

MUNICIPAL YEAR 2014/2015 – REPORT NO. 16

MEETING TITLE AND DATE

Cabinet: 23rd July 2014

REPORT OF:

Director of Finance, Resources and Customer Services

AGENDA PART 1

ITEM 7

SUBJECT -

REVENUE OUTTURN 2013/14 AND 2015/16-2018/19 MEDIUM TERM FINANCIAL STRATEGY (MTFS)

Cabinet Member consulted:

Councillor Stafford

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1. EXECUTIVE SUMMARY

- 1.1 This report sets out the overall Council General Fund and Housing Revenue Account outturn position for 2013/14 and provides an update on the 2015/16 budget including an assessment of the financial outlook as well as the work being undertaken to address the budget gap in 2015/16 and future years.

2. RECOMMENDATIONS

It is recommended that Cabinet:

- 2.1 Notes the General Fund and Housing Revenue Account (HRA) outturn for 2013/14.
- 2.2 Agrees the project carry forwards (PCFs) summarised in paragraph 4.3 and the reserves committed to the Council Transformation Programme (paragraph 4.5) and detailed in the service appendices.
- 2.3 Agrees specific changes to reserves as set out in paragraph 4.6 and detailed in the service appendices.
- 2.4 Notes the latest position regarding the 2015/16 MTFS and budget outlook as reported in Section 6 as well as the approach to be adopted for the budget consultation (paragraph 6.7).

3. INTRODUCTION

- 3.1 This revenue outturn and budget review sets out the financial position of the Council and the arrangements in hand to manage the budget process for 2015/16.

4. GENERAL FUND

2013/14 Revenue Outturn Position

- 4.1 The final outturn position is set out in Table 1 below. It provides a comparison between the latest budget and final outturn (subject to Cabinet confirming the carry forward of resources for specific projects

and risks in 2014/15. A more detailed analysis and explanation of budget variations is included in the Appendices.

Table 1: Service Departments Revenue Outturn Position 2013/14	Budget £'000	Total Spend	Variance £'000
Chief Executive	3,865	3,837	(28)
Environment	34,314	34,293	(21)
Finance, Resources & Customer Services	44,010	43,948	(62)
Health, Housing & Adult Social Care	99,892	99,786	(106)
Regeneration, Leisure & Culture	9,809	9,810	1
Schools & Children's Services	58,092	58,043	(49)
Service Net Costs	249,982	249,717	(265)
Corporate:	10,670	10,935	265
Net Expenditure	260,652	260,652	0
Revenue Support Grant	(97,387)	(97,387)	0
Business Rates	(65,837)	(65,837)	0
Collection Fund	(1,086)	(1,086)	0
Council Tax	(96,342)	(96,342)	0
General Fund Corporate Financing	(260,652)	(260,652)	0
General Fund Grand Net Total	(0)	0	0

- 4.2 The final outturn position for 2013/14 is one of a level spend. It should be noted that the final approved estimate figures included in Table 1 are controllable departmental budgets excluding central support allocations and capital and asset impairment charges. These figures clearly show the net budget that is directly controlled by Departments and is provided on the same basis as the in-year revenue monitoring reported to Cabinet during 2013/14.

Project Carry Forwards

- 4.3 The outturn includes resources set aside for the completion of 2013/14 projects in 2014/15 supported by the Director of Finance and Customer Services. These Project Carry Forwards (PCF) total £3.7m as follows:

Table 2 : Project Carry Forwards Summary	Appx	Revenue Projects £000's	Grant Funded Projects £000's	Total Projects 2013/14 £000's
Chief Executive	1	177	0	177
Environment	2	589	24	613
Finance, Resources & Customer Services	3	0	0	0
Health, Housing & Adult Social Care	4	0	369	369
Regeneration, Leisure & Culture	5	0	48	48
Schools & Children's Services	6	120	1,908	2,028
Corporate	7	449	0	449
Net Expenditure		1,335	2,349	3,684

- 4.4 Detailed explanations of each item are included in the departmental appendices.

Transformation Reserve

- 4.5 The 2014/15 Medium Term Plan identified a £65m funding gap for General Fund non-school services over the next three years (see Financial Outlook later in this report). The Council has initiated a programme “Enfield 2017” to identify short and medium term savings to bridge the gap along with the service delivery transformation to users required in the longer term. The additional cost of one-off funding for the programme will be transferred to the existing Council Development Reserve and ring-fenced for transformation related costs. The total contribution by services as part of the 2013/14 outturn is £3.28m as set out below and detailed in service outturn appendices.

Table 3 : Council Development Reserve (Transformation)	2013/14 £000's
Chief Executive	0
Environment	200
Finance, Resources & Customer Services	1,862
Health, Housing & Adult Social Care	957
Regeneration, Leisure & Culture	0
Schools & Children's Services	0
Corporate	262
Transfer to reserves	3,281

Other New Specific Reserves

- 4.6 The following contributions to reserves in addition to those in sections 4.3 and 4.5 are set out below for noting and approval.

Table 4 : Other Specific Reserves	2013/14 £000's
Public Health (PH Reserve)	1,234
Ring-fenced funding	
Emergency Support Fund (Welfare Reserve)	800
Support to residents in financial difficulties be continued into later years	
One-off 2013/14 Grant (Risk Reserve)	5,248
One-off benefit from 2013/14 local Government Finance Settlement committed for one off costs relating to Local Plans, Lee Valley Heat Network, Homelessness and support for the local economy	
Transfer to reserves	7,282

Earmarked Reserves

- 4.7 The level of General Fund Earmarked reserves at 31st March 2014 has increased by £2.2m to £68.1m (£65.9m 31st March 2013). The HRA reserves have reduced by £0.2m from £15.4m to £15.2m.
- 4.8 Details of total reserves as at 31st March 2014 are set out in Appendix 8. It should be noted that these reserves are not held in cash form and that there has also been an increase in the Council's net borrowing. The Council's external review of financial resilience stated

that the Council should continue to maintain appropriate levels of reserves and monitor the Council's liquidity to ensure financial resilience is maintained.

The reserve for the Enfield Residents Priority Fund relates to unspent funds earmarked for initiatives that started in 2011/12 which aims to support community engagement between ward Councillors and those who live, work, study, and do business in Enfield. It empowered local people to promote or improve the social, economic or environmental wellbeing of their area by identifying local need and addressing issues through working together with their Ward Councillors. The fund and reserve is managed by the Enfield Residents Priority Fund sub-committee.

Collection Fund

4.9 From 1st April 2013 the new local government finance regime commenced, which part localised business rates. The Collection Fund now covers both council tax and business rates. The Collection Fund recorded the following performance in 2013/14:

- A council tax in year surplus of £2.993m and a surplus balance on the account of £4.065m at 31st March 2014. The surplus is due to better than expected in year collection following the introduction of the local council tax support scheme in 2013/14. The scheme still needs to be in operation for several more years to confirm collection rates will hold up over the longer term.
- A business rate deficit of £3.158m largely due to provision for reductions in back-dated business rate appeals being fully accrued in 2013/14 rather than being spread over five years as originally estimated in accordance with Government allowances.

Enfield's share (% in columns) of the Collection Fund balances is as follows:

Table 5: Enfield Collection Fund Balances	Council Tax (78%)	Business Rates (30%)	Total
	£'000	£'000	£'000
Balance brought forward	(840)	0	(840)
(Surplus)/ Deficit in year	(2,357)	956	(1,401)
Balance carried forward at 31 March 2014	(3,197)	956	(2,241)

General Fund Balance

The level of the General Fund balances at 31 March 2014 was unchanged at £14m. This level of balances excludes the amount attributable to schools' delegated budgets and is in line with the assumptions included in the Budget 2014/15 and Medium Term Financial Plan report considered by Council in February 2014.

4.10 School revenue balances reduced by £2.4m to £13.4m at 31 March 2014. This reflects schools' decisions in the allocation of their

resources. School balances are reported separately to the remainder of the General Fund as they are held for specific school purposes.

5. HOUSING REVENUE ACCOUNT

- 5.1 The outturn position on the HRA was a revenue surplus of £2.933m; a movement of £0.728m from the surplus of £2.205m reported in the February monitor. The table below sets out the reasons for this variance:

Housing Revenue Account Variances 2013-14		£000's
Contribution to bad debt provision		(1,718)
£1.718m underspend on the contribution to the provision for bad debts, this is slightly higher than previously reported in the monitoring reports.		
Landlord electricity costs		(213)
An underspend on the landlord's communal electricity costs due to the milder winter.		
Right to buy administration		(171)
£171k additional income from right to buy administration fee income received from the Government. The estimated number of sales for the year was 85 but there were actually 100 in 13/14.		
Right to buy staffing		(76)
An underspend on right to buy staffing costs.		
Capital financing costs		(132)
Underspend on borrowing and interest costs.		
Insurance premiums		(250)
Underspend on lower than expected insurance premiums.		
Central support services		(179)
Underspend on central support and corporate and democratic costs.		
Repairs and maintenance		(629)
The Repairs and maintenance service underspent by £629k. This is £171k more than reported in February monitor and is due to a delay in starting some planned and cyclical maintenance programmes and to greater control of the budget.		
Enfield Homes management fee		(187)
Surplus outturn against the management fee of £15.197m.		
Miscellaneous costs		(80)
Underspend on other miscellaneous items.		
Ordnance Road pub demolition		128
Unbudgeted spend on the demolition of the Ordnance Road Pub.		
Alma Scheme- decant costs		278
Additional expenditure on void works done on Alma decanted properties.		
Void properties Council Tax		96
Overspend on the payments for council tax on void properties due to estate renewal decants.		
IT Upgrades		200
IT provision for upgrades and equipment.		
Total Housing Revenue Account Variance 2013/14		(2,933)

5.2 Statement of Accounts Position

The HRA statement of Accounts shows a deficit of £1,045k for 2013/14 and this is due to the statutory adjustments which has to be included in the Accounts and includes additional depreciation and contributions to and from earmarked reserves including the £3m drawn down from the R&M reserve and any revenue contributions to the capital programme 2013/14.

6 2015/16-BUDGET AND FINANCIAL OUTLOOK UPDATE

Funding Settlement Update

6.1 The Government's programme of reducing public sector debt and spending is now embedded in the Council's financial planning. The most recent information from Central Government is that:

- Local Government Finance Settlement provided illustrative grant figures only for 2015/16 and no details for later years. The Local Government Finance Settlement will confirm the 2015/16 figures at the end of 2014.
- The Chancellor's 2014 Budget provided only high level indications of future public spending plans and may therefore change before being confirmed.
- Indications are that reductions in public spending will continue and cover the period of the Medium Term Financial Plan. It is highly likely that, whatever the result of the 2015 General Election, funding will continue to remain tight.

6.2 In recent years the budget has included significant changes to local government financing including the Government's part localisation of business rates and council tax support. The Government will continue to retain tight control of council's spending and will impose grant cuts through the Revenue Support Grant allocation. Specific issues with the current finance regime include:

- Relative changes in population and deprivation will not be reflected in grant distribution which is likely to remain fixed until 2020.
- Council Tax support grant is now merged into general Government funding and will be cut in line with local government finance generally so will also not reflect changing patterns of benefits
- Welfare reform pressures continue especially on the homelessness budget.
- The Government has increased the risk around funding levels by transferring cash-limited grant funding from allocations based on resource equalisation and deprivation to incentive based funding such as business rate localisation and New Homes Bonus.

The Medium Term Financial Plan

6.3 The Council has a statutory duty to set a balanced budget and agree its Council Tax and Housing Rent levels for 2015/16 by early March 2015. The Medium Term Financial Plan (MTFP) agreed by Council in February set a balanced budget for 2014/15, and identified a range of

pressures in the subsequent years, with an overall budget gap of £65m¹ over three years.

	2015/16	2016/17	2017/18
Budget gap	£33.9m	£15.1m	£15.6m

The plan will be extended to four years as part of the budget process to include new pressures and risks not yet built into the MTFP. New pressures emerging are:

- **Care Act 2014**

The 2014/15 Budget Report to Council in February 2014 identified the risk of the Government not funding fully the social care proposals in the Dilnot Review. The Government has now confirmed that from April 2016 a cap will be introduced limiting the amount of money people will have to pay towards their care. This cap will be set at £72,000. The Government will also raise the means testing threshold at which people are eligible for support from local authorities, from the current £23,250 to £118,000.

Analysis by London Councils forecasts that the potential total additional cost pressure that could be faced by London by 2019/20 as a result of introducing the cap and raising the threshold and current on-going social care cost pressures is approximately £1.3 billion. Around £877 million of this will be as a direct result of implementing the capped cost model for care and raising the eligibility threshold over the first four years. The total estimated pressure for Enfield, which is derived from London Councils' model, is between £8m and £15m from 2018/19 and Government funding has not yet been confirmed.

- **Employer's National Insurance Changes 2016/17**

The Government has announced that the single-tier State Pension will begin in 2016/17. This will abolish the current practice whereby employees get a National Insurance (NI) rebate of 3.4% for contracting out of the second state pension to enter final-salary schemes. The Council will now have to pay higher NI, amounting to that 3.4% of their employees' relevant earnings.

- **Interest Rates**

The Governor of the Bank of England has not yet given any guidance on the date when interest rates may begin to rise. Whilst he expects base rates to remain 'materially below' its historic average of 5% for the next three years, there is clearly a risk of increases during the period of the MTFP which will add to current forecast shortfall.

¹ Assuming a council tax freeze from 2015/16 onwards

Budget Process

- 6.4 Work has begun to balance the 2015/16 budget and subsequent years, so that, as far as possible, there is a balanced budget for each of the next four years agreed by Cabinet and Council in February 2015.
- 6.5 Circumstances will change over the next four years, and the MTFP will need to be reviewed annually and updated accordingly, both to reflect changing Administration priorities, changing funding levels and the impact of external factors (such as demographic growth, the economy, and the housing market).
- 6.6 The Council has a well-tested financial planning and budget setting process, which is being used again this year. Enfield has traditionally had a very strong track record of financial management, and has been rated as such by our External Auditor. The size of the budget gap the council faces is significant, and will require significant changes to front line, middle and back office services, in order to live within the funding available. During the course of this budget round, decisions will need to be made in the following areas:
- A review of the Council's existing and planned capital programme, with a view to reducing the overall level of expenditure that is subject to unsupported borrowing. To ensure that the decisions made regarding future funding requirements are based on the priorities and are on an outcomes based approach to Council spending.
 - A further programme of property disposals, covering short, medium and long-term opportunities, in order to create capital funding that, in part, should be used to reduce the overall level of Council borrowing.
 - Review front line service savings proposed by Directors and Cabinet members, in order to find approximately 40% of the overall savings required.
 - Review and agree a significant transformation programme for the Council – Enfield 2017 – that will deliver a much more automated, digitally supported experience for both internal and external customers of the Council.
 - Continue the commercial development of the Council, so that income can be generated wherever possible, and/or longer term asset wealth is created. This covers a wide range of issues, including fees and charges (primarily in Environment, but also across the Council more generally), developing existing commercial relationships (with, for example, Serco and Fusion Leisure), trading of council services (e.g. cleaning, HR and payroll) with other councils, sharing services (building on the successful joint procurement unit with Waltham Forest), the development of the council's housing companies², and, potentially, longer term opportunities such as the Lee Valley Heat Network and Market Gardening.

² The second to hold housing generated by the small sites work will be submitted to Cabinet in July for agreement.

Budget Consultation

- 6.7 The budget process for 2015/16 will incorporate a consultation on savings proposals by services as necessary during the year. It is recommended that the formal Budget Consultation continues last year's approach aimed at increasing customer and public understanding of the key financial decisions the Council faces each year. The consultation should also look more at stakeholder requirements and the resources allocated between priorities.
- 6.8 Plans have yet to be finalised but it is proposed that a questionnaire in the Council's magazine has worked particularly well in the past and should be continued this year. Cabinet is requested to consider how the Authority can improve the consultation process to ensure that even more input is received from the public and other stakeholders.

7 ALTERNATIVE OPTIONS CONSIDERED

- 7.1 Cabinet can discuss and agree alternative uses of the 2013/14 underspend.
- 7.2 Alternative options to the current budget process are being reviewed for presentation to Cabinet in November along with progress in balancing the 2015/16 budget.
- 7.3 The Medium Term Financial Plan is being updated for alternative Government spending plans.

8 REASONS FOR RECOMMENDATIONS

- 8.1 To ensure that members are aware of the outturn position for the authority including all major variances which have contributed to the outturn position.
- 8.2 Cabinet needs to manage the 2015/16 financial planning process with regard to continuing reductions in public spending.

9 COMMENTS OF THE DIRECTOR OF FINANCE AND CORPORATE RESOURCES AND OTHER DEPARTMENTS

9.1 Legal implications

The Council has a statutory duty to ensure the proper administration of its financial affairs and a fiduciary duty to tax payers to use and account for public monies in accordance with proper practices.

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.

9.2 Financial Implications

Financial implications are implicit in the body of the report. The variances and risks identified through the closure of accounts will be taken into account in the financial monitoring process for 2014/15.

By planning an effective budget round, and considering financial resources in the light of the Council's strategic priorities and other resources the framework for the development of the budget is robust, and in line with service delivery requirements. By considering risk as part of this process, council reserves and balances will be appropriately set to ensure the continued financial stability of the Authority.

9.3 KEY RISKS

The budget risks during 2013/14 were managed through detailed revenue monitoring reports provided monthly to Cabinet. Departments took action to minimise budget pressures and align departmental spend to budget. Some of these pressures will also affect 2014/15 and departments are already taking action to contain current year spending pressures, examples include:

- A reduction in fee income across all service areas has continued due to the recession and is being monitored in 2014/15 as part of the monthly budget monitoring regime.
- Welfare reforms especially relating to homelessness.
- Increased demand for services which is subject to tight financial control in all areas of spend.
- Other pressures arising from the state of the UK economy

10 EQUALITIES IMPACT IMPLICATIONS

10.1 The Council is committed to Fairness for All to apply throughout all work and decisions made. The Council serves the whole borough fairly, tackling inequality through the provision of excellent services for all, targeted to meet the needs of each area. The Council will listen to and understand the needs of all its communities.

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

11 PERFORMANCE MANAGEMENT IMPLICATIONS

11.1 The report provides clear evidence of sound financial management and efficient use of resources.

12 IMPACT ON COUNCIL PRIORITIES

12.1 Fairness for All – The recommendations in the report fully accord with this Council priority.

12.2 Growth and Sustainability – The recommendations in the report fully accord with this Council priority.

12.3 Strong Communities – The recommendations in the report fully accord with this Council priority.

13 PUBLIC HEALTH IMPLICATION

13.1 There are no public health implications directly related to this report

Chief Executive's Department Revenue Outturn Position 2013/14

APPENDIX 1

Chief Executive	Latest Controllable Budget	Service Net Expenditure	Budget Variation	New Reserves 31 March 2014				Service Net Expenditure plus Reserves	Outturn Variation to Latest Budget	Reported Variation February 2014
				Project Carry Forward	Grant Reserves	Transformation	Total New Reserves			
Notes	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Sustainable Communities	1,206	1,022	(184)	177	0	0	177	1,199	(7)	0
Corporate Improvement	1,033	1,038	5	0	0	0	0	1,038	5	0
Former Employees	107	106	(1)	0	0	0	0	106	(1)	0
1 Communications	996	1,098	102	0	0	0	0	1,098	102	0
2 Human Resources	442	297	(145)	0	0	0	0	297	(145)	0
Chief Executive	374	364	(10)	0	0	0	0	364	(10)	0
Design & Print Trading Service	(293)	(265)	28	0	0	0	0	(265)	28	0
						0				
2013/14 Service Budget	3,865	3,660	(205)	177	0	0	177	3,837	(28)	0
Total 2013/14 Net Expenditure	3,865	3,660	(205)	177	0	0	177	3,837	(28)	0

Explanation of Chief Executive's Department variances greater than £50k:

1 Communications	102
Reduction in work from DSG funded schemes led to £90k shortfall in income. This will be a budget pressure for 14-15.	
2 Human Resources	(145)
The rebate from the agency workers contract was higher than anticipated.	
Other Variances	15
2013/14 Service Budget Variance	(28)

Chief Executive: Project Carry Forward Requests 2013/14			2013/14 PCF	2013/14 Grant	Trsansfor mation	2012/13 PCF
Purpose of Project / Grant	Reason for slippage	Contribution to Council's Strategic Objectives	£'000	£'000	£'000	£'000
Annual Enfield Residents Survey To conduct the 2014 Annual Residents' Survey and associated qualitative engagement with harder to engage communities.	In order to carry forward resources to conduct a larger survey of 2,000 residents, using a face to face methodology (subject to procurement process).	Resident consultation and engagement activities help to directly inform Council actions under ensuring Fairness for all, and creating stronger communities.	69.0			
Voluntary Sector Grant Funded Projects To provide support to the voluntary sector within LBE, and promote community cohesion & sustaianability.	Delay in community groups starting their projects for which funding had been agreed.	Continued support to voluntary organisations and community schemes.	73.0			
Re-brand Our Enfield To re-brand 'Our Enfield' magazine.	Work has started on a project to re brand and reformat the Council magazine 'Our Enfield' for launch following the May elections.	The reformat is to promote the aims of the Council by informing residents of policy and rights issues, encourage community cohesion and volunteering.	35.0			
2012/13 Project Carry Forwards not yet complete to be slipped into 2014/15:						
E Recruitment Systems Developments						21.5
Total			177.0	-	-	21.5

Environment Revenue Outturn Position 2013/14

APPENDIX 2

Notes	Environment	Latest Controllable Budget £000's	Service Net Expenditure £000's	Budget Variation £000's	New Reserves 31 March 2014				Service Net Expenditure plus Reserves £000's	Outturn Variation to Latest Budget £000's	Reported Variation February 2014 £000's
					Project Carry Forward £000's	Grant Reserves £000's	Transformation £000's	Total New Reserves £000's			
	Director Planning	1,661	1,686	25	0	0	0	0	1,686	25	33
	Technical & Business Services	560	522	(38)	0	0	0	0	522	(38)	(30)
	Ast Dir Planning	173	184	11	0	0	0	0	184	11	15
	Architectural Services	176	13	(163)	80	0	80	160	173	(3)	0
1	Development Management	(130)	288	418	80	0	20	100	388	518	481
2	Business & Technical Services	928	868	(60)	0	0	0	0	868	(60)	(86)
3	Parking	(972)	(920)	52	0	0	0	0	(920)	52	90
4	Civil Engineering & Highways	3,160	3,211	51	0	0	0	0	3,211	51	58
5	Street Lighting	2,978	3,064	86	0	0	0	0	3,064	86	0
	Traffic & Transportation	910	887	(23)	0	0	0	0	887	(23)	(6)
	Public Realm & Sustainability							0			
6	Assist Dir Public Realm & Sustainability	246	436	190	100	0	30	130	566	320	130
	Sustainability	566	566	0	0	0	0	0	566	0	0
7	Fleet Management	462	320	(142)	90	0	0	90	410	(52)	(50)
8	Fleet Holding Account	1,285	846	(439)	0	0	0	0	846	(439)	(231)
9	Waste & Parks Operations	14,663	14,387	(276)	0	0	0	0	14,387	(276)	(268)
10	Waste Management & Parks	2,557	2,037	(520)	289	0	20	309	2,346	(211)	(93)
11	People Transport Service	(457)	(348)	109	0	0	0	0	(348)	109	0
	Community Safety & Environment		0		0	0	0	0	0	0	0
	Corporate Health & Safety	509	470	(39)	0	0	0	0	470	(39)	(15)
12	Community Safety	1,354	1,278	(76)	0	10	0	10	1,288	(66)	(63)
	Regulatory Services	2,494	2,509	15	0	0	0	0	2,509	15	7
	Enfield Public Safety Centre	834	848	14	0	14	0	14	862	28	56
	Emergency Plan	218	188	(30)	0	0	0	0	188	(30)	(28)
	AD Community Safety & Environment	139	140	1	0	0	0	0	140	1	0
	2012/13 Project Carry Forwards *			0	(50)		50	0	0	0	0
	2013/14 Service Budget	34,314	33,480	(834)	589	24	200	813	34,293	(21)	0
	Total 2013/14 Net Expenditure	34,314	33,480	(834)	589	24	200	813	34,293	(21)	0

* Note. Environment will contribute £50k of previous years project carry forwards to the Transformation Programme

Environment Explanations of variances greater than £50k:

1	Development Management Building Control: The outturn position is in line with the February 2014 reported overspend. There has been a sustained loss of income which has continued from 2012/13 in Building Control fees. This is due to the continued low level of building construction activities in the current economic climate. Development Control: There has been a continued under achievement in Planning fees income as a result of recent changes in planning regulations and a decrease in number of major planning applications. The outturn position is in line with the February 2014 reported overspend.	518
2	Business & Technical Services There were a number of factors that created an underspend in the Business & Technical Services Unit. These include an over achievement in GIS income and the service forecast an underspend in salaries caused by temporary vacancies and delays in recruitment.	(60)
3	Parking The £52k adverse variance was caused by a reduction in receipts from car parks.	52
4	Civil Engineering & Highways The outturn position includes a project carry forward of 100k for the management of flood risk to protect residents and businesses in Enfield.	51
5	Street Lighting An equalisation reserve was set up at the beginning of the 25 year street lighting PFI contract to meet the costs over the life of the contract. The adequacy of this reserve was reviewed as part of the closure of accounts process. This revealed that a number of variables including RPI, interest rates and Council's contributions of the first six years of the contract would likely lead to a significant budget pressure in 2015/16. In order to conserve the balance of the reserve and alleviate the budget pressure for future years, it was decided to reduce the 2013/14 contribution from this reserve to the Street Lighting revenue accounts. A prudent decision was taken which gave rise to an adverse variance of £86K when compared with the February projection.	86
6	Assist Dir Public Realm & Sustainability The outturn position includes project carry forwards totalling 329k for the Public Realm service redesign and the implementation of a IT solution for Waste services.	320
7	Fleet Management The underspend in Fleet management was caused by delays in recruitment to vacant posts in the workshop service. This will be a temporary situation for 2013/14 only because the service is restructuring with the aim of attracting suitable candidates for the role of vehicle technicians, this has proved difficult in the past. The final outturn is in line with the forecast variance reported in the February 2014 monitor.	(52)
8	Fleet Holding Account There was a one-off underspend in the Leasing budget as a result of the decision to introduce a nine year replacement cycle for the majority of waste vehicles following a review of the vehicle replacement programme. The changes led to the re-profiling of the outstanding internal leasing payments for these vehicles over their remaining life, resulting in a short term reduction in annual charges until the vehicles are disposed of.	(439)
9	Waste & Parks Operations The underspend in Waste Operations was due to a delay in recruitment within Street Cleansing, a reduction in clinical waste collection costs following the change in routing of work from 5 days to 2 days per week and lower costs on leafing clearance due to reduced agency costs. The outturn is in line with the February 2014 monitoring position.	(276)
10	Waste Management & Parks There has been an over achievement of cemeteries income in Parks client due to the increased supply of traditional burial plots at Edmonton Cemetery. The increase from February forecast is partly as a result of higher than anticipated income across the service, though more significantly in the cemeteries service and a reduction in operating costs.	(211)

Environment Explanations of variances greater than £50k:

11	People Transport Service		109
		Over the past couple of years the service has experienced an increasing demographic pressure in that there has been an increase in the number of children and adults being transported by the People Transport Service and this trend has not only continued during 2013/14 but is also expected to continue in to 2014/15.	
12	Community Safety		(66)
		The Community Safety outturn is in line with the February 2014 forecasted underspend. The underspend was due to a number of vacancies within the service that have now been recruited to or will be imminently filled.	
	Other Variations		(53)
	2013/14 Service Budget Variance		(21)

Form	Purpose of Project / Grant	Reason for slippage	Contribution to Council's Strategic Objectives	2013/14 PCF	2013/14 Grant	Transformation	2012/13 PCF
				£'000	£'000	£'000	£'000
Env 01	Shop Front £100k revenue to develop a shop front improvements scheme.	Requirement to deliver a quality outcome as part of a comprehensive package of improvements.	Fairness for all - providing high quality and accessible services. Growth & sustainability - encouraging new jobs and a clean, green and sustainable environment. Strong communities - listening to the needs of local people and being accountable.	80.0		20.0	
Env 02	Public Realm This project will build on previous projects to develop options for service redesign, enabling front line service savings. The project will ensure that the Department has the right infrastructure and management information to efficiently manage VFM services.	Slippage to this project due to additional review work required to ensure robust service baselining.	This programme is a key enabler to front line service delivery savings. It is key to providing high quality, affordable and accessible services for all.	100.0		30.0	
Env 03	Fleet Service Public Realm Programme brings together a number of projects within the Public Realm and Sustainability division established to support front-line service delivery and enable front line savings. This carry forward request is to fund review and redesign of Fleet Services.	Carry forward is required to support delivery of this programme. Carry forward will cover consultancy support for fleet services review - there is a contractual commitment to this and the inception meeting has been held. Slippage to this project was due to resourcing and procurement issues (now resolved).	Essential to ensuring we provide high quality, affordable and accessible services for all.	40.0			
Env 04	Waste IT Solutions Implement a new whole service IT Solution for Waste to ensure that the Department has the right infrastructure and management information to efficiently manage VFM services. Corporate IT Board have approved the business case and corporate funding is available only for capital costs not implementation e.g. data cleansing, business process redesign. The PCF will cover these costs.	Slippage to this project due to resourcing issues (now resolved) and requirement to go out to full OJEU rather than initial plan of framework.	This programme is a key enabler to front line service delivery savings. It is key to providing high quality, affordable and accessible services for all	179.0		20.0	
Env 05	Contamination Reduction To fund the continuation of the current contamination (incorrect items being placed in the dry recycling or organic containers) work to kerbside and estates households. This supports the council current policy as agreed in 2013. The issue of contamination needs to be continually addressed as it has significant financial implications as the Council has to dispose of the contaminated material as refuse, which is typically 50 times more expensive per tonne than recycling. Our contamination rate is currently around 8%, 3% above what is accepted in our agreement with our contractor Biffa. At the current rates this additional contamination above the agreed limit represent a potential risk and pressure to the council in excess of £100,000 per annum The project is aimed at reducing the amount of contaminated recycled that is collected. The project has already been successfully running since October 2013 on a pilot basis. Repeat offences in the areas covered have reduced significantly with the number of households repeat offending		Fairness for all - the policy ensures that the efforts of the majority of Enfield's, who are recycling correctly, do not go to waste due to being contaminated by the minority of residents. Growth and Sustainability -The contamination project will assist in the councils efforts to increase recycling and reduce the amount of waste going to landfill, as rejected recycling does not count towards our recycling rates.Strong communities - The continued expansion of the contamination project will ensure that as a borough we treat all residents and communities fairly and equally. Also where residents are not using the service correctly the project ensures that they receive sufficient support and information to enable them to do so.	30.0			
Env 06	Interim Fleet Support Fleet Services will require an interim manager whilst the service undergoes a restructure and puts in place key contracts.		The interim manager is required to ensure the service can run (operationally and to be compliant with VOSA) whilst a new structure is put in place.	50.0			

Form	Purpose of Project / Grant	Reason for slippage	Contribution to Council's Strategic Objectives	2013/14 PCF	2013/14 Grant	Transformation *	2012/13 PCF
				£'000	£'000	£'000	£'000
Env 07	Parks SLA Review The project is to bring in external support to put in place a formal SLA for the parks operational service. Once in place it will allow us to review the current service for efficiencies and then consider options for future savings to support the wider Council savings for the next 3 years.		The service review and options will provide options to reduce the parks operational budget going forward	50.0			
Env 08	Composition Analysis To fund a comprehensive compositional analysis (waste audit) of all of the 3 main domestic waste streams; organic, dry recycling and residual. The audit will provide us with essential information of the typical make up of Enfields domestic waste arisings. This will be used to inform the following: Dry recycling and organic disposal contract due for renewal in 2015, enable the council to focus campaigns/ service adjustments to divert tonnages from the residual stream to the much lower costs recycling/ organic composting stream. Calculating potential end of waste criteria liability.		Fairness for all - the waste audit will play a key role in helping to ensure that all residents in the borough continue to receive a high quality waste and recycling service through providing greater undertasing of how residents use the service so campaign and service adjustments can be made to assit maximum resident utilisation and engagemnt in the services offered. Growth and Sustainability -The waste audit will assist in the councils efforts to increase recycling and reduce the amount fo waste going to landfill . Strong communities - The waste audit will enable us to gain greater understanding of how our residnets use the service and be able to better tailor servcie to meet their needs.	30.0			
Env 19	Flood risk To support the actions identified in the report to Cabinet on 9 April 2014 which describes the activities being undertaken to protect residents and businesses from flooding. Key actions include the expansion of CCTV cameras at critical locations to assess flooding risk during storm events; de-silting of culverts at high risk locations. In addition, as a result of reviewing the Council's arrangements to provide assistance in a flooding emergency, the Council is looking to purchace aqua-sacs as an alternative to sand-bags.		Appropriate flood risk management arrangements will promte future development and investment in the borough and help to protect those already present.	80.0		20.0	
Env GHR2	ASB Ring fenced grant funding provided by Central Government. The funding must be spent on delivering targeted interventions to address anti social behaviour and also, to enable support and training for residents to tackle anti social behaviour.	Funding is not time limited, but is conditional on delivering ASB interventions, such as the Dog Education Project.	GROWTH AND SUSTAINABILITY - funding provides an ongoing opportunity for education and better engagement in the community. FAIRNESS FOR ALL - Meeting the needs of residents and protecting those who may be vulnerable. STRONGER COMMUNITIES - dealing with local concerns about crime and anti social behaviour to make Enfield a safer place to live.		13.9		
Env GR3	Information Sharing To develop systems and processes to enable regular electronic data sharing between Chase Farm Hospital A&E, North Middlesex Hospital A&E and Enfield Safer and Stronger Communities Partnership (SSCB). Analysis from this data with be used by SSCB to address areas of concern and target <u>Police and partnership interventions.</u>	There has been work with both hospitals, especially North Middlesex, but there were issues with Chase Farm Hopsital IT and now the closure of Chase Farm Hospital A&E, these are currently being addressed with the Department of Health.	FAIRNESS FOR ALL - Meeting the needs of residents and protecting those who may be vulnerable. STRONGER COMMUNITIES - dealing with local concerns about crime and anti social behaviour to make Enfield a safer place to live.		10.0		
Env 09	Lea Valley Heat Network - contribution to Transformation					60.0	
2012/13 Project Carry Forwards not yet complete to be slipped into 2014/15:							
Interim Efficiency (Waste)						11.0	
Service Specifications (Waste)						9.0	
Apprenticeship scheme for Street Scene Services							30.0
Parks Service Online Booking						30.0	
Smart meters							25.0
Domestic Homicide Reviews							29.2
				(50)			
Total				589.0	23.9	200.0	84.2

* Note: Reallocation of requested Project Carry Forwards to the Transformation Programme
Environment will contribute £50k of previous years project carry forwards to the Transformation Programme

Finance, Resources & Customer Services Outturn Position 2013/14

APPENDIX 3

Notes	Finance, Resources and Customer Services	Latest Controllable Budget £000's	Service Net Expenditure £000's	Budget Variation £000's	New Reserves 31 March 2014				Service Net Expenditure plus Reserves £000's	Outturn Variation to Latest Budget £000's	Reported Variation February 2014 £000's
					Project Carry Forward £000's	Grant Reserves £000's	Transformation £000's	Total New Reserves £000's			
1	Property Services	1,816	3,067	1,251	0	0	0	0	3,067	1,251	924
2	Corporate Items	523	464	(59)	0	0	0	0	464	(59)	(196)
3	Administration	158	(356)	(514)	0	0	0	0	(356)	(514)	(42)
	Former Employees	719	703	(16)	0	0	0	0	703	(16)	(10)
	Corporate Procurement	487	466	(21)	0	0	0	0	466	(21)	(16)
4	Corporate Governance	4,002	3,835	(167)	0	0	40	40	3,875	(127)	(158)
5	Legal & Registrars Services	1,290	1,804	514	0	0	0	0	1,804	514	310
	Accountancy	2,437	2,449	12	0	0	0	0	2,449	12	0
6	Customer Services	15,855	11,592	(4,263)	0	0	1,821	1,821	13,413	(2,442)	(284)
	Director of FR&CS	399	411	12	0	0	0	0	411	12	16
7	ICT & Transformation	16,324	17,652	1,328	0	0	0	0	17,652	1,328	1,271
	2013/14 Service Budget	44,010	42,087	(1,923)	0	0	1,861	1,861	43,948	(62)	1,815
	Total 2013/14 Net Expenditure	44,010	42,087	(1,923)	0	0	1,861	1,861	43,948	(62)	1,815

Explanation of variances greater than £50k:

1	Property Services	1,251
	Overspend in this service is due mainly to: (i) additional costs of security/maintenance of surplus and vacant sites, (ii) shortfall in rent income from investment properties that cannot be let due to redeployment strategies and economic situations, and (iii) increase in the end of year provision for dilapidation of leased in buildings.	
2	Corporate Items	(59)
	Underspend due mainly to net savings in audit/professional fees,	
3	Administration	(514)
	Underspend due mainly to net of insurance savings, offset by unallocated savings in corporate governance, revenue and budgets and department delayering respectively.	
4	Corporate Governance	(127)
	Underspend in this service is due to savings resulting from delay in staff recruitment following the restructure of Audit and Risk Management services, reduction in the cost of members' support and additional Home Office grant for Individual Electoral Registration (IER). These have been offset in part by additional cost of corporate scrutiny.	

5	Legal & Registrars Services	514
	An overspend of £450k includes the Judicial review of Chase Farm Hospital as well as reduced income to the service. There was also reduced Almo income (£21k) & unfunded restructuring costs in Registrars (£87k), offset by additional income in Land Charges (-£45k).	
6	Customer Services	(2,442)
	The final grant claim was also higher than projected due to changes in the number of HB claims made in the year, the final HB subsidy claim was £295m.	
7	ICT & Transformation	1,328
	Overspend due mainly to cost of consultants and unfunded posts on the Leaner and Transformation team, offset in part by net savings in costs of IT equipment and Serco contract respectively	
	Other Variations	(13)
2013/14 Service Budget Variance		(62)

Finance, Resources and Customer Services: Carry forwards 2013/14	Transformation	2012/13 PCF
Purpose of carry forward	£'000	£'000
The following services submitted requests for project carry forwards which have now been allocated to support the Council's Transformation Programme		
Internal Audit	40.4	
Payroll	110.0	
Customer Services	11.0	
Transformation A general contribution to the restructuring and IT development of customer and business services	1,700.0	
2012/13 Project Carry Forwards not yet complete to be slipped into 2014/15:		
Franking Machine		54.0
Bar Code System- Archiving records		18.0
Debt Management System		102.7
Total	1,861.4	174.7

Housing, Health & Adult Social Care Outturn Position 2013/14

APPENDIX 4

Notes	Housing, Health and Adult Social Care	Latest Controllable Budget £000's	Service Net Expenditure £000's	Budget Variation £000's	New Reserves 31 March 2014				Service Net Expenditure plus Reserves £000's	Outturn Variation to Latest Budget £000's	Reported Variation February 2014 £000's
					Project Carry Forward	Grant Reserves	Transformation	Total New Reserves			
					£000's	£000's	£000's	£000's			
1	Strategy & Resources	17,962	16,306	(1,656)	0	175	787	962	17,268	(694)	(521)
2	HHASC Director	(2,055)	(1,616)	439	0	0	0	0	(1,616)	439	
	Adults Division		0								
	Customer Pathway	39,069	39,070	1	0	0	0	0	39,070	1	413
3	Adult Mental Health	6,876	6,806	(70)	0	0	0	0	6,806	(70)	
4	Provider	10,605	10,543	(62)	0	0	0	0	10,543	(62)	(267)
5	Learning Disabilities	23,164	23,444	280	0	0	0	0	23,444	280	375
	Public Health		0								
6	Public Health Central	70	1,295	1,225	0	0	0	0	1,295	1,225	
7	Prescribed Functions	0	(112)	(112)	0	0	0	0	(112)	(112)	
8	Non-Prescribed Functions	296	(817)	(1,113)	0	0	0	0	(817)	(1,113)	
	Community Housing		0								
	HHASC Other	195	195	0	0	0	0	0	195	0	
	Housing Strategic Services	100	(264)	(364)	0	194	170	364	100	0	
	Assistant Director	76	76	0	0	0	0	0	76	0	
	Business Development	178	178	0	0	0	0	0	178	0	
	GF Temp Accomodation team	550	550	0	0	0	0	0	550	0	
	Housing Options & Advice	2,134	2,134	0	0	0	0	0	2,134	0	
	Residential Services	672	672	0	0	0	0	0	672	0	
								0	0	0	
	2013/14 Service Budget	99,892	98,460	(1,432)	0	369	957	1,326	99,786	(106)	0
	Total 2013/14 Net Expenditure	99,892	98,460	(1,432)	0	369	957	1,326	99,786	(106)	0

Explanation of variances greater than £50k:

1 & 2	Strategy & Resources / Care Purchasing contingency & HHASC Director	(255)
	Strategy & Resources have come in at a £694k underspend, arising from the early achievement of housing related support savings, maximising one off resources and reduced commitments across the service. In addition, year-end contributions of £439k have been made from service underspends to the Demographic Pressures balance sheet code to meet the 14/15 MTFP target.	
3	Adult Mental Health	(70)
	Underspend has arisen across several staffing & care purchasing budgets.	
4	Provider	(62)
	Underspent due to an over achievement of income from client receipts and reduced operational costs. The level of underspend is lower than reported in February, mainly due to £99k higher transport cost recharges in day care services and £92k additional spend on specialised equipment to enable independent living.	
5	Learning Disabilities	280
	The Learning Disabilities service overspend is £95k lower than projected in February. The service operated a monthly efficiency programme throughout 13/14, reviewing progress against savings and managing demand for services. Movement from February due to £31k additional client income, £12k lower transport recharges & £52k from lower care package costs.	
6	Public Health Central	1,225
	The ring-fenced Public Health grant in 13/14 was £12.9m. The department has committed £800k against a range of unresolved risks including prescribing costs, and unknown sexual health commitments (which has arisen from a letter from the DoH to a number of Authorities), in addition to those already accrued for in the accounts for 13/14. The projected outturn position will be £400k underspend, which must be carried forward as ring-fenced Public Health budget.	
7	Prescribed Functions	(112)
	Balance c/fwd into 14/15 - comment as per Public Health Central (above)	
8	Non-Prescribed Functions	(1,113)
	Balance c/fwd into 14/15 - comment as per Public Health Central (above)	
	Other Variations	1
2013/14 Service Budget Variance		(106)

Housing, Health & Adult Social Care: Project Carry forwards 2013/14			2013/14 Grant	Transformation	2012/13 PCF
Purpose of Project / Grant	Reason for slippage	Contribution to Council's Strategic Objectives	£'000	£'000	£'000
The following services submitted requests for project carry forwards which have now been allocated to support the Council's transformation programme					
Housing Strategic Services Strategy & Resources				170.0 787.3	
Warm Homes Healthy People The Council have successfully bid for funding from Department of Health to implement a scheme to supply loft and cavity insulation and cold alarms for elderly persons who have health problems. To reduce fuel costs for the service user and to alert them of rooms being cold and reducing the risk of heart attacks and other respiratory illnesses.	Referrals from outside consultants (when Willmott Dixon was working in the Borough through the RE:NEW scheme) they were not forthcoming and therefore was not able to complete the scheme in 2012/13. In 2013/14 we have been arranging to procure a contractor to implement the scheme from our own client base and need this funding to support the scheme as a top up to thermal comfort.	The Council is encouraging the elderly with health problems to remain in their own homes for as long as possible. Reducing the need to move into sheltered accommodation, hospital or residential care and saving costs with NHS and Social Services.	20.0		
Empty Property NLSR The Council have implemented it's Empty Property Strategy in order to tackle the challenge of nearly 4,000 privately owned properties standing empty and wasted at a time of acute housing shortage. Bringing empty properties back into use maximises the use of the boroughs housing stock for those in housing need. Furthermore, empty properties are often a 'scar' on the environment causing social problems such as vermin, overgrown gardens, antisocial behaviour and crime. Where negotiations with owners of empty properties have been successful the use of funding through the PSH Grant and Nominations Scheme has encouraged owners to bring their properties back into use and nominated tenants will be offered affordable tenancies through this scheme.	Due to delays in funding the availability of the take up of the scheme was not forthcoming; grants are now in progress and therefore will be completed in 14/15 and 15/16.	The project is important to bring back empty properties into use, leaving the property empty will encourage squatters, vermin, overgrown gardens, being used by drug abusers and the neglect of repair issues will affect the overall neighbouring look and anti-social behaviour. It will reduce the property values make the area less desirable. This is also the Mayor of London's priorities to tackle empty properties so that it reduces homelessness and increase the supply in London.	174.0		
NHS Advocacy To develop an effective local Advocacy support mechanism in Enfield as a strong voice of local residents enabling them to shape the local Health and Social Care services. Advocacy services will be a statutory requirement under the new Care Bill.	Budget to be carried forward due to delays in project. Not all expenditure allocated in current year.	Advocacy services give a voice to vulnerable people, ensuring that their views are heard and taken into account when making decisions about their care and support. It contributes to the Council's value of Fairness for All.	87.0		
Adult Social Care The Council have successfully bid for funding from Department of Health to implement a scheme to supply loft and cavity insulation and cold alarms for elderly persons who have health problems. To reduce fuel costs for the service user and to alert them of rooms being cold and reducing the risk of heart attacks and other respiratory illnesses.	Referrals from outside consultants (when Willmott Dixon was working in the Borough through the RE:NEW scheme) they were not forthcoming and therefore was not able to complete the scheme in 2012/13. In 2013/14 we have been arranging to procure a contractor to implement the scheme from our own client base and need this funding to support the scheme as a top up to thermal	The Council is encouraging the elderly with health problems to remain in their own homes for as long as possible. Reducing the need to move into sheltered accommodation, hospital or residential care and saving costs with NHS and Social Services.	88.1		
2012/13 Project Carry Forwards not yet complete to be slipped into 2014/15:					
Care Place-Monitoring of Residential Care and Nursing Homes					30.0
Rent Deposit Scheme					150.0
Capita Housing Related Support system					37.0
Comprehensive Development Initiative (Christian Action Contribution)					200.0
Stock Condition Survey					18.0
Total			369.1	957.3	435.0

Regeneration, Leisure & Culture Outturn Position 2013/14

APPENDIX 5

Notes	Regeneration, Leisure & Culture	Latest Controllable Budget £000's	Service Net Expenditure £000's	Budget Variation £000's	New Reserves 31 March 2014				Service Net Expenditure plus Reserves £000's	Outturn Variation to Latest Budget £000's	Reported Variation February 2014 £000's
					Project Carry Forward £000's	Grant Reserves £000's	Transformation Reserves £000's	Total New Reserves £000's			
	RLC Director	756	716	(40)	0	0	0	0	716	(40)	
	Neighbourhood Regeneration	589	589	0	0	0	0	0	589	0	
1	Regeneration	217	429	212	0	0	0	0	429	212	
	Libraries & Museums	4,634	4,673	39	0	0	0	0	4,673	39	
	Cultural Services	1,216	1,138	(78)	0	48	0	48	1,186	(30)	
	Sports Activities	909	902	(7)	0	0	0	0	902	(7)	
	Strategic Planning Design	611	611	0	0	0	0	0	611	0	
2	Business and Economic Dev	877	704	(173)	0	0	0	0	704	(173)	
					0	0	0	0			
	2013/14 Service Budget	9,809	9,762	(47)	0	48	0	48	9,810	1	0
	Total 2013/14 Net Expenditure	9,809	9,762	(47)	0	48	0	48	9,810	1	0

Explanation of variances greater than £50k:

1	Regeneration	212
	£123k - The Core part of the JOBSNET team is funded from an ESF grant, all other services provided by JOBSNET are supported by the underspend in Business & Economic Development. Further projects totalling £88k are also funded from this and other RLC underspends.	
2	Business and Economic Dev	(173)
	Salary underspend to support Regeneration schemes.	
	Other Variations	(38)

2013/14 Service Budget Variance	1
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Regeneration, Leisure & Culture Project Carry forwards 2013/14			2013/14 PCF	2013/14 Grant	2013/14 Reserve	2012/13 PCF
Purpose of Project / Grant	Reason for slippage	Contribution to Council's Strategic Objectives	£'000	£'000	£'000	£'000
Forty Hall HLF Grant for Volunteers Heritage Lottery Fund Delivery Grant - Forty Hall. HLF allow claims for Volunteer time, and this was built into the business plan that was approved as part of the bid.	Part of the HLF grant funded project at Forty Hall includes payments for volunteer time. This has been claimed, agreed and paid. The Head of Service for Leisure & Culture requests that the balance of this funding is carried forward to be available to pay for future costs in developing volunteering services at Forty Hall, training and development, equipment and uniforms, as well as the general cost of running the Hall.	The following is lifted from the Business Plan that was submitted as part of the original Council bid to the HLF in 2008. "The Forty Hall & Estate Development Project aims to improve educational and learning programmes, events and activities, preservation of an important historic house in its cultural landscape, and work towards widening physical and intellectual access, which will help embed Forty Hall & Estate at the heart of many local, regional and national strategies and policies. Therefore, the proposed project will better enable Forty Hall & Estate to support the fulfillment of many important aims and objectives for the development of the London Borough of Enfield and North London as part of the wider context of Greater London."		48.0		
2012/13 Project Carry Forwards not yet complete to be slipped into 2014/15:						
Edmonton Leisure Centre Mechanical Plant refurbishment						24.0
Area Based Partnerships						11.0
Total			-	48.0	-	35.0

Schools & Children's Services Outturn Position 2013/14

APPENDIX 6

Notes	SCS Non-Schools	Latest Controllable Budget £000's	Service Net Expenditure £000's	Budget Variation £000's	New Reserves 31 March 2014				Service Net Expenditure plus Reserves £000's	Outturn Variation to Latest Budget £000's	Reported Variation February 2014 £000's
					Project Carry Forward £000's	Grant Reserves £000's	Transformation Reserves £000's	Total New Reserves £000's			
	Children's Services										
	Building Resilience	56	62	6	0	0	0	0	62	6	6
1	Assistant Directors Childrens	1,246	990	(256)	0	0	0	0	990	(256)	(256)
	Social Work Training Grant	9	4	(5)	0	0	0	0	4	(5)	0
	Childrens - Non Service Related Expendit	28	38	10	0	0	0	0	38	10	11
2	Looked After Children	11,227	11,095	(132)	0	204	0	204	11,299	72	103
3	Children in Need	8,064	6,373	(1,691)	0	1,626	0	1,626	7,999	(65)	203
	Cheviots	2,859	2,888	29	0	0	0	0	2,888	29	(78)
	Safeguarding & Quality Assurance	1,752	1,657	(95)	0	78	0	78	1,735	(17)	(22)
	Early Intervention	134	125	(9)	0	0	0	0	125	(9)	(7)
4	Youth	6,896	6,503	(393)	120	0	0	120	6,623	(273)	(170)
	Education Services										
	Behaviour Support	82	95	13	0	0	0	0	95	13	18
5	Community Access	2,128	1,896	(232)	0	0	0	0	1,896	(232)	(284)
6	Admission Services	30	(85)	(115)	0	0	0	0	(85)	(115)	(102)
7	Asset Management & Development	(178)	358	536	0	0	0	0	358	536	718
8	Catering Services	(573)	(923)	(350)	0	0	0	0	(923)	(350)	(265)
9	Human Resources	2,120	2,065	(55)	0	0	0	0	2,065	(55)	(56)
	Education DMT	131	136	5	0	0	0	0	136	5	5
	Mental Health Services	2,195	2,152	(43)	0	0	0	0	2,152	(43)	(53)
10	Special Education Needs	3,540	4,002	462	0	0	0	0	4,002	462	34
	Sport	(53)	(64)	(11)	0	0	0	0	(64)	(11)	(31)
	Central Commissioning	4,074	4,068	(6)	0	0	0	0	4,068	(6)	(6)
11	School Improvement Service	1,120	944	(176)	0	0	0	0	944	(176)	(192)

Notes	SCS Non-Schools	Latest Controllable Budget £000's	Service Net Expenditure £000's	Budget Variation £000's	New Reserves 31 March 2014				Service Net Expenditure plus Reserves £000's	Outturn Variation to Latest Budget £000's	Reported Variation February 2014 £000's
					Project Carry Forward £000's	Grant Reserves £000's	Transformation Reserves £000's	Total New Reserves £000's			
	Commissioning & Community										
12	Child & Family commssioning	2,578	2,304	(274)	0	0	0	0	2,304	(274)	(292)
	Commissioning Central Resources	370	410	40	0	0	0	0	410	40	58
13	Commissioning DMT	208	144	(64)	0	0	0	0	144	(64)	(64)
	Enfield Arts Support Service	132	134	2	0	0	0	0	134	2	(11)
14	Child Residential Care Purchasing	5,766	6,301	535	0	0	0	0	6,301	535	528
	Learnig Skills for Work	580	577	(3)	0	0	0	0	577	(3)	0
15	Resources IT	1,198	1,055	(143)	0	0	0	0	1,055	(143)	69
16	Business Improvement and Partnership	0	220	220	0	0	0	0	220	220	0
17	Director	373	491	118	0	0	0	0	491	118	136
	2013/14 Service Budget	58,092	56,015	(2,077)	120	1,908	0	2,028	58,043	(49)	0
	Total 2013/14 Net Expenditure	58,092	56,015	(2,077)	120	1,908	0	2,028	58,043	(49)	0

Explanation of variances greater than £50k:

1	Assistant Directors Childrens A freeze was placed on new recruits to the Graduate Social Worker training programme as the recruitment and retention of social workers improved during 13/14. This resulted in an underspend of £189k. A further underspend of £67k was achieved within the AD's running costs budget.	(256)
2	Looked After Children The LAC service reported overspends of £460k within its budgets supporting Leaving Care, Former & Unaccompanied Asylum Seeking Children clients mainly as a result of the increase in client numbers and the shortage of suitable low cost accommodation. These overspends were nearly offset by underspends within the Section 20 Additional LAC Placements Expenses budget and the Fostering, LAC Social Work and Adoption Teams.	72
3	Children in Need The underspend is mainly as a result of a £87k underspend within the Prevention of Care Section 17 budget as a result of a £109k contribution from FRCS to fund significant amounts of S17 expenditure for housing rents and deposits from the Emergency Support Fund budget. There were also significant in year pressures within the No Recourse to Public Funds and social work staffing budgets but these were dealt with as corporate pressures with additional budget allocated to S&CS.	(65)
4	Youth The Youth Service has underspent by £166k this year. The main underspends have arisen in the following areas: Positive Activities for Young People (PAYP) -£110k, Special Youth Projects -£41k, Detached Team -£42k and Connexions -£98k. These underspends have been offset by additional expenditure required to prepare the new office accommodation at Claverings as part of the restructuring of the YFSS. In addition there was also an underspend of £113k within the Youth Offending Service; this was mainly savings on staffing budgets due to vacant posts which were proving difficult to recruit to.	(273)
5	Community Access The underspend is partly due to reduced expenditure in the Early Years project budget together with the application of trajectory grant funding of approximately £170k to fund the work undertaken by this team on ensuring the provision of two year old places.	(232)
6	Admission Services An underspend results from staffing savings due to vacancies and a continuing low take up of the school uniform grant	(115)
7	Asset Management & Development Of the overspend £476k is due to Primary Expansion Project staffing costs plus expenditure on feasibility surveys, legal expenses, valuations and other support costs that cannot be recharged to the capital projects. There was also an overspend of £107k within the Lettings service as a result of maternity cover plus a general reduction in income from schools & academies choosing not to use the service. There was also an underspend of £47k within the Joint Venture Cleaning income due to an increased profit share for 2013/14 plus the final 2012/13 profit share from the contract not included in the original budget. The change in the outturn position from Feb is due to additional internal departmental recharges and non-capital costs being identified at the year end.	536
8	Catering Services An underspend of £350k is due to a continuation of the higher uptake of school meals	(350)
9	Human Resources An underspend of £80k on enhanced pension payments is offset by an overspend on £25k in Health and Safety due to unbudgeted administrative support costs.	(55)

10	Special Education Needs Most of this overspend relates transport recharges totalling £372k. A potential overspend was previously reported as a risk due to increase in the number of children being transported and an increase in the complexity of their needs.	462
11	School Improvement Service An underspend of £160k in Education Welfare results from staff vacancies (£70k), additional income (£83k) plus minor underspends on running costs. There were further minor underspends in School Swimming (additional income) and the Schools Improvement Team budget due to a saving in training costs.	(176)
12	Child & Family commssioning A saving of £214k against the Childrens' Centres commissioning budget resulted from a planned reduction in spend identified in order to offset other departmental overspends. An underspend was also reported against the Young Persons Substance Misuse grant due to a review of funding streams.	(274)
13 & 17	Director & Commissioning DMT The overspend results from consultancy costs which are partly offset by a £64k saving resulting from the deletion of the AD commissioning post.	54
14	Child Residential Care Purchasing This overspend is mainly due to the additional 179 client weeks above budget in external residential homes resulting in an overspend of £557k. This year there has been a higher than expected number of challenging clients who cannot be accommodated within in house or agency fostering placements. The average weekly costs are also £204 a week higher than budgeted cost because of the clients' high needs. There are also projected over and underspends within in the other residential types (Agency Fostering -£209k & Special Education +£183k) which resulted in the net overspend position of £535k.	535
15 & 16	Resources IT The overspend on staffing costs is due to a delay in the divisional restructure.	77
	Other Variations	11
2013/14 Service Budget Variance		(49)

Schools & Children's Services Project Carry forwards 2013/14				2013/14	2013/14	2013/14	2012/13
Form	Purpose of Project / Grant	Reason for slippage	Contribution to Council's Strategic Objectives	PCF £'000	Grant £'000	Reserve £'000	PCF £'000
SCSGF1	Co-location of Youth & Family Support To co-locate a number of services in one central location thereby reducing costs.	Approval for the project start was not given till late in the financial year 2013/14. The following costs will need to be carry forward into 2014/15 as they will not be delivered until after the 31st March 2014: IT £38k; Furniture £66.5k; Scanning and storing of data £9k; Security Systems £6k.	The relocation of staff to 9 Centre Way will encourage greater cohesion of the new services and a one service/one council culture. Co-locating all staff together in one central location will increase efficiency and effectiveness from both a staff as well as a client/delivery perspective. Working together on one site will facilitate greater integration of services and sharing of skills, knowledge and experience to achieve common targets and key performance indicators.	120.0			
SCSGR1	Adoption Improvement Grant The Government has provided additional funding in 2013-14 to assist Councils to implement the reform programme to improve adoption practice and adoption services in their areas.	The timescale within which the grant needs to be used is too tight for implementing a child's care plan. The delay relates to one case only and, due to the complexities involved requiring legal input and panel processes, the process has taken longer than anticipated.	The grant will contribute towards improving performance against the national indicators for looked after children and in implementing the national minimum adoption standards. The grant will contribute towards the DfE's action plan requiring the adoption agency to assess and approve families to tighter timescales; place children in a timely manner; and speed up the adoption process as a whole. The grant will also contribute towards provision of better support services to enable families to consider 'harder to place' children and ensure safeguarding of children by providing them with a safe environment achieved through permanency.		36.0		
SCSGR2	Change & Challenge Grant (Troubled Families) The Troubled Families Grant from the DCLG was first introduced in 2011/12 and will run until May 2015. The grant will be used to enhance intensive work with families to improve levels of adult employment, reduce youth crime and improve school attendance. The aim of the grant is to reduce the burden on councils by these families. Enfield will be receiving grant to work with 5/6ths of the agreed cohort of 775 families.	The grant conditions allow for the grant to be carried forward at year end with no repayment to the DCLG if not spent within financial year it was received. Due to this condition the spending plan of this grant is not restricted.	The nature of the Troubled Families agenda impacts on a wide range of the Councils key priorities, the indicative key success measures are to ensure a reduction in Crime and anti-social behaviour, young people are attending schools and parents are back into employment. The families likely to be encompassed by this programme are those who have a range of complex needs, there is also an indication from the Home Office that those who may be involved in gang violence will be included.		1,590.0		

Schools & Children's Services Project Carry forwards 2013/14				2013/14	2013/14	2013/14	2012/13
Form	Purpose of Project / Grant	Reason for slippage	Contribution to Council's Strategic Objectives	PCF £'000	Grant £'000	Reserve £'000	PCF £'000
SCSGR3	Childrens Social Work improvement Fund The bulk of this grant was distributed by the CWDC from 2011 to 2013 as the Social Work Improvement Fund (SWIF) which was a one-off ring-fenced grant. The purpose of this grant is to support the social work improvements plans of local authorities in line with the requirements of the Social Work Reform Board, the Munro Report and the social worker registration requirements with the Health and Care Professions Council for Continuing Professional Development. In addition to the SWIF grant the Dept for Education (DfE) also funds the Assessed and Supported Year in Employment (ASYE) for all newly qualified social workers (NQSWS) as this is a key component of the Social Work Reform Board recommendations. the DfE has asked fro this grant to be rolled over into the new financial year to enable NQSWS to continue to be supported in their ASYE in line with national requirements.	In order to make best use of this funding it has been necessary to plan for its spend across 13/14 and 14/15 in order to ensure best value and sustainable initiatives are funded in line with the requirements. All programmes to be funded by this grant have been prioritised by the Children's Services Division Operational Management Team.	The Social Work Reform agenda which is funded by this ring-fenced grant, aims to improve the delivery of the social work services to vulnerable children and families which meets the Council's objective of "Fairness for All".		204.0		
SCSGR4	Local Safeguarding The Local Safeguarding Children's Board is a statutory body and the Children's Act requires each local authority to establish one. The LSCB Fund holds contributions from partners such as Health, Police and Probation and income raised from training events.	The activities of the LSCB are ongoing and not restricted by financial years nor are they strictly under Enfield SCS control as the LSCB involves partner agencies. During 13/14 it has not been necessary to fully spend the funds available.	This project funding will contribute towards ensuring a high quality service which helps keep children safe. We have projects planned which will utilise the budget in terms of our training programme and other activities aimed at raising awareness about safeguarding in the community. This includes the creation of a part time post for leading the Board's activities around tackling child sexual exploitation and the carrying out of a thematic SCIE review into serious cases. All these priorities form part of the ESCB Business Plan for 2014 - 16 and have been agreed by partner agencies as effective use of funding for 2014 - 2015.		55.0		
SCSGR5	Social Work The immediate purpose of the grant is the local promotion of practice teaching, learning and assessment in social work education at qualifying level, with a view to enhanced recruitment prospects across the social worker profession generally.	Slippage is inevitable, given the asymetry of financial and academic years. Placements are commissioned by uiversities at the beginning of the academic year, i.e.	While demonstrably relevant to the Council's strategic aims/objectives as a whole, the grant contributes most immediately to the aim of "FAIRNESS FOR ALL", and to the objectives of "PROVIDING HIGH QUALITY, AFFORDABLE AND ACCESSIBLE SERVICES" in general and "ENABLING YOUNG PEOPLE TO ACHIEVE THEIR POTENTIAL" in particular. With a strategic eye to continuing problems in social worker recruitment and retention, this grant (a) facilitates a steady supply of Newly Qualified Social Workers and (b) enhances their readiness for statutory work in the service of children and families.		23.0		
Total				120.0	1,908.0	-	-

Corporate Items Outturn Position 2013/14

APPENDIX 7

Notes	Corporate	Latest Controllable Budget £000's	Service Net Expenditure £000's	Adjustments for Outturn	Budget Variation £000's	New Reserves 31 March 2014				Service Net Expenditure plus Reserves £000's	Outturn Variation to Latest Budget £000's
						Project Carry Forward	Grant Reserves	Other Reserves	Total New Reserves		
						£000's	£000's	£000's	£000's		
	Levies										
	North London Waste Authority	5,161	5,161		0				0	5,161	0
	NLWA Reserve	1,147	1,147		0				0	1,147	0
	Environmental Agency	206	206		0				0	206	0
	Lee Valley Regional Park	287	287		0				0	287	0
	London Pension Fund Authority	351	351		0				0	351	0
	LPFA Sub-Pension Fund	133	133		0				0	133	0
	London Borough Grants Scheme	344	344		0				0	344	0
	Contingency										
1	Contingency and Contingent Items	70	0		(70)				0	0	(70)
2	Government Non-Ring Fenced Grants	(12,766)	(12,936)		(170)				0	(12,936)	(170)
	IT Investments Fund	(1,184)	(1,184)		0				0	(1,184)	0
3	Other Adjustments including Bad Debts	(496)	(622)		(126)				0	(622)	(126)
4	Transfers to/ from reserves	(341)	(422)		(81)	449		262	711	289	630
	Minimum Revenue Provision	10,786	10,786		0				0	10,786	0
	Treasury Management	6,972	6,973		1				0	6,973	1
	2013/14 Service Budget	10,670	10,224	0	(446)	449	0	262	711	10,935	265
	Project Carry Forwards 2012/13								0	0	0
	Total 2013/14 Net Expenditure	10,670	10,224	0	(446)	449	0	262	711	10,935	265

1 Remaining budget not allocated to services or transferred to reserves.

2 Additional in year Government grants notified and received after setting the budget.

3 Savings mainly due to lower need to set aside provision for bad debts on general fees and charges.

4 Transfer of net surplus on the General Fund to Project Carry Forwards and Transformation as shown on attached appendix.

Corporate Budgets	2013/14 PCF	2013/14 Grant	2013/14 Transformation Reserve	2012/13 PCF
Purpose of carry forward	£'000	£'000	£'000	£'000
Social Workers Social Workers.Contingency set aside for sufficient staff to enable the allocation of statutory cases	249.0			
Capital Set aside resources for one-off feasibility and other initial costs of new capital projects	200.0			
Transformation Corporate contribution to the transformation programme			262.2	
Total	449.0	-	262.2	-

Reserves & Balances 31st March 2014

APPENDIX 8

This Appendix sets out the amounts set aside from the General Fund and HRA balances in earmarked reserves to provide financing for future expenditure plans and the amounts posted back from earmarked reserves to meet General Fund and HRA expenditure in 2013/14.

Reserves and Balances 2013/14	Balance at 31 March 2013 £m's	Net Transfers 2013/14 £m's	Balance at 31 March 2014 £m's
Housing Revenue Account			
HRA Repairs Fund	3.30	(1.80)	1.50
HRA - Capital Reserve	12.10	1.60	13.70
Total HRA	15.40	(0.20)	15.20
General Fund			
Commitments Reserve	9.00	(3.90)	5.10
Risk Reserve	2.40	4.30	6.70
ICT Investment Fund	6.60	(0.20)	6.40
Interest Rate Equalisation Reserve	4.00	0.60	4.60
Insurance Fund	3.50	1.80	5.30
Council Restructuring Reserve	2.30	(0.10)	2.20
General Fund - Capital Reserve	6.90	(1.90)	5.00
Sustainable Service Development	1.70	(0.60)	1.10
European Social Fund	1.30	(0.60)	0.70
Repair & Maintenance	1.80	(0.20)	1.60
Residents Priority Fund	1.20	(0.60)	0.60
Welfare Benefits Reserve	3.70	1.10	4.80
Council Development Reserve*	1.70	3.00	4.70
Projects Reserves	19.80	(0.50)	19.30
Sub Total	65.90	2.20	68.10
Dedicated Schools Grant Reserve	4.90	2.20	7.10
S106 Receipts	0.60	0.00	0.60
Public Health	0.00	1.20	1.20
Total General Fund Reserves	71.40	5.60	77.00
Total Earmarked Reserves	86.80	5.40	92.20

* £3.2m transformation contribution with £0.2m applied in 2013/14

A brief description of each reserve is as follows:

HRA Repairs Fund

The fund provides resources to help fund the maintenance of the council's social housing stock.

HRA - Capital Reserve

The reserve helps fund capital investment to improve the council's social housing stock and meet the Decent Homes Standard.

Commitments Reserve

Funding for revenue projects that are not completed by the year end is carried forward to meet any outstanding expenditure commitments in the following year. This includes revenue grants not fully spent in 2013/14.

Risk Reserve

The Council has a number of known pressures and future commitments which will require one-off funding in later years. This reserve is held to meet any costs over and above the budgets set at the start of the financial year to meet these pressures and commitments.

ICT Investment Fund

This fund is used to finance the Council's investment in new IT which will result in efficiency and service improvements.

Interest Rate Equalisation Reserve

This fund has been set aside to meet in year fluctuations in market interest rates that may result in additional costs to the Council either because of higher interest on short term borrowing or reductions in interest earnings on short term deposits.

Insurance Fund

This is set aside to meet the Council's self-insured risks and other insurance related pressures.

Council Restructuring Reserve

The Council is constantly looking to improve efficiency and this fund helps meet any one-off related expenditure including staff severance costs

General Fund - Capital Reserves

This reserve helps fund the Council's capital investment (excluding social housing) and also a vehicle replacement programme.

Sustainable Service Development

This fund is available to help build the capacity of communities in the borough.

European Social Fund

This fund aims to attract European funding into the borough to improve the employability of the unemployed and economically inactive people in Enfield.

Repair & Maintenance

This reserve meets fluctuations in the cost of maintaining council buildings that is in excess of the annual budgetary provision for building maintenance.

Residents Priority Fund

This balance is the carry forward of approved but unspent monies awarded to improve local communities

Welfare Benefits Reserve

This reserve is held to mitigate pressures arising from recent welfare reforms, including changes to housing & council tax benefits.

Council Development Reserve

This reserve helps support the implementation of the Council's initiatives, and funds various "one off" projects. The reserve has been increased in 2013/14 to meet future costs of the Council's service transformation programme 'Enfield 2017'.

Projects Reserves

Various reserves held by services to finance projects to meet Council priorities and improve services to residents.