix B

Achievement of Savings and Income Targets

Savings + Income Totals							
Total by Department	**CEX**	**People**	**Housing**	**E&C**	**Resources**	**Corporate**	**Grand Total**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
FYE	0.100	(0.588)	0.000	(0.040)	(1.010)	-	**(1.538)**
New 2023/24	(0.918)	(5.206)	(0.320)	(3.320)	(2.950)	(1.504)	**(14.218)**
Total	**(0.818)**	**(5.794)**	**(0.320)**	**(3.360)**	**(3.960)**	**(1.504)**	**(15.756)**

Risk Status							
Total by Department	**CEX**	**People**	**Housing**	**E&C**	**Resources**	**Corporate**	**Grand Total**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Blue	(0.200)	(0.180)	0.000	0.100	0.000	0.000	**(0.280)**
Green	(0.618)	(4.907)	(0.120)	(1.890)	(2.861)	(1.504)	**(11.900)**
Amber	0.000	(0.707)	(0.100)	(0.905)	(0.602)	0.000	**(2.314)**
Red	0.000	0.000	(0.100)	(0.665)	(0.497)	0.000	**(1.262)**
Total	**(0.818)**	**(5.794)**	**(0.320)**	**(3.360)**	**(3.960)**	**(1.504)**	**(15.756)**

Financial Impact							
Total by Department	**CEX**	**People**	**Housing**	**E&C**	**Resources**	**Corporate**	**Grand Total**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Deliverable	(0.756)	(4.921)	(0.320)	(2.827)	(2.557)	(1.504)	**(12.885)**
Deferred	(0.062)	(0.873)	0.000	(0.398)	(0.870)	0.000	**(2.203)**
Undeliverable	0.000	0.000	0.000	(0.135)	(0.533)	0.000	**(0.668)**
Total	**(0.818)**	**(5.794)**	**(0.320)**	**(3.360)**	**(3.960)**	**(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 Target (£000)	2023/24 Deliverable (£000)	2023/24 Deferred (£000)	2023/24 Unachievable (£000)
Reardon Court – Extra Care	7.5	(113)	-	(113)	
Increased income through fees and charges for chargeable Adult Social Care Services	2.5	(100)	(100)		
Consolidate VCS offer (Posts and grants)	1.5	(40)	(40)		
Care Purchasing/Demand Management	3.5	(900)	(900)		
Day Services and Transport Reviews	3.5	(700)	(700)		
Grant & Income Maximisation	3.5	(800)	(800)		
Efficiencies & running costs	2.5	(150)	(150)		
Pause SW apprenticeship recruitment	2.5	(100)	(100)		
Proposed 5% staffing reductions	3.5	(786)	(786)		
		(3,689)	**(3,576)**	**(113)**	**-**

Children & Families

Description	Total Risk Score	2023/24 Target (£000)	2023/24 Deliverable (£000)	2023/24 Deferred (£000)	2023/24 Unachievable (£000)
Reduction in operational costs	2.5	(100)	(68)	(32)	
Reduction in external care purchasing costs through in-borough developments of fostering and residential provision	5.0	(594)	(74)	(520)	
Re-tender home care provision for disabled children	1.5	(56)	(28)	(28)	
Use of NCIL to substitute Youth Services funding for 1 year	0.0	(180)	(180)	0	
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 Target (£000)	2023/24 Deliverable (£000)	2023/24 Deferred (£000)	2023/24 Unachievable (£000)
Vacant post deletion - Early Years	1.5	(20)	(20)		
Part funding of an existing post from the Holiday & Food Grant	1.5	(10)	(10)		
Careers Service Restructure	1.5	(20)	(20)		
		(50)	**(50)**	**0**	**0**

Public Health

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

Environment & Communities

Description	Total Risk Score	2023/24 Target (£000)	2023/24 Deliverable (£000)	2023/24 Deferred (£000)	2023/24 Unachievable (£000)
Consolidation of ASB unit	0.0	(100)	(100)		
Waste Enforcement Contract Optimisation	7.0	(270)	(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)		
Place Service Review - Holly Hill Landscaping	3.5	(250)	(250)		
Extension of Holly Hill land improvement	0.0	200	200		
Place Service Reviews - Staffing review Planning	0.0	(150)	(150)		
		(3,360)	**(2,827)**	**(398)**	**(135)**

Housing

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

Resources

Description	Total Risk Score	2023/24 Target (£000)	2023/24 Deliverable (£000)	2023/24 Deferred (£000)	2023/24 Unachievable (£000)
Procurement saving resulting from replacing our digital customer platform	10.5	(400)			(400)
Internal Enforcement Team	7.0	(300)		(300)	
Digital Services restructure	3.5	(656)	(591)	(65)	
Civica contract saving	7.5	(150)		(150)	
Income & Debt team vacant post deletions	2.5	(125)	(125)		
Relet rather than sell John Wilkes House and Charles Babbage House	2.5	(140)	(140)	0	0
Security Savings	2.5	(200)	(200)	0	0
Morson Road Service Charge	4.5	(30)	(5)	0	(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 Reviews - Consolidate B Block North into South (energy)	0.0	(97)	(97)	0	0
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

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
Staffing Review (Place)	0.0	(86)	(86)	0	0
		(3,960)	**(2,557)**	**(870)**	**(533)**

Corporate

Description	Total Risk Score	2023/24 Target (£000)	2023/24 Deliverable (£000)	2023/24 Deferred (£000)	2023/24 Unachievable (£000)
Saving from reducing Employers Pension Contribution rate from 20.2% to 19.1% based on actuarial review	2.5	(1,450)	(1,450)	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 31 August 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%
July 2023	195.157	71.134	36.45%	35.5%	+0.95%	182.370	66.950	36.71%
Aug 2023	195.339	88.123	45.11%	44.0%	+1.11%	182.401	82.394	45.17%

Table D2 - Business Rates Collection Performance 2023/24 as at 31 August 2023

	2023/24 Net Collectable Debit (£m)	2023/24 Net Amount Collected (£m)	2023/24 Collected %	23/24 Target %	+/- Against Target %	2022/23 Net Collectable Debit (£m)	2022/23 Net Amount Collected (£m)	2022/23 Collected %
April 2023	123.159	10.322	8.38%	8.0%	+0.38%	110.506	10.575	9.57%
May 2023	123.383	22.110	17.92%	16.5%	+1.42%	113.176	19.339	17.09%
June 2023	122.933	32.079	26.09%	24.0%	+2.09%	113.986	27.941	24.51%
July 2023	123.493	42.107	34.10%	32.5%	+1.60%	114.106	36.550	32.03%
Aug 2023	122.739	52.427	42.71%	40.5%	+2.21%	115.079	48.271	41.95%

Collection Fund - Council Tax

The forecast Council Tax in year position is a £1.804m deficit across the Collection Fund as shown in Table D3 below, a minor improvement of £0.044m on the June forecast. The main reasons for the variance are the increased cost of the Council Tax Support Scheme £2.689m, an increased level of discounts and exemptions £0.498m which are offset by increased Council Tax income (£0.472m) and the Council Tax Support Fund (£0.796m).

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)	(256.289)	(0.472)
Less: Council Tax Support		39.142	41.831	2.689
Less: Other discounts		19.302	19.800	0.498
Net Collectible Council Tax		**(197.373)**	**(194.658)**	**2.715**
Council Tax Support Fund		0	(0.796)	(0.796)

Increase/ (decrease) to bad debt provision		8.388	8.273	(0.115)
Council Tax Income		**(188.985)**	**(187.181)**	**1.804**
Allocation of Council Tax Income				
London Borough of Enfield	77.76%	(146.963)	(145.560)	1.403
Greater London Authority	22.24%	(42.022)	(41.621)	0.401
Total Allocation		**(188.985)**	**(187.181)**	**1.804**

Collection Fund - Business Rates

The forecast year end position for Business Rates as at August 2023 is now a positive position, as shown below in Table D4, showing a surplus of £3.357m, compared to the £0.021m forecast in June.

The net collectable business rates are forecast to increase by £2.033 compared to the budgeted position, with an increase of £1.324m for transitional protection also contributing to the surplus position. As a result of gross business rates being higher, reliefs are also forecast to be higher. Largely the supporting small business relief which is currently £1.089m higher and the transitional protection relief (mentioned above) which is currently £1.324m higher than at budget setting. Both reliefs are funded by central government, so the increase does not negatively impact the council’s income. Empty reliefs are £2.043m higher than anticipated at budget setting, these reliefs are unfunded and therefore do impact the income.

This position is sensitive to a number of risks, principally the uncertainly around the appeals against the rateable values as set by the Valuation Office which were subject to a revaluation effective from 1st April 2023. We 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)	(165.234)	(3.171)
Forecast appeals in 2023/24		4.531	1.856	(2.675)
Impact of adjustment to prior years*		0	0.135	0.135
Transitional protection relief (see below)		13.906	15.230	1.324
Estimated unfunded reliefs		14.383	16.134	1.751
Estimated funded reliefs		14.458	15.164	0.706
		(114.785)	(116.715)	(1.930)
Increase/ (decrease) to bad debt provision		7.466	7.362	(0.104)
Net Collectable Business Rates		(107.319)	(109.353)	(2.033)
Transitional protection payment due to Authority		(13.906)	(15.230)	(1.324)
Cost of Collection Allowance		0.329	0.329	0
Net Business Rates Income Total		(120.896)	(124.254)	(3.357)
Allocation of Business Rates Income				
London Borough of Enfield	30%	(36.269)	(37.276)	(1.007)
Greater London Authority	37%	(44.731)	(45.974)	(1.242)

Central Government	33%	(39.896)	(41.004)	(1.108)
Total Allocations		**(120.896)**	**(124.254)**	**(3.357)**

Agenda Item 8

London Borough of Enfield

Report Title	2023/24 Period 5 capital budget monitoring
Report to:	Cabinet
Date of Meeting:	15 November 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	KD5678
Classification:	Part I Public

Purpose of the Report

1. This report provides an update on the 2023/24 capital programme. It provides an overview of capital expenditure incurred to date, projected forecast full year outturn and outcomes anticipated from the expenditure. Progress on the HRA's capital programme was reported to October Cabinet.

Recommendations

I. Cabinet is asked to recommend that Council approves

  a. The removal of £71.1m budget from the 2023/24 programme, (of which £34.6m was due to be funded by borrowing) (as detailed in Appendix C). This includes projects moved to pipeline.

  b. The reprofiling of £71.3m budget (including £13.1m for the HRA) from 2023/24 to 2024/25 (as detailed in Appendix B)

  c. The addition of £17.4m budget as detailed in Appendix D

II. Cabinet is asked to note:

  a. Full year capital spend of £283.1m is forecast for 2023/24, including £129.9m for the Housing Revenue Account (HRA)

  b. A £33.7m reduction in the general fund borrowing requirement (and an increase of £10m in HRA borrowing)

  c. Capital expenditure to Period 5 (31 August) is £42.6m, which is 15.0% of full year forecast

  d. The largest variances in spend to forecast relate to Meridian Water and Companies loan drawdowns.

  e. Borrowing funded underspends at year end will not be automatically carried forward into 2024/25

  f. A separate Companies report will be presented to November Cabinet

Background and Options

2. The capital programme for 2023/24 has evolved alongside development of the 10-year capital strategy. The capital budget of £408.1m (£379.6m original approved by Council in February 2023, £18.3m adjustment for revised Meridian Water business case and £10.2m unspent budget carried forward) has been reviewed in response to ongoing revenue funding pressures and the increasing cost of debt financing.

3. As part of capital strategy development, EMT has approved the removal of £58.7m borrowing funded budget from the capital programme. These include budgets for phases of capital works that have not yet started (e.g. Digital Services and Montagu) as well as reductions to rolling annual budgets (e.g. Vehicle Replacement Programme). These schemes are now classified as ‘pipeline’ expenditure – potential spend that will only be added into the capital programme once underlying business cases are approved.

This approach restricts borrowing in the capital programme to projects that are actively underway.

4. A further £12.5m reductions to the programme have been made as capital projects are reviewed and refocussed towards essential works. Appendix C provides further details.

5. Growth in the programme on the Council's core services is comparatively small and is predominantly funded from grant. Appendix D provides further information. There is also up to £12.7m programme growth for Meridian Water, assumed to be funded largely from a reduction in other borrowing and a capital receipt(KD5627).

6. £71.3m budget (including £13.1m for the HRA and £2.0m for Digital Services) is proposed to be reprofiled into later years, subject to Council approval. Appendix B provides further details.

7. These changes have resulted in a Period 5 forecast full year outturn of £283.1m (including £129.9m for the HRA).

8. As at Period 5 capital spend of £41.9m has been incurred, which is 10.2% of the revised budget of £408.1m and 15.0% of Period 5 forecast full year outturn.

9. The most significant variance to both the revised budget and Period 5 forecast outturn relates to Meridian Water. The forecast outturn is £93.5m. Approximately £23m of this forecast is on Meridian One. To date 20 of 119 units have been delivered, with the remaining 99 units expected to complete by March 2024. Whilst actual expenditure to date is comparatively low at £5.3m, significant levels of spend are expected in the second half of the year.

Relevance to the Council plans and Strategies

10. Planned capital spend is informed by the Council's strategic objectives (as detailed in the Council's Corporate Plan).

11. The following paragraphs provide a high-level description of how 2023/24 capital expenditure supports the delivery of the Council's objectives.

12. **More and better homes - £244.8m**

13. A substantial 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.

14. **Thriving children and young people - £14.6m**

15. The Council continues to invest in its schools capital programme, to ensure its school buildings are fit for purpose and there are sufficient places to meet demand

16. **Strong, healthy and safe communities - £6.6m**

17. The capital programme includes annual allocations for investment in streets and roads, and also grant funded works to improve the environment for pedestrians and cyclists.

18. **An economy that works for everyone - £9.9m**

19. Continued investment in business critical Council systems including digital services and the Council’s civic estate as well as investment in town centre regeneration. The capital programme includes provision for development projects which will provide additional jobs and better environments for local businesses.

20. **Clean and green spaces - £7.2m**

21. Ongoing investment in parks and open spaces

Delivery of the manifesto

22. The Council has continued to deliver manifesto pledges including:
    - Progress made on delivering new schools streets, with 10 delivered in 2022/23 taking the total to 24 schools streets across the borough. With a further 3 expected to complete in 2023/24.
    - Works to create 10 new wetlands across the borough continues in 2023/24, with progress made across a number of sites
    - Over 50,000 trees have been planted in forest areas and on urban streets.
    - The creation of new café and toilet facilities in all major parks continues with works progressing on a new community hub at Firs farm park, along with progress at other parks across the borough (including boating lake at Broomfield Park).

Capital budget monitoring – Period 5

23. There have been significant changes to the approved capital budget for 2023/24, arising from development of the 10-year capital strategy and period 5 (P5) capital budget monitoring. Approved capital budget of £408.1m is reduced to £283.1m P5 forecast full year outturn. These changes are detailed fully in Appendix A and include:

    - Removal of £58.7m budget (as approved by EMT) as part of capital strategy development

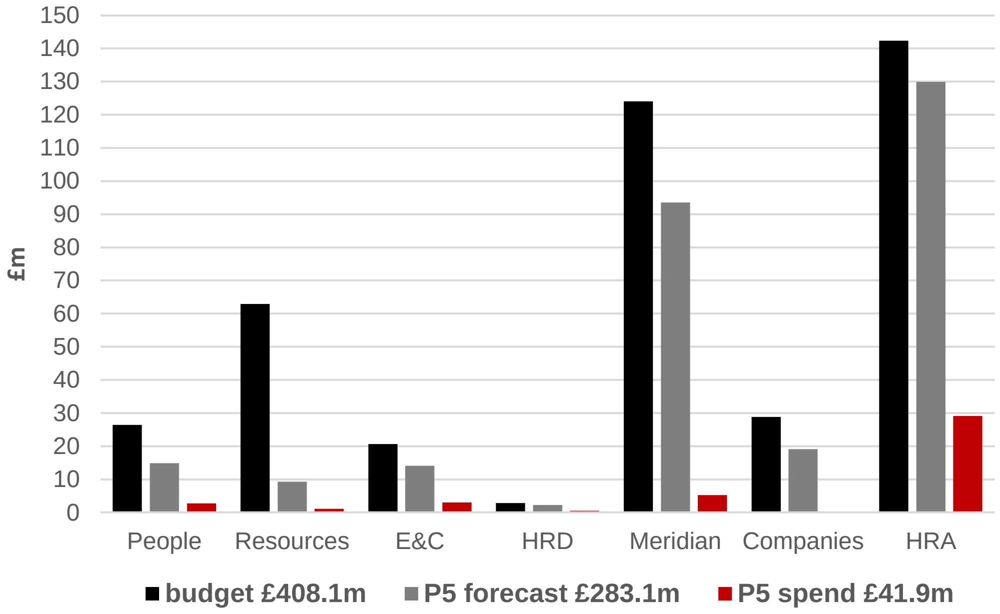
    - Removal of a further £12.5m budget as projects are reviewed and / or paused or restricted to essential work only

- Request to carry forward £71.3m grant funded budget into 2024/25 (including £37.1m Housing Infrastructure Fund (HIF) grant funding for Meridian Water and £10.9m DfE capital grand for the schools' capital programme, £13.1m for the HRA)

- Growth of £17.4m (Appendix D)

24. Capital spend to Period 5 is £41.9m, which is 15.0% of Period 5 forecast outturn and 10.2% of capital budget.

25. Figure 1 compares £41.9m spend to date with both budget and Period 5 forecast outturn. The largest variances are within Meridian Water, Companies and the Housing Revenue Account (HRA).



26. Spend to date is comparatively low in comparison with forecast full year outturn. It is important to note, however, that spend to date does not yet include the capitalised costs of staff directly supporting delivery of capital schemes. These will be reviewed to make sure they are compliant with the CIPFA Code of Practice prior to being recognised as capital spend. A further £40m of orders have been placed for capital works that are either already underway or due to start. The pace of spend in the second half of the year is expected to increase as schemes progress, orders are fulfilled, and eligible capital spend (including staff time and Meridian Water capitalised interest) and reviewed and recognised.

27. Where funded from borrowing, unspent budget at year end will not be automatically carried forward into 2024/25. Borrowing funded capital budget will only be carried forward if approved by EMT (and subsequently by Cabinet and Council). This is an important financial control that seeks to ensure that borrowing in the capital programme is robustly managed.

28. Paragraphs 29 to 58 of this report provide commentary on the status of capital projects within the programme, including outcomes anticipated from

the investment. Table 1 summarises (in more detail than Figure 1) spend to date in comparison with budget and Period 5 forecast outturn.

Table 1 – Period 5 capital spend and forecast outturn by Department

	Revised budget	**Forecast outturn**	**Forecast Variance to budget**	**YTD spend**	**Forecast Variance to budget %**
	£m	**£m**	**£m**	**£m**	**%**
Education	24.8	13.9	-10.8	2.7	-43.7%
Children & Family Services	0.4	0.7	0.3	0.0	65.1%
Adult Social Care	1.3	0.3	-1.0	0.0	-80.0%
People	**26.4**	**14.9**	-11.5	**2.7**	-43.7%
Digital Services	13.5	5.8	-7.7	0.0	-57.3%
Property & Economy	49.5	3.5	-45.9	1.1	-92.9%
Resources	**63**	**9.3**	**-53.7**	**1.1**	**-85.2%**
Customer & Communications	0.0	0.0	0.0	0.0	0.0%
Environment & Street scene	8.8	6.2	-2.6	1.9	-29.8%
Leisure, Parks & Culture	3.2	3.1	-0.2	0.4	-5.4%
Journeys & Places	7.7	4.2	-3.5	0.5	-45.3%
Town Centre Regeneration	0.8	0.6	-0.2	0.1	-24.8%
Environment & Communities	**20.6**	**14.1**	**-6.5**	**3.0**	**-31.6%**
Housing & Regeneration	2.8	2.3	-0.5	0.5	-17.9%
HDR (exc Meridian)	**2.8**	**2.3**	-0.5	**0.5**	-17.9%
Meridian Water	124.0	93.5	-30.5	5.3	-24.6%
Energetik	17.7	8.9	-8.8	0.0	-49.7%
Housing Gateway Ltd	11.2	10.2	-1.0	0.0	-8.9%
Companies	**28.9**	**19.1**	-9.8	**0.0**	-33.9%
General Fund	**265.7**	**153.2**	**-112.6**	**12.7**	**-42.4%**
Housing Revenue Account	142.4	129.9	-12.5	29.2	**-8.8%**
Total	**408.1**	**283.1**	**-125.0**	**41.9**	**-30.6%**

People – £2.7m Period 5 spend (£26.4m budget, £14.9m P5 forecast)

29. Schools' capital programme is forecasted to spend £13.9m in 2023/24. Planned spend includes £3.5m on the new 6th form building at Winchmore schools (works scheduled to start in September 2023), £4m on remodelling and refurbishing the Swan Centre (works expected to complete early in 2024/25), and £6.5m on replacing windows, heating systems, lighting upgrades, installing new boilers and refurbishments on schools across the borough.

30. All schools have regular inspections and surveys to identify potential structural issues with buildings. Of the 36 school buildings in the borough, to date Reinforced Autoclaved Aerated Concrete (RAAC) has been identified in the changing rooms in 1 school building, and plans are already in place to address this. 11 schools reported no RAAC, 20 schools reported initial survey results suggesting low chance of RAAC issues and 8 schools where further surveys are being arranged.

31. Community Safety services is forecasting £150k spend this year to deliver improved security at various sites across the borough, with new radio links and CCTV cameras and an improved hub at Walbrook House.

32. Capital budget has also been approved for the remodelling of two Borough owned premises for children's homes. Works are expected to start this financial year.

33. Mental health hub grant funded spend of £1m for 2023/24 (with additional budget in 2024/25) is proposed to be reprofiled into 2024/25 pending approval of business case expected later this year.

Resources – £1.1m Period 5 spend (£63.0m budget, £9.3m P5 forecast)

34. Build the Change budget for 2023/24 has been revised to £635k (including £70k for Hub 2), focusing on essential works only including snagging and retention costs on the children's and families hub and the fit out of the archive space at Ridge Avenue. All other works at the civic site have been put on hold pending a strategic decision on the future of the site.

35. Montagu industrial redevelopment project is being reviewed, and a revised business case is being prepared. £150k capital budget remains for CPO and consultancy fees for sites the Council is seeking to acquire. The remainder of the approved budget is now moved to 'pipeline.'

36. Corporate Property Investment Programme forecasts £155k spend. These works include to the community kitchen at Albany Park (now completed). The Firs Farm Community Hub works are progressing, with initial focus on securing the appropriate site utilities connections. Works are expected to complete by the end of the financial year.

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

allotments and buildings, toilet upgrades at parks, and replacement roofs. Whilst the cooling tower upgrade at the Civic Centre is on hold at present, potential additional spend on de-carbonisation works is forecast this year. The overall programme forecast outturn has not therefore been adjusted at this time.

38. Digital Services - original approved budget for 23/24 was £13.5m. EMT has agreed a revised programme budget of £7.8m. Of this revised programme, £2.0m is proposed to be carried forward into 24/25 to complete projects that have started this financial year. The forecast for 23/24 is therefore reduced to £5.8m.

39. End User Computing (EUC – Laptops) & Smart Mobile Device (SMD – Mobile phones and Tablets) £2.3m – this project will include the replace devices that are aging, out of warranty and unable to operate to modern security standards. Transition new SIM's in mobile phones and tablets and have a service support structure for the new devices deployed. The Active directory redesign and Operating systems workstream will ensure that our platforms security and investment in EUC & SMD is aligned to industry standards to remove key security vulnerabilities.

40. Directorate Stand Alone Projects £0.7m – These projects engaged for this investment ensure that the directorate can deliver frontline services to support disadvantaged and vulnerable residents. The investment will also address areas an of end of life product.

41. Asset Management System £0.6m – the new Corporate Asset Management system went live with the Minimum Viable Product in 2023/24, 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 replace end of life product supporting Strategic Property Services (SPS) and Construction Management & Facilities Management (CMFM).

42. Unified Communication £0.6m – the replacement to the current end of life product to a new contact centre service product that is configure for LBE. The intelligent channels project will introduce and develop modern technological intelligence through the utilisation of Artificial Intelligent (AI), Robotic Process Automation (RPA) and other non-human intervention products in engagement with residents etc.

43. Security, Network Application £0.45m – This investment will enable the council to address an imminent national change, 'Digital Switchover' which will affect the borough with the retirement of the current analogue Public Switched Telephone Network. The investment will also address some aged infrastructure devices and obsolete operating systems.

44. Corporate Programme £0.45m – Projects include digitalisation of environmental services, this will deliver functionality changes on current products under contract to meet the changes in paper-based operations within two services area, street cleansing and Ground maintenance. The

Social reform project will also deliver two additional modules and associated functionality on Operator Lifecycle Management and Liquid Logic.

45. Data £0.4m – This investment enables the delivery of data migration projects and closure of end of life products and support the development of critical reports to enable the council to consider measures to support on a fully informed basis management information.

46. Civica £0.25m – This investment supports the development of new functionality within a system that supports our residents and businesses engagement across Revenues and benefits. This functionality will enable the residents and business to self-serve reducing the need to make calls to the council for help to complete a request.

47. The budget was agreed at Executive Management Team (EMT) on Tuesday 19th September which means that delivery will now engage fully 6 months into the FY2023/24. Any changes or reprofiling will be reported as agreed at EMT.

Environment & Communities – £3.0m Period 5 spend (£20.6m budget, £14.1m P5 forecast)

48. Journey & Places are forecasting £4.2m spend to deliver a programme of quieter neighbourhoods, improved cycle routes improved pedestrian routes, cycle parking and 10 new school streets across the conurbation. Budgeted spend of £7.7m included indicative grant estimates which have been revised in line with actual grant award.

49. Town Centre Regeneration will invest £0.6m in our town centre, funded from UK Shared Prosperity Fund grant, s106 contributions, CIL and borrowing. A further £0.8m grant funding has been secured for 2024/25 allowing works to continue across 5 town centres in Enfield without recourse to additional borrowing.

50. Flood alleviation expected to spend £1.6m on developing new wetlands, and woodlands in the north of the borough, installing new and upgrading existing pathways across public green land and improving signage to allow improved accessibility. Natural flood management measures will also be introduced across these areas. Flood alleviation works rely significantly on external grant funding, s106 contributions and community infrastructure levy (CIL). The programme will further evolve through the year should additional grant be awarded to allow for further works to be progressed. All growth in the programme will be funded from non-borrowing sources.

51. £1.1m will be spent on parks, playgrounds and verges. £320k to be spend on planting new urban trees, and repairs and improvements to highway verges and shrub beds. £0.55m will be spent on improving parks and playground infrastructure across the borough and a further £0.2m is planned to improve Broomfield Park boating lake (funded from £154k s106 contributions).

52. Sloeman’s farm natural burial ground - £330k spend is planned this year, to be funded from income from soil importation. The Council is in the process of procuring a main contractor for site works and the contract is expected to be awarded by the end of the year. The contract will require the contractor to reimburse the Council each year for its share of income from soil importation. This income is expected to cover the costs of capital expenditure each year.

53. The Council expects to spend £4.5m on highways & street scene services, including £4.3m on highways repairs, footpaths and structural works to bridges and £0.2m grant funded spend on the installation of highways fibre ducting (with a further £0.8m grant funded spend planned in 2024/25). In addition the Council will invest £0.3m of grant funding in improving traffic and transportation measures across the conurbation (including traffic calming and bus priority improvements).

54. Waste management will see investment of £1.0m in the Council’s fleet replacement programme, £0.25m in the expansion of the Council’s fleet workshop and £0.1m on the provision of replacement wheeled bins to residents.

55. Customer & communications is forecast to spend £20k across the libraries and community hubs funded by £15k of CIL and £5k of borrowing. Health and safety upgrade at ordnance unity centre library. £5k on the final parts of transformation project at Enfield library where certain parts of the building are being refurbished.

Housing, Regeneration & Development – £0.5m Period 5 spend (£2.8m budget, £2.3m P5 forecast)

56. Planned spend consists of £2.7m grant funded expenditure on property adaptations for disabled residents to enable more people to live independently in their own homes. There are currently 146 cases in the pipeline to be allocated with 82 that are progressing to completion this year.

Meridian Water – £5.3m Period 5 spend (£124.0m budget, £93.5m P5 forecast)

57. Key outcomes / progress are listed below:

- **Meridian One** – Forecast spend for the financial year is £22.5m. So far 20 of 119 units have been delivered. The remaining 99 units are expected to be completed by March 2024.
- **HIF SIW** – Programmed works for the year were originally c£67m. Works are now forecasted to be in the region of £31m. Vinci Taylor Woodrow are currently onsite undertaking strategic infrastructure works.
- **Debt costs** – Capitalised interest costs are expected to be in the region of £8.5m this fiscal year.
- **Scheme-wide Expenditure** - £2m has been allocated for demolition works. These works may not meet the funding conditions of HIF; however, options are being explored.

- **CPO/Land acquisition** - £1.4m has been set aside for land acquisition. Negotiations are ongoing but expected to be concluded before end of the fiscal year.
- **Capital Receipts** - There is £4.8m notional capital receipts in relation to a land swap. This has been included in the accounts for the purposes of VAT and consideration.
- **Salary** - Salary recharges are expected to be c£2.2m.

Companies – £0m Period 5 loan drawdown (£28.9m budget, £19.1m P5 forecast)

58. The Companies position is reported separately. On 1 September (Period 6) Energetik drew down £1.6m of loans.

Capital programme – Period 5 forecast outturn financing

59. Capital financing originally budgeted is shown in Table 2a below. Capital financing forecast for 2023/24 is summarised in Table 2b, followed by individual tables providing additional information on each source of financing.

Table 2a – capital financing budget 2023/24

	General Fund	**Meridian Water**	**Companies**	**HRA**	**Total**
	£m	**£m**	**£m**	**£m**	**£m**
Capital grants	37.4	67.7	0.1	47.1	152.2
S106	0.7				0.7
CIL	1.7				1.7
Capital receipts (inc RTB)	32.5			27.7	60.1
Major Repairs Reserve				12.3	12.3
Earmarked Reserves	0.1			3.6	3.6
Non-borrowing	**72.4**	**67.7**	**0.1**	**90.6**	**230.8**
Borrowing	**40.4**	**56.4**	**28.8**	**51.7**	**177.3**
capital financing	**112.8**	**124.0**	**28.9**	**142.4**	**408.1**

Table 2b – capital financing Period 5 forecast outturn for 2023/24

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

Borrowing - £153.6m Period 5 forecast outturn (£177.3m budget)

	budget £m	P5 forecast £m	variance £m
Resources	30.8	9.3	(21.5)
People	0.4	0.7	0.3
Environment & Communities	9.2	7.2	(2.0)
Meridian Water	56.4	57.7	1.3
Companies	28.8	17.0	(11.8)
General Fund	**125.6**	**91.9**	**(33.7)**
HRA	51.7	61.7	10.0
	177.3	**153.6**	**(23.7)**

60. As part of development of a financially affordable and sustainable 10 year capital strategy, the Council has been proactive in managing the level of new borrowing it needs to take out in 2023/24. EMT has approved the removal of £58.7m budget from the capital programme, funded from £26.5m borrowing and £32.2m future capital receipts.

61. Resources EMT approved reductions in borrowing include £5.7m from Digital Services, £3.0m from Build the Change, £10.0m from Montagu (all moved to the pipeline). A further £2.0m digital services borrowing funded budget is proposed to be reprofiled into 2024/25 and £0.9m reduction in Build the Change borrowing as the programme is reduced to essential works only.

62. People increase of £0.3m in borrowing is the first phase of property modification and refurbishment works for delivery of new Children’s Homes in Enfield.

63. Environment & Communities reduction in borrowing includes EMT approved reductions of £1.4m in fleet replacement and £0.2m in flood alleviation

budgets. A further reduction of £0.2m in borrowing for parks, playgrounds and verges because of the use of s106 contributions to part fund Broomfield Park boating lake works.

64. Meridian Water changes in borrowing is the result of a reduction in overall programme spend of £6.2m (including £4.4m land acquisition) and assumed use of £5.2m capital receipts. These borrowing reductions are offset by borrowing funded growth of £12.7m in period 5 (KD5627).

65. Companies – see separate Companies report

Grant funded capital expenditure - £71.8m Period 5 2023/24 forecast outturn (£152.2m budget)

	Budget £m	**P5 forecast £m**	**Variance £m**
People	26.0	13.9	(12.1)
Environment & Communities	8.6	5.5	(3.1)
Housing, Regeneration & Development	2.8	2.3	(0.5)
Meridian Water	67.7	30.6	(37.1)
Companies	0.1	2.1	2.0
HRA	47.1	18.3	(28.8)
	152.2	**71.8**	**(80.4)**

66. People – the use of schools related grant to fund 2023/24 capital spend is reduced in line with reprofiling of planned spend in the children’s programme.

67. Environment & Communities grant reduction reflects removal of indicative grant funding allocations used for budget setting purposes from the capital programme.

68. Housing, Regeneration & Development – reprofiling of £0.5m Disabled Facilities Grant into 2024/25.

69. Companies – grant funded growth for Housing Gateway Ltd homes acquisitions (see Companies report)

2023/24 Capital expenditure funded by S106 contributions - £1.8m Period 5 forecast outturn (£0.7m budget)

	budget £m	**P5 forecast £m**	**Variance £m**
People	0.0	1.3	1.3
Environment & Communities	0.7	0.5	(0.2)
	0.7	**1.8**	**1.2**

70. People – the Council expects to utilise £1.3m of schools related s106 contributions to fund investment in Winchmore School.

71. Environment & Communities - £0.4k of s106 contributions initially assumed would be required to fund the Journeys & Places programme this year is no longer required. A new s106 allocation of £0.2m has been approved for Broomfield Park boating lake.

2023/24 Capital expenditure funded by Community Infrastructure Levy (CIL) - £0.5m Period 5 forecast outturn (£1.7m budget

	Budget £m	**P5 forecast £m**	**Variance £m**
Environment & Communities	1.7	0.5	(1.2)
	1.7	**0.5**	**(1.2)**

72. CIL allocation to Journeys & Places is no longer required to fund planned spend in 2023/24.

2023/24 Capital expenditure funded by revenue reserves - £0.0m Period 5 forecast outturn (£0.1m budget)

	Budget £m	**P5 forecast £m**	**variance £m**
Environment & Communities	0.1	0.0	(0.1)
	0.1	**0.0**	**(0.1)**

73. Budget originally assumed the use of £0.1m from the North London Waste Authorities rebate would be used to fund replacement wheeled bins. This has now been removed until such time as funding is confirmed.

2023/24 Capital expenditure funded by capital receipts – £31.1m Period 5 forecast outturn (£60.1m budget)

	budget £m	**P5 forecast £m**	**Variance £m**
Resources	32.2	0.0	(32.2)
Environment & Communities	0.3	0.3	0.0
Meridian Water	0.0	5.2	5.2
HRA	27.6	25.6	(2.0)
	60.1	**31.1**	**(29.0)**

74. Resources – the £32.2m outline budget relating to recycling capital related to Montagu to fund future Montagu phases has been removed as the project is reviewed in response to the changes in the economic environment. This scheme has now been moved to ‘pipeline.’

75. Environment & Communities use of capital receipts is soil importation income to fund development of Sloeman’s Farm. Contract is expected to be awarded by the end of the financial year.

Financial implications

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

Legal implications

77. The Council must adhere to various statutory provisions under the Local Government Finance Act 1992, The Local Authorities (Functions and Responsibilities) (England) Regulations 2000 and The Local Government Act 2003.

78. 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.

79. 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.

80. 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

81. The Council shall ensure that all of its capital expenditure, investments and borrowing decisions are prudent and sustainable. In doing so it will take into account its arrangements for the repayment of debt and consideration of risk, and the impact and potential impact on the Council's overall fiscal sustainability. The Prudential Code, referred to, in this Report, requires authorities to look at capital expenditure plans, investments and debt in the light of overall organisational strategy and resources and ensure that decisions are being made with sufficient regard to the long-run financing implications and potential risks to the Council. To demonstrate that local authorities have fulfilled these objectives, the Prudential Code sets out the indicators that must be used, and the factors that must be taken into account.

82. The Council has a statutory duty to arrange for the proper administration of its financial affairs and a fiduciary duty to taxpayers with regards to its use of and accounting for public monies.

83. This Report sets out that by adopting and adhering to legislative provisions and Industry Codes (CIPFA and Prudential) the Council continues to monitor the Council's Capital Strategy Programme. This Period 5, recommends a significantly reduced budget as set out in this monitoring Report, and maintains that this will still continue the Council's commitment to the development and delivery of a 10-year financially sustainable and affordable Capital Management Strategy without significantly impacting on

delivery of the key ambitions and commitments underpinning the original approved Capital Management Programme and Strategy.

Equalities Implications

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

HR and Workforce Implications

85. Not relevant to this report.

Environmental and Climate Change Implications

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

Public Health implications

87. 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.

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

Property Implications

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

Safeguarding Implications

90. Not relevant to this report.

Crime and Disorder Implications

91. Not relevant to this report.

Conclusions

92. The forecast capital programme for 2023/24 at Period 5, which is significantly reduced from budget, demonstrates the Council’s commitment to the development and delivery of a 10-year financially sustainable and affordable capital strategy. The reduced programme for 2023/24 assumes £33.7m less General Fund borrowing this year than budgeted. This will have a positive impact on future years’ minimum revenue provision budget requirement and current year interest budget.

93. The Council has been able to make these strategic programme reductions without significantly impacting on delivery of the key ambitions and commitments underpinning the original approved capital programme.

94. Year to date spend represents 15.0% of period 5 forecast outturn. The key underspend to forecast is within the Meridian Water programme and profile of Companies loan drawdowns (for Housing Gateway Ltd and Energetik).

95. Members are also asked to note that actual spend to date excludes capitalised staff costs (recharges from revenue to be reviewed, approved and posted), material transactions only processed at year end (for example Meridian Water capitalised interest) and orders placed but not yet invoiced (£40.4m at Period 5).

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Appendices

Further detailed analysis of the Period 5 capital programme is included in the Appendices to this report:

Appendix A	Period 5 forecast full year outturn – changes to budget
Appendix B	Proposed reprofiling of budgets to 2024/25
Appendix C	Proposed reductions to capital budget
Appendix D	Growth in capital budget
Appendix E	Forecast capital programme outturn and funding by corporate objective

Appendix A - Period 5 forecast full year outturn changes to budget (by Programme)

	budget	P5 forecast outturn	Forecast outturn variance to budget	Of which budget carried forward to 2024/25	Of which budget growth in 2023/24	Of which budget reduction in 2023/24	Forecast outturn variance to budget	Spend to date (at Period 5)
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Digital Services	13.5	5.8	(7.7)	(2.0)	0.0	(5.7)	(7.7)	0.0
Corporate Condition Programme	2.1	2.1	0.0	0.0	0.0	0.0	0.0	0.4
Corporate Property Investment	0.2	0.2	0.0	0.0	0.0	0.0	0.0	0.1
Electric Quarter CPO	0.5	0.5	0.0	0.0	0.0	0.0	0.0	0.5
Build the Change	4.5	0.6	(3.9)	0.0	0.0	(3.9)	(3.9)	0.1
Montagu	42.2	0.2	(42.0)	0.0	0.0	(42.0)	(42.0)	0.0
Resources	**63.0**	**9.3**	**(53.7)**	**(2.0)**	**0.0**	**(51.7)**	**(53.7)**	**1.1**
Schools programme	24.8	13.9	(10.9)	(10.9)	0.1	0.0	(10.9)	2.7
Extensions to Foster Carers' Homes	0.3	0.3	0.0	0.0	0.0	0.0	0.0	0.0
Enfield Children’s Homes	0.0	0.3	0.3	0.0	1.3	(1.0)	0.3	0.0
Community Safety	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Mental Health Hub	1.3	0.3	(1.0)	(1.0)	0.0	0.0	(1.0)	0.0
People	**26.4**	**14.9**	**(11.5)**	**(11.9)**	**1.4**	**(1.0)**	**(11.5)**	**2.7**
Libraries & Community Hubs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Vehicle Workshop	0.3	0.3	0.0	0.0	0.0	0.0	0.0	0.0
Traffic & Transportation	0.7	0.3	(0.4)	0.0	0.3	(0.7)	(0.4)	0.0
Vehicle Replacement Programme	2.4	1.0	(1.4)	0.0	0.0	(1.4)	(1.4)	0.8
Waste & Recycling Collections	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.1
Highways & Street Scene	4.3	4.3	0.0	0.0	0.0	0.0	0.0	1.0
Highways Fibre Ducting	1.0	0.2	(0.8)	(0.8)	0.0	0.0	(0.8)	0.0
Sloemans Farm	0.3	0.3	0.0	0.0	0.0	0.0	0.0	0.0

Appendix A - Period 5 forecast full year outturn changes to budget (by Programme)

	budget	P5 forecast outturn	Forecast outturn variance to budget	Of which budget carried forward to 2024/25	Of which budget growth in 2023/24	Of which budget reduction in 2023/24	Forecast outturn variance to budget	Spend to date (at Period 5)
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Flood Alleviation	1.8	1.6	(0.2)	0.0	0.0	(0.2)	(0.2)	0.3
Parks, Playgrounds & Verges	1.1	1.1	0.0	0.0	0.0	0.0	0.0	0.1
Journeys & Places	7.7	4.2	(3.5)	(0.3)	0.3	(3.5)	(3.5)	0.5
Town Centre Regeneration	0.8	0.6	(0.2)	0.0	0.0	(0.2)	(0.2)	0.1
Environment & Communities	**19.0**	**14.1**	**(4.9)**	**(1.1)**	**0.7**	**(6.1)**	**(4.9)**	**3.0**
Housing Adaptations & Assistance (DFG)	2.8	2.3	(0.5)	(0.5)	0.0	0.0	(0.5)	0.5
Housing, Regeneration & Development	**2.8**	**2.3**	**(0.5)**	**(0.5)**	**0.0**	**0.0**	**(0.5)**	**0.5**
Meridian Water non-HIF	56.4	62.9	6.5	0.0	12.7	(6.2)	6.5	5.2
Meridian Water HIF	67.7	30.6	(37.1)	(37.1)	0.0	0.0	(37.2)	0.1
Meridian Water	**124.0**	**93.5**	**(30.7)**	**(37.1)**	**12.7**	**(6.2)**	**(30.7)**	**5.3**
Energetik	17.7	8.9	(8.8)	(2.6)	0.0	(6.2)	(8.8)	0.0
Housing Gateway Ltd	11.2	10.2	(1.0)	(3.0)	2.0	0.0	(1.0)	0.0
Companies	**28.9**	**19.1**	**(9.8)**	**(5.6)**	**2.0**	**(6.2)**	**(9.8)**	**0.0**
General Fund	**265.7**	**153.2**	**(112.5)**	**(58.2)**	**16.8**	**(71.2)**	**(112.5)**	**12.7**
Housing Revenue Account	**142.4**	**129.9**	**(12.5)**	**(13.1)**	**0.6**	**0.0**	**(12.5)**	**29.2**
capital programme	**408.1**	**283.1**	**(125.0)**	**(71.3)**	**17.4**	**(71.2)**	**(125.0)**	**41.9**

Appendix B – proposed carry forward of budget into 2024/25 (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**
Digital Services	2.0			2.0
Resources	**2.0**	**0.0**	**0.0**	**2.0**
Schools programme		10.9		10.9
Mental health hub		1.0		1.0
People	**0.0**	**11.9**	**0.0**	**11.9**
Highways & Street Scene		0.8		0.8
Journeys & Places		0.3		0.3
Environment & Communities	**0.0**	**1.1**	**0.0**	**1.1**
Housing Adaptations & Assistance (DFG)		0.5		0.5
Housing, Regeneration & Development	**0.0**	**0.5**	**0.0**	**0.5**
Meridian Water HIF		37.1		37.1
Meridian Water	**0.0**	**37.1**	**0.0**	**37.1**
Housing Gateway Ltd	3.0			3.0
Energetik	2.6			2.6
Companies	**5.6**	**0.0**	**0.0**	**5.6**
General Fund	**7.6**	**53.2**	**0.0**	**55.2**
Housing Revenue Account	**0.0**	**13.1**	**0.0**	**13.1**
Capital programme budget reprofiled to 2024/25	**7.6**	**63.7**	**0.0**	**71.3**

Appendix C – proposed reductions to 2023/24 capital programme (subject to Council approval)

Department	Programme	£m	funding source	Description
Resources	Digital Services	5.7	borrowing	Budget moved to pipeline
Resources	Build the Change	3.0	Borrowing	Budget moved to pipeline
Resources	Montagu Industrial Estate	42.0	Capital receipts and £10m borrowing	Budget moved to pipeline, with the exception of £150k budget reinstated for essential works
People	Extensions to foster carers homes	0.0	Borrowing	Budget initially removed but reinstated for 23/24
E&C	Vehicle replacement programme	1.4	Borrowing	EMT approved reduction to rolling programme
E&C	Expansion of fleet workshops	0.0	Borrowing	Budget initially moved to pipeline but subsequently reinstated
E&C	Flood alleviation	0.2	Borrowing	EMT approved reduction to rolling programme
Companies	Energetik	6.2	Borrowing	Budget moved to pipeline
Decisions as part of the development of the Capital Strategy		**58.7**		
People	Enfield Children’s Homes	1.0	borrowing	Revision to recognise nil acquisition costs
Resources	Build the Change	0.9	borrowing	Budget reduced to essential works only
HRD	Meridian Water	6.2	borrowing	Revised position approved by Meridian Water Board
E&C	Journeys & Places	3.5	grant	Removal of indicative budget allocation
E&C	Traffic & Transportation	0.7	grant	Removal of indicative budget allocation
E&C	Town Centre Regeneration	0.2	Grant	Funding transferred to Journeys & Places
Changes to programmes		**12.4**		
Capital programme reductions		**71.1**		

Appendix D – growth to 2023/24 capital programme

Department	Programme	£m	funding source	Description
People	Enfield Children's Homes	1.3	borrowing	KD5568
People	Raglan Infants School - boiler	0.1	grant	New grant funded scheme
E & C	Traffic & Transportation	0.3	grant	Budget alignment with grant funding
HRD	Journeys & Places	0.2	grant	New schemes (funding transferred from Town Centre Regeneration)
HRA	OPE Self-Custom Build Project	0.7	grant	Operational decision
Meridian Water	Parcel 10	12.7	borrowing	KD5627 note that this is largely offset by £6.2m borrowing reduction in 2023/24 (Appendix B) and a 2023/24 capital receipts assumption of £5.2m (table 2b)
Companies	Housing Gateway Ltd	2.0	grant	New grant for homes acquisition
Capital programme growth		**17.4**		

Appendix E - 2023/24 forecast capital programme outturn and financing by corporate objective

		forecast outturn financing						
	forecast outturn	grants	s106 & CIL	capital receipts	HRA RTB	HRA reserves	Borrowing	YTD spend
	£m	£m	£m	£m	£m	£m	£m	£m
Journeys & Places	4.2	3.8	0.4				0.1	0.5
Flood alleviation	1.6	1.0	0.4				0.2	0.3
Sloemans Farm	0.3			0.3			0.0	0.0
Parks, playgrounds & verges	1.1		0.2				0.9	0.1
Clean and green spaces	**7.2**	**4.8**	**1.0**	**0.3**			**1.2**	**0.9**
Community hubs	0.0						0.0	0.0
Community safety	0.2						0.2	0.0
Mental health and wellbeing centre	0.3	0.3					0.0	0.0
Highways & street scene	4.3						4.3	1.0
Highways fibre ducting	0.2	0.2					0.0	0.0
Traffic & Transportation	0.3	0.3					0.0	0.0
Vehicle replacement programme	1.0						1.0	0.8
Vehicle workshop	0.3						0.3	0.0
Strong, healthy and safe communities	**6.6**	**0.8**					**5.8**	**1.8**
Schools maintenance	5.4	5.4	0.0				0.0	1.8
Schools maintenance - fire safety	0.3	0.3	0.0				0.0	0.0
Strategic schools places programme	8.3	7.0	1.3				0.0	0.8
Enfield children's homes	0.3						0.3	0.0
Extensions to foster carers' homes	0.3						0.3	0.0

Appendix E - 2023/24 forecast capital programme outturn and financing by corporate objective

		forecast outturn financing						
	forecast outturn	**grants**	**s106 & CIL**	**capital receipts**	**HRA RTB**	**HRA reserves**	**Borrowing**	**YTD spend**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Thriving children and young people	**14.6**	**12.7**	**1.3**				**0.6**	**2.6**
Build the Change	0.6						0.6	0.1
Corporate condition programme	2.1						2.1	0.4
Corporate property investment programme	0.2						0.2	0.0
Electric Quarter	0.5						0.5	0.6
Genotin Road	0.0						0.0	0.0
IT Investment	5.8						5.8	0.0
Montagu Industrial Estate	0.1						0.1	0.0
Town Centre Regeneration	0.6	0.2	0.1				0.3	0.1
Replacement wheeled bins	0.1						0.1	0.1
Libraries	0.0	0.0					0.0	0.0
An economy that works for everyone	**9.9**	**0.2**	**0.1**	**0.0**	**0.0**	**0.0**	**9.6**	**1.3**
Housing & Regeneration	2.3	2.3						0.5
Meridian Water	93.5	30.6		5.2			57.7	5.3
Energetik	8.9	0.1					8.8	0.0
Housing Gateway Ltd	10.2	2.0					8.2	0.0
Housing Revenue Account	129.9	18.3		14.9	10.7	24.3	61.7	29.2
More and better homes	**244.8**	**53.3**	**0.0**	**20.1**	**10.7**	**24.3**	**136.3**	**35.0**
capital programme	**283.1**	**71.8**	**2.3**	**20.4**	**10.7**	**24.3**	**153.6**	**41.9**

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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.

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Appendices
Appendix 1: Q1 2023/24 Performance Scorecard

Background Papers
None

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).

Rejected dry recycling loads (tonnes)

	193.3 tn	Quarterly Q1 23/24
Quarterly target	325 tn	
Annual target	1375 tn	
Previous quarter	299 tn	

Percentage contamination rate at material recycling facility

Oflog indicator	11.1%	Quarterly Q1 23/24
Quarterly target	10%	
Annual target	10%	
Previous quarter	16.7%	

Residual waste per household (kg) (cumulative)

Oflog indicator	544 kg per h/h	Quarterly Q4 22/23
Quarterly target	600kg per h/h	
Annual target	600kg per h/h	
Previous quarter	399.1 kg per h/h	

Percentage of household waste sent for recycling

Oflog indicator	31.1%	Quarterly Q4 22/23
Quarterly target	40%	
Annual target	40%	
Previous quarter	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.

Total notifiable offences	30,136	July 2022 - June 2023	**Previous 12 months**	30,548
Burglary - residential offences	1,443	July 2022 - June 2023	**Previous 12 months**	1,675
Domestic abuse incidents	4,874	July 2022 - June 2023	**Previous 12 months**	6,466
Domestic abuse violence with injury offences	1,029	July 2022 - June 2023	**Previous 12 months**	906
Anti Social Behaviour calls	5,723 There are gaps in the data from the Metropolitan Police for this period. Comparison with the previous 12 month period is therefore not possible.	July 2022 - June 2023	**Previous 12 months**	9,962
Hate crime overall total (5 strands combined)	688	July 2022 - June 2023	**Previous 12 months**	814
Non domestic abuse violence with injury offences	2,555	July 2022 - June 2023	**Previous 12 months**	1,971
Violence against the person offences	9,281	July 2022 - June 2023	**Previous 12 months**	9,469
Number of knife crime offences	602	July 2022 - June 2023	**Previous 12 months**	566

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.

New admissions to supported permanent Residential and Nursing Care (65+) per 100,000 population over 65 (cumulative)

	106	Quarterly Q1 23/24
Quarterly target	107.6	
Annual target	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
Quarterly target	1.48	
Annual target	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
Quarterly target	56%	
Annual target	56%	
Previous quarter	55.8%	

Percentage of adults with learning disabilities in settled accommodation

	87.4%	Quarterly Q1 23/24
Quarterly target	86%	
Annual target	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%.

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

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

Number of first time entrants to the Youth Justice System aged 10-17 (known to Youth Justice Service)		
	13	Quarterly Q1 23/24
Previous quarter	18	

Percentage of young people sentenced at court who are given a custodial sentence		
	0%	Quarterly Q1 23/24
Quarterly target	5%	
Annual target	5%	
Previous quarter	0%	

Total number of young people sentenced at court who are given a custodial sentence in the period		
	0	Quarterly Q1 23/24
Previous quarter	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
Quarterly target	85.00%	
Annual target	85%	
Previous quarter	40%	

Percentage of 16-17 year olds not in education, employment or training (NEET) and Not Known (NK)		
	2.9%	Quarterly Q1 23/24
Quarterly target	3.4%	
Annual target	3.4%	
Previous quarter	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.

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

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

Number of young people engaged in local youth offer provided by Youth Services	12,636	Annually 22/23	**Previous year**	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.

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

58%

Quarterly Q1 23/24

Quarterly target	60%
Annual target	60%
Previous quarter	53.6%

Percentage of major applications determined within target

100%

Quarterly Q1 23/24

Quarterly target	60%
Annual target	60%
Previous quarter	100%

Percentage of minor applications determined within target

71.4%

Quarterly Q1 23/24

Quarterly target	70%
Annual target	70%
Previous quarter	94.3%

Percentage of other applications determined within target

77.9%

Quarterly Q1 23/24

Quarterly target	70%
Annual target	70%
Previous quarter	93.5%

Percentage of 2 year rolling major applications determined within target

96.3%

Quarterly Q1 23/24

Quarterly target	80%
Annual target	80%
Previous quarter	96.6%

Percentage of 2 year rolling minor applications determined within target

82.6%

Quarterly Q1 23/24

Quarterly target	80%
Annual target	80%
Previous quarter	90.3%

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

89.5%

Quarterly Q1 23/24

Quarterly target	80%
Annual target	80%
Previous quarter	91.7%

Number of live planning applications in the system that are undetermined

719

Quarterly Q1 23/24

Quarterly target	580
Annual target	580
Previous quarter	New indicator

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

50%

Quarterly Q1 23/24 (data only covers June 2023)

Quarterly target	75%
Annual target	75%
Previous quarter	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)

Quarterly target	60%
Annual target	60%
Previous quarter	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).

	RP01 Percentage of homes that do not meet the Decent Homes Standard	**RP02 Percentage of repairs completed within target timescale (YTD)**	**NM01 Anti-social behaviour cases relative to the size of the landlord**	**BS01 Percentage of council owned homes which have a current gas safety certificate**	**BS02 Percentage of homes for which all required fire risk assessments have been carried out**
	31.8%	85.4%	26.51	100%	100%
	Quarterly Q1 23/24	Quarterly Q1 23/24	Quarterly Q1 23/24 (data only covers June 2023)	Quarterly Q1 23/24	Quarterly Q1 23/24
Quarterly target	30%	98%		100%	100%
Annual target	30%	98%		100%	100%
Previous quarter	31%	95.1%	New indicator for 23/24	99.9%	99.03%

	BS03 Percentage of homes for which all required asbestos management surveys or re-inspections have been carried out	**BS04 Percentage of homes for which all required legionella risk assessments have been carried out**	**BS05 Percentage of homes for which all required communal passenger lift safety checks have been carried out**	**CH01 Number of complaints relative to the size of the landlord**	**CH02 Percentage of complaints responded to within complaint handling code timescales**
	100%	99.5%	95.7%	15.83	77.2%
	Quarterly Q1 23/24	Quarterly Q1 23/24	Quarterly Q1 23/24	Quarterly Q1 23/24	Quarterly Q1 23/24
Quarterly target	100%	100%	100%		95%
Annual target	100%	100%	100%		95%
Previous quarter	100%	99.7%	98.3%	47.29	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.

Percentage of responsive repairs completed by agreed target date (YTD)

	93.8%	Quarterly Q1 23/24
Quarterly target	98%	
Annual target	98%	
Previous quarter	91.1%	

Number of repair orders raised concerning damp and mould

	195	Quarterly Q1 23/24
Previous quarter	222	

Percentage of urgent repairs completed on time (YTD)

	96%	Quarterly Q1 23/24
Quarterly target	97%	
Annual target	97%	
Previous quarter	95.2%	

Percentage of Enfield Repairs Direct repairs completed right first time

	82.85%	Quarterly Q1 23/24
Quarterly target	90%	
Annual target	90%	
Previous quarter	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.

Percentage of stock vacant and unavailable to let

	2.62%	Quarterly Q1 23/24
Previous quarter	2.35%	

Average time taken to re-let general needs local authority housing (YTD) * excluding held period

	42	Quarterly Q1 23/24
Quarterly target	25	
Annual target	25	
Previous quarter	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)	**Final review complaints - percentage responded to inside target (Council overall)**	**Percentage of FOIs answered within 20 days (Council overall)**	**Percentage of MEQs responded to within 8 days (Council overall)**	**Percentage of SARs closed within a calendar month (Council overall)**
	70%	87%	93%	81%	57%
	Quarterly Q1 23/24	Quarterly Q1 23/24	Quarterly Q1 23/24	Quarterly Q1 23/24	Quarterly Q1 23/24
Quarterly target	95%	95%	100%	95%	100%
Annual target	95%	95%	100%	95%	100%
Previous quarter	69%	94%	90%	79%	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)	**Average wait time for calls answered by the contact centre (Gateway Telephones)**	**Average wait time for calls answered by the contact centre (Gateway Telephones - Council Housing)**	**Percentage of calls to the contact centre answered within 5 minutes**
	89%	00h 02m 57s	00h 08m 16s	81%
	Quarterly Q1 23/24	Quarterly Q1 23/24	Quarterly Q1 23/24	Quarterly Q1 23/24
Quarterly target	80%	00h 03m 00s	00h 03m 00s	80%
Annual target	80%	00h 03m 00s	00h 03m 00s	80%
Previous quarter	88%	00h 03m 18s	00h 17m 24s	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.

Percentage of Council Tax collected (in year collection)

	28.1%	Quarterly Q1 23/24
Quarterly target	28.47%	
Annual target	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
Quarterly target	27%	
Annual target	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
Quarterly target	98%	
Annual target	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	

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FINANCE AND PERFORMANCE SCRUTINY PANEL WORK PROGRAMME

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

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

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