



London Borough of Enfield

Report Title	Housing Revenue Account (HRA) Outturn Report 2022/23 and P3 update 2023/24
Report to	Cabinet
Date of Meeting	13 th September 2023
Cabinet Member	Cllr Tim Leaver (Finance & Procurement) and Cllr George Savva (Social Housing)
Executive Director/Director	Fay Hammond, Executive Director - Resources
Report Author	Claire Eldred, Head of Finance HRA
Ward(s) affected	All
Key Decision Number	KD 5654
Classification	Part I Public
Reason for exemption	

Purpose of Report

1. To provide the final outturn position for 2022-23 and an update on the Period 3 forecast outturn for 2023-24 of the Housing Revenue Account (HRA), covering both revenue and capital expenditure associated with delivering the Council's Housing service.

Recommendations

2. Cabinet is recommended:

- i. To note the HRA outturn position for 2022/23 for both revenue and capital
- ii. To note the Period 3 forecast outturn position for 2023/24 for both revenue and capital

Background and Options

3. The principle of maintaining a financially sustainable Housing Revenue Account and Capital programme is imperative in the context of an ambitious housing development programme. On 24th February 2022, the 2022/23 budgets for both the revenue and the capital programme was set by Council.
4. The revenue budget covers operational or more day to day expenditure whereas the capital budget covers long term investment in Council housing assets.
5. The Council's Capital Programme is regularly reviewed, and monitoring reports are submitted to Cabinet on a quarterly basis. The Council continually strives to maximise external grants and contributions and attract new income streams to fund projects wherever possible and minimise the need to borrow.

Executive Summary

Outturn Position

6. The HRA is achieving the Council's objectives through the development of new affordable homes, providing good homes in well-connected neighbourhoods, improving existing housing stock to create a lifetime of opportunities in Enfield, and sustaining strong and healthy communities.
7. The purpose of the report is to provide an overview of the financial performance of the Housing Revenue Account (HRA) Capital and Revenue programme during 2022/23.
8. The HRA revenue outturn position shows a positive variance of £0.72m against the approved budget, this compares to the forecast £1.95m pressure reported in Period 8, this change is mainly due to the release of the Thames Water provision. The variations to budget are as follows:
 - a) There have been pressures in the supervision and management budget this year due to the costs associated with decanting of Walbrook/Shropshire/Cheshire house.
 - b) There has been significant increase in energy prices, which has increased the costs this year – some of which will be part of future service charges for tenants and leaseholders and some of which fall on the Council??
 - c) Enfield Repairs Direct (ERD) has experienced cost pressures from inflation for materials and higher sub-contractor costs than originally estimated. The new response to damp and mould has involved significant pro-active and responsive work to ensure these issues are dealt with urgently as part of our new standards.
 - d) There is a long-term provision in the balance sheet which was set up to allow for the possibility that we may have to refund tenants for the alleged overcharging for water and sewerage charges, following the Southwark case. The Thames Water agreement ended in 2016 and the 1980 Limitation Act specifies refunds are limited to 6 years, as such Enfield's liability ceased in 2022 so this provision can now be released.
9. The Council invested £99.9m capital in council housing including building homes and maintaining homes. This was funded from only £28m of borrowing, with the remaining funded from grant and capital receipts.

10. This year we have invested in existing Council homes to:
 - a) comply with the requirements of the Building Safety Act and the Fire Safety Act
 - b) comply the requirements of the Decent Homes Standard
 - c) improve energy and thermal efficiency
 - d) address statutory health and safety requirements (other than building investment and decency) including Water Safety and Lift Replacement

11. We have continued to develop new Council homes this year:
 - a) We completed 50 new homes (25 affordable rented and 25 private sales) at Bury Street West
 - b) The main build contract commenced on site this year to build 70 new care for older resident homes at Reardon Court, these units are expected to be complete by April 2024
 - c) Joyce and Snells - planning application was submitted and procurement for a Pre-contract Services Agreement commenced
 - d) In line with our strategy to minimise exposure to build contract risk as a result of the economic volatility of the last period, we have entered into an agreement to acquire 137 new affordable homes on the Alma Estate, once complete these units will generate long term rental income.

12. HRA reserves increased from £25.6m to £37.6m this year as shown in the 'Earmarked Reserve' section of the report.

Period 3 projected outturn

13. This report provides an overview of the 2023-24 forecast outturn position at Period 3, for the Housing Revenue Account (HRA) for the Capital and Revenue programmes.

14. The HRA revenue budget, which includes gross expenditure of £72.95m, is forecasting a saving of £0.20m against the approved budget. The variations to budget are as follows:

15. The Council is forecast to spend £127.57m against the approved budget of £142.37m (inclusive of carry forwards from 2022-23).

16. This year we are continuing to invest in our Council homes to deliver improvement to our decency standards, comply with building and fire safety regulations and improve the energy performance our properties. It has been necessary to reduce the investment programme budget this year, to ensure financial management of the HRA cash flow is maintained.

17. In addition, we will continue to deliver new council homes through development, estate regeneration and acquisitions programme.

Preferred Option and Reasons for Preferred Option

18. Position on the revenue and capital accounts of the HRA are a matter of fact therefore there are no options in this regard.

19. Consideration has been given to these objectives with due regard to the financial position of the Council's HRA with a view to refreshing the overarching HRA Business Plan later in the financial year as a prelude to refreshing the Council's financial strategies
20. We continue to experience a range of issues that have an impact on the strategy, priorities and outcomes for the service. This report provides the outturn position (2022/23) and P3 forecast (2023/24) on the revenue and capital budgets.

Relevance to the Councils Plans and Strategies

21. The overarching aim of the Capital Programme is to provide a framework within which the Council's investment plans can be delivered.
22. The strategy for Council Housing is set out in the Housing and Good Growth Strategy which supports the Corporate Plan 2018-2022. The objectives are to:
- a) Deliver good homes in well-connected neighbourhoods
 - b) Sustain strong and healthy communities
 - c) Build our local economy to create a thriving place
23. The Corporate plan also identifies 3 guiding principles, which underpin these objectives; they will govern how the Council communicates with residents, works with residents and works as efficiently as possible, including increasing resident access to digital services and transactions.

Revenue Outturn 2022-23

24. The HRA outturn position is a £0.716m reduction in spend against the approved budget. The reduction in spend will transfer to the HRA reserves.
25. Table 1 below shows the outturn position and total variance against budget. The movements are explained below:

Table 1 – Summary of the HRA Outturn

Council Housing (HRA) Revenue Monitor 2022-23	Budget £m	Outturn £m	Variance £m
Supervision and Management	22.6	24.7	2.1
Repairs Admin & Base	13.7	14.5	0.7
Rates	0.6	0.4	-0.2
Bad Debt Provision	0.6	0.3	-0.4
Capital Financing	22.3	22.2	0.0
Gross Expenditure	59.8	62.1	2.3
Rents Dwellings	-60.5	-59.9	0.6
Rents Non-Dwellings	-3.1	-3.1	0.1
Interest on HRA Balances	-0.2	-0.8	-0.6
Leaseholders Service Charges	-5.1	-5.3	-0.2
Gross Income	-68.9	-69.0	-0.1
Total	-9.1	-6.9	2.2
Thames water Provision release	0.0	-2.9	-2.9
Net Outturn Position	-9.1	-9.8	-0.7

Supervision & Management (£2.1m adverse to budget)

26. For the second year there has been additional investment (£0.7m) made in improving the environmental conditions of estates. These improvements include, enhanced grounds maintenance service, additional waste removal, fly tipping and bin collections. These costs will be recovered through the service charges to tenants and leaseholder.
27. We have experienced a significant impact to the UK energy market, with energy prices seeing a dramatic increase, the cost of energy has put a pressure on the budget of £0.6m.
28. The costs associated with decanting Shropshire/Cheshire and Walbrook house to complete the essential gas works, has totalled £1.2m this year.
29. These pressures have been slightly offset by the reduction in the policing service. The HRA funded a service that provides additional policing service on our estates to support community safety and crime reduction. This year due to staff vacancies, sickness and abstraction rates in the police service there has been a reduction in the numbers of officers patrolling the estates (from 15 to 11), this has reduced the cost of the service by £0.5m.

Repairs (£0.7m shortfall)

30. Enfield Repairs Direct (ERD) has experienced cost pressures this year from inflation for materials, higher sub-contractor costs and the response to damp and mould issues. The shortfall in budget, has been funded from the repair's reserves.

Bad Debt - contribution to provision (£0.4m saving)

31. A 10% provision was allocated for the potential increase in arrears from Covid-19 impact and the cost-of-living crisis, however actual arrears haven't seen a significant increase and remain at a similar level to last year. Based on current levels the provision in reserves is adequate and the revenue contribution is minimal.

Rental Income (£0.6m income shortfall)

32. The decant of Walbrook House and partial decant of Shropshire and Cheshire has reduced the level of expected rent this year. In addition, due to the current market conditions, the completion of 12 new homes at Gatward Green had been delayed. The empty properties and delays in units being completed has impacted the expected rental income to the HRA this year and has created a pressure in the revenue budget.

Interest on Balances (£0.6m saving)

33. The HRA reserve levels have increased this year and in addition, interest rates have increased from the estimated 1% to 2.01%. This has increased the level of interest received on the HRA reserves.

Thames Water Provision (2.9m released)

34. There is a long-term provision in the balance sheet which was set up to allow for the possibility that we may have to refund tenants for the alleged overcharging for water and sewerage charges, following the Southwark case. The Thames Water agreement ended in 2016 and the 1980 Limitation Act, specifies refunds are

limited to 6 years, as such Enfield's liability ceased in 2022 so this provision has been released.

Efficiency savings

35. The HRA Business Plan had an annual efficiency target and in 2022-23 this was £1m. This year we achieved revenue savings of £1.02m, which included reduction in recharges, increased income from community spaces hire and a range of smaller interventions to control cost.
36. These savings will assist in improving the HRA Interest Cover ratio (ICR) hurdle and ensure the HRA remains sustainable.

HRA Capital Programme outturn 2022-23

37. The HRA capital programme for 2022/23 planned expenditure was refreshed during the financial year, as at Period 8 2023, the expected budgeted spend was £107.4m for the year. At the end of the financial year, the actual expenditure was £99.9m. This is summarised in Table 2 below:

Table 2 – Summary of the HRA Capital Programme

HRA Capital Programme	Approved Budget	Outturn	Variance
	£m	£m	£m
Building Investment	26.3	13.1	-13.2
Decency	17.4	18.7	1.3
Energy Efficiency	4.9	2.5	-2.5
Statutory Compliance	3.9	2.9	-1.0
Overheads & other investment	1.7	2.1	0.4
Investment Programme	54.2	39.2	-15.0
Development Programme	22.5	1.9	-20.6
HRA Acquisitions	0.0	33.1	33.1
Joyce & Snells	6.0	4.4	-1.6
Bullsmoor Lane	4.1	0.4	-3.7
Bury Street	10.7	6.8	-3.9
Electric Quarter	1.3	0.6	-0.7
Exeter Road	7.0	1.0	-6.1
Reardon Court	10.5	7.6	-2.8
Upton & Raynham	11.7	2.0	-9.8
Development Programme	73.7	57.7	-16.0
Alma Towers	5.7	2.3	-3.3
Ladderswood	0.2	0.1	-0.1
New Avenue	0.4	0.5	0.1
Estate Regeneration Programme	6.3	3.0	-3.3
Total HRA Capital Programme	134.2	99.9	-34.3

38. Capital budgets are planned over ten years, in some instances the planned expenditure occurs in a different financial year from that planned. The HRA capital budget reprofiling of unspent budget to be carried into 2023-24 is £7.8m.

HRA Capital Programme: Project Outcomes and Variations

39. This section provides details of significant spend, the associated outputs and variations to budget this year. This includes investment in improving safety and the condition of Council homes, general maintenance, investments the support the climate action plan, building new homes and large-scale regeneration schemes.

Council Housing Investment Programme (£39.2m)

40. In line with the Better Council Homes programme, investment in the Council's housing stock and achieving the Decent Homes Standard and maintaining this is a Council priority; to address building safety risks and to reduce the need for responsive repairs.

Building Investment (£13.1m)

41. We have invested in our homes to ensure we are compliant with the Building Safety Act and Fire safety Act requirements. This year we have seen delays in the programme due to additional requirements as a result of changing building safety regulations. In addition, contract award delays for cladding works on a number of blocks and issues with gaining access to homes has created delays and has reduced the expected expenditure this year.

Decency (£18.7m)

42. This budget has funded decent homes improvement works, to ensure we comply with the Decent Homes Standard requirements. This year works have exceeded the budget allocation and the service has improved over 250 internal elements, including the replacement of kitchens, bathrooms and electrical upgrades on properties within our stock.

Energy Efficiency (£2.5m)

43. The deep retrofit and external wall insulation grant funded (partly) projects have continued this year. The programme of works has reduced slightly due to an increase in the pricing schedule; however, the project continues on the revised basis and will assist in achieving the net zero homes objective.

Statutory Compliance (£2.9m)

44. Spend this year has been to address statutory requirements, including water safety and lift replacements works. In addition, we have delivered high priority communal electrical works and emergency lighting upgrades in 6 sheltered blocks.

Overheads and other investments (£2.1m)

45. This year we have completed a number of boiler replacements, stock condition surveys, structural strengthening and estate improvements works.

Development Programme (£57.7m)

46. This year the new homes programme has experienced challenges arising from the current volatile market conditions. As a way to mitigate these risks going forward, we are reviewing alternative delivery models and in the short term we have achieved new homes targets by acquiring additional homes.

47. Acquisitions - this year we have made the first instalment towards 137 new affordable units on the Alma Estate and 27 new affordable units at Meridian Water. These units will complete within the next 18 months and will generate long term rental income for the HRA.

48. Joyce and Snells – this year we have submitted a planning application and initiated procurement to enter into a Pre-contract Services Agreement to enable works to commence prior to construction. In addition, we have bought back six leaseholder properties which will assist in moving the project forward.
49. Bury Street West – this project has delivered 50 new homes, 25 affordable rented and 25 private sales properties. These units completed in December 2022, with the affordable units now fully let. Marketing of the private sale units has been launched and viewings are ongoing.
50. Exeter Road (130 new homes) - Due to the current climate (inflationary pressures) this scheme is being reviewed and options of how to progress this scheme are being considered, this has led to the reduction in planned spend this year.
51. Reardon Court (70 units) - The contractor is now in possession of the site and build works are underway. This project will provide 70 new affordable homes with care for older residents in the borough, completion is expected in April 2024. Cost pressures on the scheme arising from the current inflationary environment have resulted in the need to undertake value engineering and the expected outturn position will be reported to Cabinet.
52. Upton and Raynham (130 homes) – there has been a reduction in the budgeted spend this year due to the termination of the contract due to prices being significantly above budget. Due to the current climate this scheme is being reviewed and packaging the scheme alongside the first phases of Joyce and Snells is being pursued.

Estate Regeneration (£3.0m)

53. This programme, which includes the Alma Estate, New Avenue and Ladderswood schemes, is investing in large scale phased regeneration for delivery of in-demand affordable housing as well as unlocking new homes for low-cost home ownership for Enfield residents
54. Alma - all residential properties have been acquired, with a few commercial units that will be acquired over the next two years. A revised planning consent was granted and phases 2a and 4 have been brought forward, the completions of these phases is expected in January 2024. Contractor payments have been reprofiled which has reduced the expenditure this year.
55. New Avenue - all residential buyback properties have been acquired. Phase 1 is complete, phase 2 commenced in April 2022 and is well underway with foundations largely complete and some concrete frames rising. The existing building in phase 3 (Coverack Close) is fully vacated and is due to be demolished in June 2023.

Financing the Capital Programme outturn 2022-23

56. Table 3 below sets out the financing of the 2022/23 capital programme from a combination of grants, capital receipts (sale of assets), reserves and borrowing.

Table 3 Financing of the capital programme

HRA Capital programme Funding	Capital Grants	Usable Capital receipts	Major Repairs Allowance	Earmarked Resources/ Reserves	Borrowing	Total
	£m	£m	£m	£m	£m	£m
Building Safety	8.3	4.5	0.3	0.0	0.0	13.1
Decency	0.0	5.9	3.0	9.8	0.0	18.7
Energy Efficiency	0.7	1.4	0.4	0.0	0.0	2.5
Statutory Compliance	0.0	0.9	2.0	0.0	0.0	2.9
Overheads & other investment	0.6	0.4	0.0	1.0	0.0	2.1
Investment Programme	9.6	13.0	5.7	10.8	0.0	39.2
Development Programme	0.3	0.0	0.0	1.1	0.5	1.9
HRA Acquisitions	3.1	0.0	0.0	11.1	18.9	33.1
Joyce & Snells	0.0	0.0	0.0	0.6	3.8	4.4
Bullsmoor Lane	0.0	0.0	0.0	0.0	0.4	0.4
Bury Street	3.7	0.0	0.0	0.0	3.0	6.8
Electric Quarter	0.3	0.0	0.0	0.0	0.3	0.6
Exeter Road	0.0	0.0	0.0	0.0	1.0	1.0
Reardon Court	7.4	0.0	0.0	0.0	0.2	7.6
Upton & Raynham	1.9	0.0	0.0	0.0	0.1	2.0
Development Programme	16.7	0.0	0.0	12.8	28.2	57.7
Alma Towers	2.3	0.0	0.0	0.0	0.1	2.3
Ladderswood	0.1	0.0	0.0	0.0	0.0	0.1
New Avenue	0.5	0.0	0.0	0.0	0.0	0.5
Estate Regeneration Programme	2.9	0.0	0.0	0.0	0.1	3.0
Total HRA Capital Programme	29.1	13.0	5.7	23.6	28.3	99.9

Earmarked Reserves

57. The level of HRA reserves, after capital financing, are shown below:

Table 4

Reserves	Balances at 01/04/2022	Movement (net of capital financing)	Balance at 31/03/2023
	£m	£m	£m
HRA Balance	3.2	10.5	13.6
Insurance	0.6	-0.1	0.5
Repairs Fund	1.6	-0.7	0.9
Capital Reserve	1.1	-0.1	1.0
Major Repairs Reserve	0.8	-0.7	0.1
Capital receipts	0.2	1.1	1.3
Total	7.4	10.0	17.4
RTB one for one receipt	18.2	2.0	20.2
Total Reserves	25.6	12.0	37.6

58. There has been a planned increase in the level of HRA reserves this year due to a number of capital receipts, sales disposals and overage payments being received.

59. In order to achieve the Council objectives for the delivery of 3,500 new homes over the next 14 years it has been necessary to use reserves to fund the demands in the short term, and in the long term the delivery of new homes will generate additional revenue rental income and capital sales receipts in order to maintain a viable HRA business plan. It should be noted that the reserve levels remain above the minimum balance level of £6m.
60. In 2022-23 the HRA had a disposal target of £1m to achieve, we successfully over-achieved the target and disposed of land and garage sites to the value of £1.6m. These capital receipts will assist in funding the HRA capital programme. This £1m target will continue for 2023-24 with good progress on disposals made to date.

Period 3 Projected Outturn 2023-24

Revenue Forecast Outturn

61. The HRA revenue budget is forecasting a positive variance of £0.20m against the approved budget.
62. The table below shows the forecast outturn position and total variances against budget.

Table 5

HRA Revenue Monitor 2023-24 - Period 3	Budget	Actuals to date	Forecast Outturn	Variance
	£m	£m	£m	£m
Supervision and Management	22.64	4.53	22.64	0.00
Repairs Admin & Base	15.10	2.53	15.10	0.00
Rates	0.55	0.00	0.55	0.00
HRA Surplus (to fund Capital)	6.84	0.00	6.84	0.00
Bad Debt Provision	0.65	0.00	0.65	0.00
Capital Financing	27.03	0.00	26.87	-0.16
Corporate & Democratic Core	0.14	0.00	0.14	0.00
Gross Expenditure	72.95	7.06	72.79	-0.16
Rents Dwellings	-64.37	0.07	-64.37	0.00
Rents Non-Dwellings	-3.22	-0.63	-3.26	-0.04
Interest on HRA Balances	-0.20	0.00	-0.20	0.00
Leaseholders Service Charges	-5.16	-1.14	-5.16	0.00
Gross income	-72.95	-1.71	-72.99	-0.04
Total	0.00	5.36	-0.20	-0.20

63. The variations to budget are as follows:
- a) Since setting the budget central government have announced that there would be a 0.4% discount on borrowing for HRA's, this has reduced the interest costs on borrowing for this year by £0.16m. However, it should be noted that this will reduce if interest rates increase this year

b) There has been a restructure within the Community Spaces team which has created a saving of £0.04m

64. The HRA Business Plan has an efficiency target of £1m to be achieved this financial year, work is ongoing to achieve this target.

Capital Forecast Outturn

65. The HRA capital budget for the current financial year is summarised in the table below. It provides the latest forecast outturn position compared to the original budget as advised by programme managers.

Table 6

Programme (Appendix)	2023/24 original budget	2022/23 outturn c/fwd	2023/24 revised budget	growth	virements	reprofiling	forecast outturn	Variance - outturn to revised budget
	£m	£m	£m	£m	£m	£m	£m	£m
Estate Regeneration	5.0	0.4	5.4	0.6	10.9	0.0	16.9	11.5
Reardon Court	8.4	0.3	8.7	0.0	0.0	0.0	8.7	0.0
AHP Programme	5.3	1.7	6.9	0.0	1.6	(5.4)	3.1	(3.8)
Acquisitions	35.6	(1.7)	33.9	0.0	(12.5)	0.0	21.4	(12.5)
Joyce & Snells	14.1	1.9	16.0	0.0	0.0	0.0	16.0	0.0
Bullsmoor Lane	3.9	0.6	4.4	0.0	0.0	0.0	4.4	0.0
Bury Street	0.5	3.9	4.3	0.0	0.0	0.0	4.3	0.0
Upton & Raynham	2.0	(0.3)	1.7	0.0	0.0	0.0	1.7	0.0
Development Programme	69.7	6.3	76.0	0.0	(10.9)	(5.4)	59.7	(16.3)
Building Safety	29.8	0.9	30.7	0.0	0.0	(5.2)	25.5	(5.2)
Decency	24.2	(1.2)	23.0	0.0	0.0	(7.1)	15.9	(7.1)
Energy Efficiency	0.9	1.2	2.1	0.0	0.0	(0.5)	1.6	(0.5)
Overheads & other investment	1.9	0.5	2.4	0.0	0.0	0.3	2.7	0.3
Statutory Compliance	3.2	(0.4)	2.8	0.0	0.0	2.5	5.3	2.5
Investment programme	60.0	1.0	61.0	0.0	0.0	(10.0)	51.0	(10.0)
Total HRA	134.6	7.7	142.4	0.6	0.0	(15.4)	127.6	(14.8)

66. In line with the Better Council Homes programme, investment in the Council's housing stock and achieving the Decent Homes Standard and maintaining this is a Council priority; to address building safety risks and to reduce the need for responsive repairs.

67. The projected outturn for the investment on existing homes has been reduced in this period, to ensure the management of the HRA cash flow is maintained.

68. The investment programme will deliver the following this year:

- a) Investment to ensure we are compliant with the Building and Fire Safety Act, with works already committed to a number of high-rise blocks. These works include - installing fire rated flat entrance doors as well as addressing remediation access on a boroughwide basis.
- b) The decency programme will continue to deliver Kitchens, Bathrooms and Electrical Upgrades and boiler and roof replacements on our council homes

- c) Continue to improve the energy and thermal efficiency of our existing stock.
These projects include the deep retrofit and external wall insulation, which are partly grant funded projects
- d) we will address statutory requirements (other than building safety and decency) including water safety and lift replacements works
69. The current market continues to be volatile, with challenges in market conditions and additional fire safety requirements the Development programme has significant challenges this year.
70. Alma - phases 2a and 4 have been brought forward, with completions expected in January 2024.
71. Reardon Court – works are progressing towards the delivery of 69 affordable units, these units are expected to be complete in April 2024.
72. The acquisitions budget includes the purchase of 137 new affordable homes at Alma and 27 units at Meridian Water.
73. Joyce and Snells – procurement is on going for the Principal Contractor, its estimated that 22 leaseholders will be brought back this year. This will assist in achieving vacant possession of the site to commence phase 1 of the project.

Social Value

74. Contracts let this year are expected to deliver the following social value outcomes:
- Apprenticeships
 - school placement/ work experience placements, with 4 targeted at BME and disabled school leavers
 - DIY skills workshops (2 per year) for residents
 - greening projects
 - A commitment that 40% of all contract labour will be from Enfield residents
 - A 3-tonne reduction in carbon generated from the council
 - 100% recyclable waste target
 - Resident energy awareness programme to address energy consumption and fuel poverty.
 - Moving forward all Social Value outcomes will be captured via the Social Value Portal, using the Council Housing social value model. Social Value will account for 10% of the tender evaluation score.

Financial Implications

75. Financial implications are integral to this report.

Legal Implications

76. The Council has a statutory duty to arrange for the proper administration of its financial affairs and a fiduciary duty to taxpayers with regards to its use of and accounting for public monies. This report assists in the discharge of those duties.

77. Section 151 of the Local Government Act 1972 requires local authorities to make arrangements for the proper administration of their financial affairs. The Local Government Act 1972 brought in the current regime for capital finance for local authorities.
78. There are no direct legal implications arising from this report. The report is produced as part of the requirements for managing the Council's spending within budget.

Equalities Implications

79. Not relevant to this report.

HR and Workforce Implications

80. Not relevant to this report.

Environmental and Climate Change Implications

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

Public Health Implications

82. 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.
83. The Council moved swiftly to safeguard the health of its residents and staff during a period of threat unprecedented in living memory. As previously reported the financial implications of this have been harsh and have reached into every department in the Council. As the council is fundamental to the health of Enfield residents it needs to achieve financial balance.
84. This report notes the work that the Council is and has already undertaken and therefore in and of itself does not have public health implications. However, both the Office for Budget Responsibility (OBR) and the Institute for Financial Services (IFS) have both reported on the negative health effects of the 2008 financial crisis. In order to mitigate the effects of this current crisis the council will need to attain financial balance, consider what the 'new normal' might be and how this might be achieved whilst optimising resident's health.

Property Implications

85. Whilst a number of capital projects mentioned within this report have property implications, these will have been highlighted in the relevant report that authorised the project. As such, this report in itself does not have any direct property implications.

Safeguarding Implications

86. Not relevant to this report

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