

MUNICIPAL YEAR 2015/16 REPORT NO: 55

AGENDA PART 1

ITEM 7

**Subject: Revenue Monitoring Report
2015/16: July 2015**

Wards: All

MEETING TITLE AND DATE:

Cabinet:

16th September 2015

Report Of:

Director of Finance, Resources and Customer Services

Contact:

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1. EXECUTIVE SUMMARY

- 1.1 This report sets out the Council's revenue budget monitoring position based on information to the end of July 2015. The report forecasts an outturn position of £4.59m overspend for 2015/16. However, the Corporate Management Board are working with their Departmental Management Teams and Finance Officers to identify in year savings to mitigate this overspend.

2. RECOMMENDATIONS

It is recommended that Cabinet:

- 2.1 Notes the £4.59m overspend revenue outturn projection.
- 2.2 Agrees that departments reporting pressures should formulate and implement action plans to ensure that all possible actions are undertaken to remain within budget in 2015/16.
- 2.3 Notes that, as in previous years, directors will bring forward 2016/17 savings to members for early implementation to reduce the budget gap.

3. BACKGROUND

- 3.1 The Council's revenue expenditure against budget is monitored by regular monitoring reports to the Corporate Management Board and Cabinet. These reports provide a snapshot of the revenue position for each Department and for the Council as a whole, and provide details of any projected additional budget pressures and risks, or any significant underspends.
- 3.2 The Revenue Monitoring Report is a result of the monthly monitoring process carried out by Departments, which is based on the following principles to ensure accuracy, transparency and consistency:
- Risk assessments, to enable greater emphasis to be placed on high-risk budgets throughout the year.
 - Comparisons between expenditure to date, current budgets and budget profiles.
 - Expenditure is predicted to the year-end, taking account of seasonal

fluctuations and other determinants of demand.

- The 'Key Drivers' that affect, particularly, the high-risk budgets are monitored and reported to Department Management Teams.
- Action plans to deal with any areas that are predicting or experiencing problems staying within agreed budgets are produced.

3.3 This report provides information on the main budget variances and their causes that are affecting the Council across all departments. Although a full budget monitor is carried out each month, the variations in this report are deliberately limited to +/- variances of £50,000 or over in order to provide a greater strategic focus.

3.4 A summary overview of financial performance is outlined below in Table 1. The intention of this is to provide the key highlight messages in a "dashboard" style summary. It is designed to capture the key messages across the Council's main financial areas, namely:

1. Income and expenditure;
2. Balance sheet (liquidity, debtor/creditor management, investments and use of balances); and
3. Cash flow forecasting and management.

Table 1: Summary performance overview

Area of review	Key highlights	Risk Rating		
		June	July	Aug
Income and expenditure position	<ul style="list-style-type: none"> • Year-end forecast variances of £4.59m overspend have been identified to date in relation to General Fund net controllable expenditure. Budget variances identified to date will need to be managed closely to ensure timely appropriate action can be taken. 	Red	Red	
	<ul style="list-style-type: none"> • Budget profiling across all departmental budgets will continue to be applied in order to better reflect predicted net spending patterns throughout the year. Budget holders now profile individual budgets based on anticipated spend across the year. 	Amber	Amber	
	<ul style="list-style-type: none"> • The HRA is projecting a £0.549m underspend for year-end outturn against budget. 	Green	Green	
Balance Sheet	<ul style="list-style-type: none"> • The current profile of cash investments continues to be in accordance with the Council's approved strategy for prioritising security of funds over rate of return. 	Green	Green	
	<ul style="list-style-type: none"> • The year-end projections for General Fund balances may not meet the Council's Medium Term Financial Strategy target levels based on the current forecast overspend. 	Amber	Amber	
Cash flow	<ul style="list-style-type: none"> • The Council's cash balances and cashflow forecast for the year (including borrowing) will ensure sufficient funds are available to cover planned capital and revenue commitments when they fall due. 	Green	Green	
	<ul style="list-style-type: none"> • Interest receipts forecast for the year are on target with budget. 	Green	Green	

4. July 2015 Monitoring – General Fund

4.1 A summary of the departmental and corporate projected outturns and variances against budget is set out in Tables 2 & 3 as follows:

Table 2: Forecast Projected Outturn Variances

July 2015 Department	Net Controllable Budget				
	Original Budget	Approved Changes	Approved Budget	Projected Outturn	Projected Variation
	£000s	£000s	£000s	£000s	£000s
Chief Executive	3,372	(1,728)	1,644	1,644	0
Regeneration & Environment	28,796	(1,971)	26,825	26,932	107
Finance, Resources & Customer Services	44,365	12,232	56,597	57,180	583
Health, Housing and Adult Social Care	91,276	(3,184)	88,092	88,092	0
Children's Services	49,045	(4,007)	45,038	48,934	3,896
Enfield 2017	(15,100)	0	(15,100)	(15,100)	0
Total Department Budgets	201,754	1,342	203,096	207,682	4,586
Collection Fund	(2,825)	0	(2,825)	(2,825)	0
Corporate Items	36,419	(1,342)	35,077	35,077	0
Government Funding	(134,431)	0	(134,431)	(134,431)	0
Council Tax Requirement	100,917	0	100,917	105,503	4,586

Table 3: Variance Comparison with Previous Year & Period

Department	Projected Outturn Variance	Projected Outturn Variance	Projected Outturn Variance
	Jul-14 £000s	Jun-15 £000s	Jul-15 £000s
Chief Executive	0	0	0
Regeneration & Environment	0	125	107
Finance, Resources & Customer Services	502	899	583
Health, Housing and Adult Social Care	0	1,842	0
Children's Services	1,759	3,531	3,896
Total Departmental Variance	2,261	6,397	4,586

The comparison to the position at this stage last year shows a similar departmental variance although there is an upward trend. The 2014/15 outturn was eventually contained within budget although it should be noted that General Fund Earmarked Reserves reduced by £14.5m.

Enfield 2017 is projected to achieve approximately £8m of a £15.1m savings total included in the budget. Any balance of savings required will be funded by one off reserves. The full year effect of the Enfield 2017 proposals will provide £15.1m of savings in 2016/17.

5. DEPARTMENTAL MONITORING INFORMATION – BUDGET PRESSURES & PROJECTED SAVINGS

5.1 Chief Executive's Department (Appendix A1)

The department is currently projecting a level spend. There are no current budget variances over £50k to report.

5.2 Regeneration & Environment (Appendix A2)

The department is currently projecting an adverse variance of £107k; explanations for variances over £50k (totalling +£160k) are detailed in Appendix A.

5.3 Finance, Resources & Customer Services (Appendix A3)

Finance, Resources and Customer Services are currently projecting an overspend in 2015/16 of £0.583m. This projection is mainly due to loss of rent income from across the commercial portfolio as a result of redevelopment and vacant units, as well as loss of income from Transport for London's bus shelter contract due to cessation. There are additional budget pressures due to loss of government grant income from Registrar Services and non-recoverable costs of Multifunction Devices (MFDs).

5.4 Health, Housing & Adult Social Care (Appendix A4)

Adult Social Care

The department is forecasting a balanced budget at year end. Although there is currently a budget pressure of £1.932m, any overspend will be addressed through the use of one off earmarked reserves to ensure the department report a balanced position. The main forecast pressures are in Learning Disabilities (£1.1m), Older People (£1.5m) and Physical Disabilities (£0.3m). These figures include the allocation of 2015/16 Better Care Fund.

Community Housing

There is currently a projected nil variance for 2015/16. However, this area of spend remains volatile and the underlying pressure due to increased number of homelessness still remains. Additional budget funding of £2m was included in 15/16 to take account of these pressures and there is also on-going mitigation work being carried out looking at cost avoidance schemes which will manage both service demand and costs of all forms of temporary accommodation. There is a budget risk around the market management of NPA (Nightly Paid Annexes), as it is under severe stress due to the West London DPS procurement framework. If this goes ahead the service will not be able to achieve the £5m proposed savings target. There is also an emerging risk due to the CLG review of homelessness grant, which may result in removal of the £539k Homelessness prevention grant.

5.5 Children's Services (Appendix A5)

Children's Services are currently projecting an overspend of £3.89m. This arises due to increasing demand for Children's services, including, Leaving Care Client costs (£1.05m), Social Work Teams (£0.643m), Unaccompanied Asylum Seeking Children (UASC) and UASC aged 18+ (£0.662m), SEN Transport (£0.966m), Special Guardianship Allowances (£0.224m), Prevention of Care payments (£142k) and additional Fostering Allowances (£120k).

The aforementioned pressures, which are a continuation of pressures reported in the previous financial year, will be monitored and management actions will be undertaken to reduce them as far as possible throughout the year. However a significant projected year end overspend is currently anticipated due to the continued upward trend of the demographic pressures and the increasing numbers of children presenting with complex needs. This was recognised as a risk in the budget setting process for 2015/16.

5.6 Schools Budgets (Appendix A6)

These variations do not form part of the General Fund position but are reported for information.

6. OTHER GENERAL FUND ITEMS

6.1 Treasury Management and cash flow analysis

The Council's net debt position has increased since 1st April 2015 and will continue to do so over the year. This is because of the impact of a number of key strategic land purchases for Meridian Water (£14m) and the purchase of a farm (£3m). The Council also continues to purchase/build residential homes through Housing Gateway and Enfield Innovation. A further land acquisition for Meridian Water (£29m) is planned for later in the year which will also need to be financed.

The Governor of the Bank of England has now confirmed that short-term rates will rise steadily over the next two years. Hence, it now looks an opportune time to move into longer term rates.

The Council will continue to look to minimise the cost of borrowing but interest rates may potentially increase. This has, however, been recognised in the Council's Medium Term Financial Plan. A summary of this year's Treasury Management activity is set out in Appendix B.

6.2 Corporate Items (Including Contingency & Contingent Items) General Fund

The Council maintains a general contingency of £1.0m. It is expected that £0.6m of this contingency will be utilised for the funding of expenditure in Schools & Children's Services relating to No Recourse to Public Funds costs agreed by Cabinet in 2014-15. The balance of £0.4m is currently unutilised.

7. Housing Revenue Account (HRA) – Projected £549k Underspend

The HRA projection for June is an under-spend of £549k, a reduction of £160k from the projection reported for June of £709k. This reported underspend is mainly due to three large projected savings in the Supervision and Management categories, offset by pressures from recharges and fuel costs.

There is a £350k saving in the Grounds Maintenance budget as the tree management programme has now been completed, so this budget will not now be utilised. In addition to this, there is a £100k saving on electricity costs and a £200k saving on HRA insurance costs due to the renegotiation of the Council's insurance contract. These savings are offset by a pressure of £176k due to some budget pressures. There is also a pressure of £27k from higher than expected fuel costs.

Some other smaller savings on staff advertising, staff salaries and training totalling £70k have been projected and additional rental income of £32k is expected from some of the HRA's non dwelling assets.

The HRA will face extreme budget pressures over the next six years due to the Government's newly announced rent policy, and every effort is currently being made to find large, ongoing, savings to try to offset the projected rent loss.

8. ACHIEVEMENT OF SAVINGS

- 8.1 The 2015/16 Budget Report included new savings and the achievement of increased income totalling £26.6m to be made in 2015/16. To date £21.2m of savings (80%) are classified as Blue or Green (on course for full achievement). £1.8m are currently Amber with £3.6m currently classed as Red. Appendix C provides supporting information for the Amber / Red savings. The overall savings position in terms of traffic light classifications is set out below:

Table 4: New Savings Monitor - Summary Position July 2015

Department	Red		Amber		Green		Blue		Total
	£000's	%	£000's	%	£000's	%	£000's	%	£000's
Environment	0	0%	0	0%	(1,894)	100%	0	0%	(1,894)
Finance, Resources & Customer Services	0	0%	(56)	5%	(1,127)	95%	0	0%	(1,183)
Housing, Health & Adult Social Care	(3,560)	62%	(1,450)	25%	(750)	13%	0	0%	(5,760)
Children's Services	0	0%	(292)	18%	(848)	53%	(450)	28%	(1,590)
Corporate	0	0%	0	0%	(1,060)	100%	0	0%	(1,060)
Enfield 2017	0	0%	0	0%	(15,100)	100%	0	0%	(15,100)
Total New Savings for 2015/16	(3,560)	13%	(1,798)	7%	(20,779)	78%	(450)	2%	(26,587)

9. ALTERNATIVE OPTIONS CONSIDERED

Not applicable to this report.

10. REASONS FOR RECOMMENDATIONS

To ensure that Members are aware of the projected budgetary position for the Authority, including all major budget pressures and underspends which have contributed to the present monthly position and that are likely to affect the final outturn.

11. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS

11.1 Financial Implications

As the Section 151 Officer, the Director of Finance, Resources & Customer Services is required to keep under review the financial position of the Authority. The monthly revenue monitoring is part of this review process and this latest monitoring report confirms that there is no deterioration in the financial position of the Authority. If required, measures will be put in place to address risks identified through the monitoring process and to contain expenditure within approved budgets.

11.2 Legal Implications

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.

11.3 Property Implications

Not applicable in this report.

12. KEY RISKS

There are a number of general risks to the Council being able to match expenditure with resources this financial year and over the Medium Term Financial Plan:-

- Achievement of challenging savings targets.
- State of the UK economy - which impacts on the Council's ability to raise income from fees and charges and on the provision for bad debt.
- Uncontrollable demand-led Service Pressures e.g. Adult Social Care, Child Protection etc.
- Potential adjustments which may arise from the Audit of various Grant Claims.
- Movement in interest rates.

Risks associated with specific Services are mentioned elsewhere in this report.

13. IMPACT ON COUNCIL PRIORITIES

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

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

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

14. EQUALITIES IMPACT IMPLICATIONS

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.

The Council does not discriminate on grounds of age, colour, disability, ethnic origin, gender, HIV status, immigration status, marital status, social or economic status, nationality or national origins, race, faith, religious beliefs, responsibility for dependants, sexual orientation, gender identity, pregnancy and maternity, trade union membership or unrelated criminal conviction. The Council will promote equality of access and opportunity for those in our community who suffer from unfair treatment on any of these grounds including those disadvantaged through multiple forms of discrimination.

Financial monitoring is important in ensuring resources are used to deliver equitable services to all members of the community.

15. PERFORMANCE MANAGEMENT IMPLICATIONS

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

Appendix A1

Chief Executive	Budget Variation July 2015 (£'000)
The department is currently projecting a level spend.	
Chief Executive Total	0

Appendix A2

<i>Regeneration & Environment</i>	<i>Budget Variation July 2015 (£'000)</i>
Overspend in Community Safety due to delays in reconfiguring agreed budgets.	100
Overspend in Regulatory Services, this is mainly due to an under achievement in licensing income	210
Underspend in Development Management due to an over achievement in planning fees.	(64)
Overspend in Street Lighting due to additional payments to street lighting reserve.	90
Underspend in Traffic & Transport Service as a result of capitalisation of salaries to approved capital schemes e.g. Cycle Enfield, additional Temporary Traffic Order income and a reduction in Traffic signal maintenance payments to TfL.	(176)
<i>Other Variations:</i>	-53
<i>Regeneration & Environment Total</i>	107

Appendix A3

Finance, Resources & Customer Services	Budget Variation July 2015 (£'000)
Information & Comm. Technology (ICT) - Reduction in recovery of MFD printing costs	137
Legal & Corporate Governance Services - Reduction in citizenship income from Government and additional staff costs in Legal services due to use of agency staff.	248
Total Property Services - Shortfall of rent income mainly from Palace Garden Exchange, New Southgate Estate, Bus Shelters and Swan Annexe respectively. There is also additional cost of postage of Council Tax and Pensions' letters. These have been offset in part by additional rent income from the Civic Centre.	258
Other Items	(60)
Finance, Resources & Customer Services Total	583

Health, Housing and Adult Social Care	Budget Variation July 2015 (£'000)
Adult Social Care	
Key assumptions within the forecast are based on projected activity and year to year trends, which suggest that this is an accurate projection at this point in the financial year. A significant risk in 2015/16, as a consequence of the Cheshire West Supreme Court ruling, has been the broadening of what is considered a Deprivation of Liberty. This ruling has had a major impact on all English Councils who have a responsibility for Adult Social Care and we have seen a significant increase in the number of people requiring a DoLs assessment.	
Strategy & Resources - The service is projecting an overspend from an increase in Deprivation Of Liberty (DoLs) applications (+£191k) and Voluntary Community Sector (+£136k). This is partly offset through Housing Related Support contracts (-£70k), due to the early achievement of future year savings.	273
Mental Health - The service is currently projecting an overspend for the year. This is due to a shortfall in the achievement of savings. There has been a movement of £11k in month due to variations in care	153
Learning Disabilities - The service continues to project an overspend position as a result of managing demand led services. Not included in the monitor are additional risks of £1.9m for Continuing Health Care and outstanding Ordinary Residents which may shift to pressure during the course of the year.	1,166
Older People and Physical Disabilities (the Customer Pathway) - The service is projecting care purchasing overspends against a net budget of £34m. This position is consistent with last year's care purchasing overspend plus additional savings taken in the 15/16 budget round.	1,800
Independence & Wellbeing Services - The projected underspend is due to additional client income, the adverse movement of £105k in month is due to the reduction in full cost paying clients anticipated in the year. Not included in the monitor are additional budget pressures anticipated for Transport recharges of £224k.	(38)
Application of one off resources - New Burdens Grant (£1.44m) previously allocated towards the implementation of the Care Act.	(1,422)
Public Health Grant The departmental forecast also includes ring fenced Public Health Grant. Public Health grant allocated in 2015/16 is £14.2m. The Public Health service is projecting an overspend of £265k based on a worst case scenario of demand led Sexual health services for 2015/16, however this will be managed within existing resources during the year. The Public Health grant is ring fenced and as per the Department of Health guidance, underspends have been carried forward to meet the grant conditions.	0
Use of reserves and other control measures	(1,932)
Adult Social Care & Public Health	0
Community Housing	
The Community Housing service July 2015 position is reporting a nil variance. Any underspend or overspend is managed within the Homelessness Initiatives Reserve Fund.	
Temporary Accommodation - There is a net overspend of £240k on temporary accommodation, this is made of a £72k overspend resulting from the loss of 95 units in the Private Sector Leased portfolio and Private Leased Annexe portfolio. However, there is a £97k underspend in nightly paid accommodation because the continuing inter-borough agreement has produced an average 3.39% unit cost reduction in price. Tactically it is more cost effective to make block bookings in advance, to preserve the accommodation at the agreed nightly rates. The cost of these reserved bookings is £233k and the increase in usage of out of hours accommodation is £63k. There is an overachievement of £31k, generated from refunds collected by the cash deposit recovery officer.	240
Empty property Strategy - Alternative funding has been secured for Empty Property works from external grant carried forward and New Homes Bonus grant. This has resulted in a projected underspend of £294k.	(294)
Transfer back to reserve to fund initiatives. The reserve opening balance at 1 April 2015 is £2.234m, £2.1m will be utilised to fund PSL and PLA incentives, £120k will be utilised to support extra capacity in the grants team, leaving a closing balance of £68k after this contribution of £54k	54
Community Housing Total	0
Housing, Health & Adult Social Care Total	0

Appendix A5

Children's Services	Budget Variation July 2015 (£'000)
Asset Management Projected overspend as some strategic staff expenditure cannot be capitalised	140
Catering An underspend of £55k is projected based on current meal numbers although this may well change with the new intake from September.	(55)
School Enhanced Pensions An underspend of £75k is projected assuming the current monthly payments continue until year-end.	(75)
Educational Psychologists An overspend in the region of £150k is anticipated due to a delay to the planned restructure in 14/15. This has been caused by the increasing level of demand for Children's mental health services across the borough, and by the implementation of the new National SEND agenda. Negotiations are on-going with health professionals to offset this overspend with an increase in national grant funding in this area.	150
SEN Transport An overspend of £966k is projected based on current current information from Environmental Services	966
School Swimming An overspend of £71k is anticipated due to a late increase in transport costs which cannot be recovered	71
Education Welfare Projected underspend due to vacant posts	(94)
Children & Family Integrated Commissioning Service Overspend due to interim agency costs	62
Children in Need Social Work Teams The increasing demand for front line social work services requires these teams to maintain their full staffing establishment to provide a safe service. A number of key vacant posts need to be covered temporarily by experienced agency staff due to maternity leave, secondments and to provide support to newly qualified less experienced social workers recently recruited to join the teams as permanent staff. As the teams are fully staffed this results in a non-achievement of the £237k vacancy factor within the staffing budget. The remaining overspend results from a decision taken to approve the ongoing usage of additional agency staff (+£287k) to cope with the significant rise in Contacts, Referrals, Child Protection Investigations and Registrations and LAC, which started last Autumn and currently shows no sign of permanently reducing. In order to address this projected overspend In 14/15 there was a £200k contribution from council resources to alleviate this pressure. The service will aim to reduce the overspend by reviewing cases that can be managed by our universal services and ensuring newly qualified staff are provided with sufficient support and management.	524
Prevention of Care Section 17 The budget is overspending due to the demand for residence orders, rents & deposits for families in need. The projection has been based on the recent average monthly spend and actuals to date. An agreed contribution of £100k from the Emergency Support Scheme budget as in previous years has reduced this overspend.	142
Assessment & Intervention Team A detailed monitor this month has established that there will be an overspend within the salary budget for this team. Following a restructure the team is now fully staffed so the vacancy factor of £38k will not be achieved. The restructure is also responsible for a further £21k overspend as the actual posts deleted are less than the restructure savings agreed. There is also a shortfall in the budget (£9k) required to fund the clinical psychologist post.	68
In-House Fostering Allowances The projected allowances have increased by £113k this month due to 6 new and 3 planned placements included this month.	122
Adoption Allowances This budget is overspending mainly due to an increase in the number of special guardianship allowances becoming payable and projected lower income from inter agency fees..	224
Looked after Children - Social Work Team The team is fully staffed and there are unconsolidated PRP payments. The overspend has reduced this month due to an improved recruitment position.	51
Leaving Care - Client Costs The Leaving Care client costs budget is currently projecting an overspend of £1030k. This is partially due to a 21% increase in the number of clients since June 2013 with no corresponding budget increase. There is also an increase in the number of young offenders and young people at risk of sexual exploitation who require more specialised and intensive support plus an increase in client demand/needs pressures. The LAC service are continuing to review the most expensive support packages and exploring alternative or new options for service provision for these clients where possible. There is also a shortage of semi-independent accommodation which means clients are unable to be moved from their expensive residential placements. The overspend has increased this month due to 3 new client placements and increased costs on existing clients due to their complex needs.	1,030

Appendix A5

Children's Services	Budget Variation July 2015 (£'000)
Unaccompanied Asylum Seeking Children This budget is now supporting an additional 338 UASC client weeks above the original budget. The increase is due to 5 new clients since last month. There is also a shortage of suitable accommodation for the recent arrivals resulting in the use of more expensive agency fostering placements. The government grant is insufficient to cover the actual client costs for some clients who require expensive placements.	179
Former Unaccompanied Asylum Seeking Children 18+ The shortage of suitable accommodation for this client group has resulted in costlier provision. The actual client numbers are now above the 25 fee threshold so grant funding of upto £90k will be claimable this year.	483
Other Minor Variations	(92)
Children's Services Total	3,896

Appendix A6

Schools Budget	Budget Variation July 2015 (£'000)
Schools Budgets - These variations do not form part of the General Fund position.	
Behaviour Support Underspends of £119k and £63k are projected by Primary & Secondary B.S. as a result of staff vacancies which in some cases will now not be filled until January.	(182)
Asset Management Overspends of £102k £26k & £10k are projected respectively for Primary, Secondary & Special Schools.	138
Special Education Needs- Overspends of £179k for L.A. Special Day and £256k for Independent Day are reduced by an underspend of £110k for Independent Residential and £12k for mainstream tuition	325
Schools Contingency- A contingency provision was set aside in the 2015/16 budget to offset anticipated pressures, mainly in the SEN service. Based on current projections a drawdown of £336k would be needed from contingency to achieve an overall balanced position.	(336)
Other minor Variations	55
Schools Total	0

Treasury Management Cashflow Investments & Borrowing as at 31st July 2015

The Treasury Management position as at **31st July 2015** is set out below:

	31st March 2014	30th April 2014	31st May 2015	30th June 2015	31st July 2015
	£000's	£000's	£000's	£000's	£000's
Long term borrowing	272,532	272,532	272,532	272,532	293,532
Short-term borrowing	40,500	40,500	27,500	17,000	17,000
Total borrowing	313,032	313,032	300,032	289,532	310,532
Total investments	58,370	56,350	37,700	19,315	37,540
Net debt	254,662	256,682	262,332	270,217	272,992

Movement in debt over year

	1 st April 2015	Debt repaid	New debt	31st July 2015
	£000's	£000's	£000's	£000's
PWLB	230,031	0	0	230,031
Commercial loan	30,000	0	0	30,000
Gloucester CC	10,000	0	0	10,000
Salix	2,501	0	0	2,501
Temporary borrowing	40,500	(32,500)	9,000	17,000
LT Borrowing Local Authorities			5,000	5,000
LT Borrowing from LEEF			6,000	6,000
EIB LT Borrowing			10,000	10,000
Total borrowing	313,032	(32,500)	30,000	310,532

London Borough of Enfield Investments at 31st July 2015

Financial Institution	Principal	Start Date	Effective Maturity	Rate	Days to Maturity	Lowest Credit Rating
Call Accounts	£					
HSBC	240,000		On demand	0.40%	1	AA-
Handlesbanken	15,000,000		On demand	0.50%	1	AA-
Money Market Funds						
Ignis	8,000,000		On demand	0.49%	1	AAAm*
Goldman Sachs	6,800,000		On demand	0.43%	1	AAAm*
Termed Deposits						
Lloyds Bank PLC	7,500,000	06/05/2105	05/05/2016	1.00%	279	A
Total - Investments	37,540,000		Average	0.58%	279	
Number of Investments	3					

London Borough of Enfield Short Term loans at 31st July 2015

Financial Institution	Principal	Start Date	Effective Maturity	Rate	Days to Maturity
Wokingham BC	£3,000,000	18/09/2014	11/08/2015	0.48%	12
North Yorks CC	£5,000,000	01/12/2014	30/11/2015	0.70%	123
NW Leicestershire DC	£2,000,000	26/06/2015	24/06/2016	0.50%	330
Tyne & Wear Transport	£2,000,000	03/06/2015	01/06/2016	0.50%	307
Sedemoor DC	£5,000,000	04/06/2015	02/06/2016	0.50%	308
Total	£17,000,000		Average	0.55%	

**2015/16 Budget & Medium Term
Financial Plan (£'000)**

Appendix C

Departmental Red & Amber Savings - July 2015 (Excluding Enfield 2017)

Ref No.	Proposal Summary (from template)	Risk	Total 2015/16	Remarks
Red Savings			£000's	
Health, Housing & Adult Social Care				
HHASC 15/16 S3	Reduction in unit costs - care purchasing	Red	(1,200)	HHASC 15/16 S3 & S4 being met through EY savings proposal S02. Current projected saving for 15/16 is £1,280k.
HHASC 15/16 S4	Care purchasing reduction through market management	Red	(2,000)	HHASC 15/16 S3 & S4 being met through EY savings proposal S02. Current projected saving for 15/16 is £1,280k.
HHASC 15/16 S8	Voluntary Sector Contracts	Red	(360)	Notice still needs to be given to VCS organisations re: funding reductions. Until this happens no progress can be made on this saving.
Total Red Savings			(3,560)	
Amber Savings				
Housing, Health & Adult Social Care				
HHASC 15/16 S1	Brokerage Redesign	Amber	(800)	HHASC 15/16 S1 & S2 being met through EY savings proposal S01. Current projected saving for 15/16 is £420k.
HHASC 15/16 S2	Demand Management - Dementia	Amber	(50)	HHASC 15/16 S1 & S2 being met through EY savings proposal S01. Current projected saving for 15/16 is £420k.
HHASC 15/16 S6	Personalisation of Transport services	Amber	(100)	Latest projected saving is £31k. Work is ongoing.
HHASC 15/16 S7	Residential Price improvement	Amber	(500)	Estimated savings achievable in 15/16.
Finance, Resources & Customer Services				
FRCS 25-1 (2)	Culture and Arts development at Forty Hall	Amber	(56)	Arts & Culture restructure is still in the process of being implemented
Schools & Children's Services				
SCS 15/16 S5	Commissioning and Community Engagement Team Merger	Amber	(120)	Service currently reporting an overspend of £62k due to agency cover
SCS 15/16 S8	Early Years - Play Service	Amber	(172)	Restructure has been delayed but alternative savings are being sought from within the EY budget
Total Amber Savings			(1,798)	
Total Red / Amber Savings			(5,358)	