London Borough of Enfield

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

Purpose of Report

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

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

Recommendations

3. Cabinet is requested to note the following:

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

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

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

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

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

Background and Options

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

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

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

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

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

8. This report is set out as follows:

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

Relevance to Council Plans and Strategies

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

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

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

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

Financial Implications

Executive Summary – 2022/23 Revenue Outturn

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

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

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

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

Table 1: 2022/23 Outturn by Department

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

2022/23 Revenue Outturn – Departmental Commentary

People – Departmental Overview

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

People – Adult Social Care & Public Health

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

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

People – Children & Families

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

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

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

People – Education

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

Place

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

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

24. In the Parking Service, the most significant variance was the reduction of car parking receipts either in car parks or on street parking and parking permits. The gross pressure was £2.3m, with £0.680m mitigated by the Covid-19 reserve, hence a £1.6m net adverse variance. This is a continuing trend seen over the last couple of years and was affected by the following factors:

    - Impact of the pandemic and the reduction in travel
    - The increase in working from home and the reduction in travel
    - Changing consumer habits and increased online shopping rather than coming into town centres.

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

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

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

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

Resources

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

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

Corporate Budgets

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

Executive Summary – 2023/24 Revenue Forecast

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

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

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

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

Table 2: Summary of 2023/24 Forecast Variances

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

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

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

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

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

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

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

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

Table 3: Gross Variance and Key Themes

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

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

2023/24 Revenue Forecast – Departmental Commentary

People – Departmental Overview

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

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

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

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

People – Adult Social Care

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

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

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

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

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

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

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

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

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

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

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

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

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

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

People – Public Health

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

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

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

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

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

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

People - Children's Social Care

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

People - Education

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

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

Environment & Communities

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

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

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

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

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

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

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

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

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

Housing, Regeneration & Development

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

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

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

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

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

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

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

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

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

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

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

Resources

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

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

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

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

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

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

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

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

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

Chief Executive

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

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

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

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

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

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

Corporate Items

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

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

123. The Minimum Revenue Provision is a charge that Councils are required to make in their accounts for the repayment of debt (as measured by the underlying need to borrow, rather than actual debt). The underlying debt is needed to finance the capital programme.

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

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

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

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

Collection Fund

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

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

Table 4: Collection Fund Forecast Outturn Summary

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

Council Tax and Business Rates Collection Performance

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

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

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

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

Flexible Use of Capital Receipts

134. With effect from 2016/17 the Government provided a general capitalisation directive to all councils, giving them the option to utilise capital receipts for

revenue purposes. These receipts can be used to finance projects that are designed to generate ongoing revenue savings in the delivery of public services, and/or transform service delivery to reduce costs or demand for services in future years for any of the public sector delivery partners. The Government has continued to extend this flexibility and provide specific guidance covering purpose and transparency in the use of this.

135. The Council is mindful of over reliance on, and the sustainability of, this one-off funding. In the medium to long term, alternative funding will need to be identified to fund any further projects, as capital receipts may not be available, or the flexibility granted by Government might be withdrawn.

136. The impact of using capital receipts to fund revenue transformation projects is that these receipts are not available to fund the council's capital programme and, therefore, increase the council's borrowing requirements.

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

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

Achievement of Savings (Appendix B and Appendix C)

139. A risk-based approach to the monitoring of savings is undertaken as part of the monthly budget monitoring, where a score is given in relation to the value of saving or income and the likelihood of delivery, these are then multiplied together, and the total score provides the following risk ratings:

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

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

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

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

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

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

Dedicated Schools Grant (DSG)

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

Table 5 – DSG Reserve movement

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

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

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

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

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

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

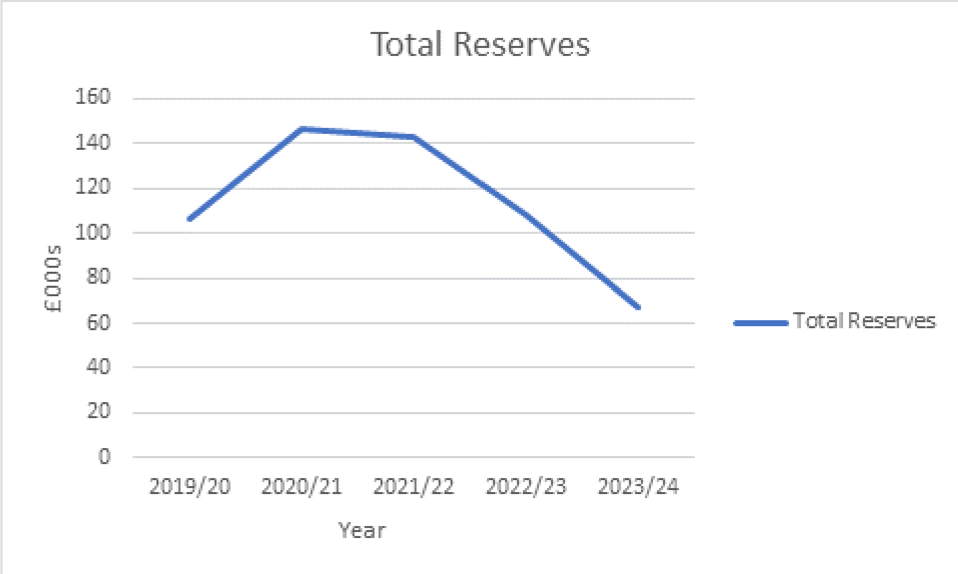
149. The London Mayor has recently announced that grant funding will be made available during the 2023/24 academic year for the provision of universal free school meals for all primary school children in state-funded schools in London who do not currently qualify for Government-funded free school meals.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

Earmarked Reserves

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

Table 6 – Forecast Reserves balances

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



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

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

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

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

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

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

Conclusion

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

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

Legal Implications

159. The Council has duties within an existing legal framework to arrange for the proper administration of its financial affairs. The recommendations in this report will support the Council in meeting its statutory obligations.

Other Implications

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

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Date of report:	28th July 2023

Appendices

Appendix A: Breakdown of Departmental Variances

Appendix B: Achievement of Savings

Appendix C: Savings & Income Monitor

Appendix D: Collection Fund

Background Papers

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

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

LB ENFIELD **APPENDIX A**

General Fund Revenue Monitor 2023/24

Period 3 Forecast

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

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

Appendix B

Achievement of Savings and Income Targets

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

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

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

Appendix C

Savings & Income Monitor

Chief Executive

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

Adults

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

Children & Families

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

Education

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

Public Health

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

Environment & Communities

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

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

Housing, Regeneration & Development

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

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

Resources

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

Corporate

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

Appendix D

Collection Fund - update in detail

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

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

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

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

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

Collection Fund - Council Tax

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

Table D3 – Collection Fund Council Tax

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

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

Collection Fund - Business Rates

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

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

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

Table D4: Collection Fund Business Rates

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