

MUNICIPAL YEAR 2017/2018 – REPORT NO. 15

MEETING TITLE AND DATE

Cabinet: 13th July 2017

REPORT OF:

**Executive Director of Finance,
Resources and Customer Services**

AGENDA PART 1

ITEM: 7

SUBJECT - REVENUE & CAPITAL OUTTURN 2016/17

Key Decision No: 4530

Cabinet Member consulted:
Councillor Lemonides

Contact: Stephen Fitzgerald Tel: 0208 379 5910

1. EXECUTIVE SUMMARY

- 1.1 This report sets out the overall Council General Fund and Housing Revenue Account revenue and capital outturn position for 2016/17.
- 1.2 The report also provides information on the Council's current level of reserves.

2. RECOMMENDATIONS

It is recommended that Cabinet:

- 2.1 Notes the General Fund and Housing Revenue Account (HRA) revenue and capital outturn for 2016/17.
- 2.2 Agrees specific changes to reserves as set out in paragraph 4.3 and detailed in the service appendices.
- 2.3 Notes the capital outturn and agrees the funding of the Council's capital expenditure for 2016/17 as set out in this report (paragraph 6.3).

3. INTRODUCTION

- 3.1 This report sets out the overall Council General Fund and Housing Revenue Account revenue and Capital Outturn position for 2016/17, with detailed service information provided in the Appendices.

2016/17 REVENUE OUTTURN POSITION

4. GENERAL FUND

- 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 reserves for non-ring-fenced grants in 2016/17). A more detailed explanation of budget variations is included in Appendices A to F.

Table 1: Service Departments Revenue Outturn Position 2016/17	Budget £'000	Net Spend £'000	Variance £'000
Chief Executive	3,948	3,508	(440)
Regeneration & Environment	26,009	24,849	(1,160)
Finance, Resources & Customer Services	47,448	47,562	114
Health, Housing & Adult Social Care	77,194	80,658	3,464
Schools & Children's Services	46,327	49,241	2,914
Service Net Costs	200,926	205,818	4,892
Corporate	36,865	30,820	(6,045)
Net Expenditure	237,791	236,638	(1,153)
Revenue Support Grant	(46,554)	(46,477)	77
Business Rates	(70,073)	(68,660)	1,413
Collection Fund	(1,319)	(1,319)	0
Other non-ring-fenced Government Grants	(11,930)	(12,262)	(332)
Council Tax	(107,915)	(107,920)	(5)
General Fund Corporate Financing	(237,791)	(236,638)	1,153
General Fund Grand Net Total	0	0	0

The outturn position for 2016/17 is within budget. It should be noted that the final approved estimate figures included in Table 1 are controllable departmental budgets excluding capital and asset impairment charges. Table 1 shows the net budget that is directly controlled by departments.

4.2 Statement of Accounts

The draft statements will be certified by the Executive Director of Finance, Resources and Customer Services and shared with BDO (External Auditors) at the end of June.

4.3 Earmarked Reserves

The overall level of General Fund earmarked reserves at 31st March 2017 has increased by £6.8m to £45.4m (£38.6m 31st March 2016). This excludes ring-fenced reserves such as Public Health and Dedicated Schools Grant reserves. The HRA reserves have decreased by £5.1m from £25.8m to £20.7m.

4.4 Details of total reserves as at 31st March 2017 and the planned use of these over the MTFP period are set out in Appendix G.

4.5 Non-ring fenced grants

The following contributions to reserves in respect of non-ring fenced grant funding provided for specific services are set out below for noting and approval.

Table 2: Non-ring fenced Grant Reserves	£'000's
Schools and Children's Services Grants	
Troubled Families Grant	1,363
Assessed and Supported Year in Employment (ASYE) grant for all Newly Qualified Social Workers (NQSWs)	96
	1,459

4.6 Collection Fund

The Collection Fund covers both council tax and business rates. The Collection Fund recorded the following performance in 2016/17:

- A total council tax surplus balance on the fund of £2.554m at 31st March 2017 (Enfield's share is 81.1%, £2.072m). The surplus is due to collection levels exceeding budgeted targets over the last two years.
- A total business rate surplus balance of £2.137m (Enfield's share is 30%, £0.641m). Good collection rate and a reduced requirement of appeals provision for business rates appeals has created a surplus in this year's accounts.

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

Table 3: Enfield Collection Fund Balances	Council Tax (81.1%)¹ £'000	Business Rates (30%) £'000	Total £'000
Final accounts balance brought forward	(3,027)	2,307	(720)
In Year Movement	955	(2,948)	(1,993)
Balance carried forward 31 March 2017	(2,072)	(641)	(2,713)

4.7 General Fund Balance

The level of the General Fund balances at 31 March 2017 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 2017/18 and Medium Term Financial Plan report considered by Council in February 2017.

School revenue balances reduced from £9.9m at 31st March 2016 to £6.8m at 31st March 2017. The balances retained by individual schools reflect their decisions in the use of their resources. School balances are reported separately to the remainder of the General Fund as they are held for specific school purposes; they are monitored in detail by the Schools Forum.

5. HOUSING REVENUE ACCOUNT

5.1 2016/17 is the second year that budgets, which were previously managed by Enfield Homes, came back under the management of the Council:

- During 2016/17, a project was in place to identify ongoing savings of £2m per annum from the HRA, which will start to have a full year effect in 2017/18. The HRA achieved £2.3m of savings which are in addition to the savings of £1.955m identified in 2015/16.
- The 2016/17 cost of services budget anticipated less income than that in 2015/16, this was due to the Welfare Reform and Work Act coming into force in March 2016. The act required landlords of social housing to reduce General Needs social housing rents by 1% for four years. In 2017/18 Sheltered Accommodation rents, will also be reduced by 1%, for the three years.

¹ Increased share for Enfield from 80.57% to 81.10% following Enfield's precept increase which was proportionally higher than GLA's increase in council tax precept. In total, there was a 4.99% increase in Enfield's council tax for 2017/18.

- c) In 2016/17 for example, unplanned expenditure was required to review the proposed new Government policy “Sale of “High Value void properties”. It is important that all potential policy is assessed to understand the impact on the HRA 30-year Business Plan

A balanced budget was predicted in the January 2017 monitor and although it is still the same position at 31st March 2017, the HRA has carried forward an additional surplus of £0.573m to fund future years’ expenditure.

5.2 HRA Outturn Variances 2016/17

Table 4: Housing Revenue Account - Outturn Variances 2016/17	Variance £'000
Dwelling Rents Rental income was lower than predicted partly because there were fewer properties than expected in the HRA in 2016-17 caused by additional Right to Buys and Tenant Decants.	678
Non-Dwelling Rents During the year, some shops were not re-let which led to lower income levels than predicted. This under recovery of income has also been affected by higher costs to our non-dwelling managing agents, Spencer Craig Partnership.	139
Repairs The main underspends were on Planned maintenance (£420k) as a result of delays in delivering the programme which will now be delivered in 2017/18. Voids and Responsive Repairs also underspent by £277k and £460k respectively due to a reduction in unit costs.	(1,230)
Supervision and Management General The main overspends are due to residual early retirement costs from the transformation programme of £104k, Civica System implementation costs of £487k and the refurbishment costs at Edmonton Green of £75k all of which had not been budgeted for. Legal costs account for the remainder of the overspend as a result of dealing with a higher volume of Right to Buy applications and also through counsel costs for court cases.	813
Bad Debt provision The original bad debt budget included a provision for the Welfare Reform which is now which is now likely to be implemented in November 2017, thus the provision required was £242k lower than anticipated.	(242)
Capital Financing In 2015-16, the Council moved to component accounting to arrive at its depreciation charge. These workings were revised in 2016-17 which led to a depreciation charge which was £724k lower than expected. This lower charge was also affected by a higher level of HRA properties sold than anticipated (138 properties were sold in the year against an estimated 120). It should be noted that depreciation is used to fund future capital expenditure and will benefit the HRA 30-year business plan.	(724)
HRA Surplus Contribution to balances to be used in funding future years’ expenditure.	573
Other Items	(7)
Service Net Costs	0²

² The HRA statement of Accounts shows nil variance in 2016/17 (a deficit of £4.376m was shown in 2015/16). This is due to the statutory adjustments which have to be included in the Accounts and includes additional depreciation and contributions to and from earmarked reserves.

6. 2016/17 CAPITAL OUTTURN POSITION

6.1 The Council's Capital Programme for 2016/17 to 2019/20 was agreed by Council in February 2016. The Capital Programme has been monitored on a quarterly basis and quarterly reports presented to Cabinet. This capital outturn represents the 4th quarterly monitoring report for 2016/17.

The table below shows a summary of the capital expenditure incurred in 2016/17 compared to the updated programme which was approved by Cabinet in February 2017 (Capital Programme Monitor Third Quarter). Detailed outturn expenditure and variances by project are shown in Appendix H.

Table 5: Capital Outturn	2016/17 Budget £000's	2016/17 Outturn £000's	Re- profiling £000's	(Under) / overspend £000's	Total Variance £000's
<u>General Fund</u>					
Schools & Children's Services	27,436	19,021	(8,408)	(7)	(8,415)
Environment	31,544	31,162	(2,223)	1,841	(382)
Regeneration	44,536	52,760	8,207	18	8,225
Health & Adult Social Care	8,278	7,266	(913)	(100)	(1,013)
Companies (Housing Gateway & Enfield Innovations)	92,809	59,561	0	(33,248)	(33,248)
Community Housing	2,471	2,324	(146)	(1)	(147)
Corporate	19,557	26,354	5,248	1,549	6,797
Sub-total	226,631	198,448	1,765	(29,948)	(28,183)
Schools Devolved Funding	6,000	4,051	0	(1,949)	(1,949)
Total General Fund	232,631	202,499	1,765	(31,897)	(30,132)
Housing Revenue Account	55,256	46,025	(9,211)	(20)	(9,231)
Total Capital Expenditure	287,887	248,524	(7,446)	(31,917)	(39,363)

6.2 A breakdown of the variances is shown below:

Table 6: Main Capital Budget Variations	Re-profiling £'000	(Under) / overspend £'000
<u>Main variations</u>		
Highways Programme	(877)	33
Electric Quarter	(1,297)	0
Meridian Water	9,512	(0)
Enfield 2017	5,057	(0)
Civic Centre (BIP)	0	1,540
Residential and Social Care Provision - Elizabeth House	(850)	(0)
energetik	0	1,587
Children's Centres	(646)	(8)
Schools Conditioning Funding	(2,885)	1
Basic Need - Primary School Places	(472)	(119)
Primary Expansion Plan Phase 1	(1,424)	0
Minchenden	(1,051)	0
HRA	(9,211)	(20)
Schools Devolved Funding	0	(1,949)
Companies	0	(33,248)
Other Projects	(3,300)	265
	(7,445)	(31,918)
Overall Variance		(39,363)

The Quarter 1 monitor in the new financial year will include details of re-profiling from 2016/17. The latest 2017/18 programme, including re-profiling, will be reviewed as part of the budget process to ensure all schemes are affordable with the Medium Term Financial Plan and meet corporate priorities.

- 6.3 The capital expenditure was financed as set out in the following table:

Table 7: Source of Funding	£000
Borrowing	107,311
Capital Grants and Contributions	32,943
Capital Receipts	11,397
Borrowing funded by Deferred Capital Receipts	59,561
Direct Revenue Contributions	2,978
Major Repairs Allowance	15,282
Earmarked and Capital Receipts	19,052
Total Funding required to finance Capital Expenditure	248,524

Prudential borrowing is funded from within the overall Council budget under the Prudential Code framework. Further information is included in the Treasury Management Outturn Report also on this Cabinet meeting agenda.

7. ALTERNATIVE OPTIONS CONSIDERED

- 7.1 Not relevant in the context of this report.

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.

9. COMMENTS OF THE EXECUTIVE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES

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 2017/18.

9.3 Key Risks

The budget risks during 2016/17 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 2017/18 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 2017/18 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 and the continuation of the Government's debt reduction programme.

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 IMPLICATIONS

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

Background Papers: None

Chief Executive's Department Revenue Outturn Position 2016/17
APPENDIX A

Notes	Chief Executive	Latest Budget	Service Net Expenditure	Budget Variation	Service Net Expenditure & Transfers	Outturn Variation to Latest Budget
		£000's	£000's	£000's	£000's	£000's
1	Communications	920	769	(150)	769	(150)
2	Human Resources	(629)	(803)	(173)	(803)	(173)
	Chief Executive	477	481	4	481	4
	Design & Print Trading Service	(239)	(201)	38	(201)	38
3	Organisational Development	1,004	1,058	54	1,058	54
4	Performance Management	2,415	2,202	(213)	2,202	(213)
	2016/17 Net Expenditure	3,948	3,507	(440)	3,507	(440)
Explanation of Chief Executive's Department variances greater than £50k:						Variance £000's
1	CEX-COMMUNICATIONS					(150)
	Communications was underspent on salaries and general supplies					
2	CEX-Human Resources					(173)
	Variance reflects savings achieved through HR – a minor two phase restructure of the HR Business Partner Team and overachievement in schools income.					
3	CEX-Organisational Development					54
	Variance has resulted from an overspend on salaries.					
4	CEX-Performance Management					(213)
	Underspend in grants paid within the Voluntary & Community Sector.					
5	Other Minor Variations					42
	2016/17 Service Budget Variance					(440)

Regeneration & Environment Revenue Outturn Position 2016/17

APPENDIX B

Notes	Regeneration & Environment	Latest Budget	Service Net Expenditure	Budget Variation	Service Net Expenditure plus Reserves	Outturn Variation to Latest Budget
		£000's	£000's	£000's	£000's	£000's
1	Director & Programme Office	1,306	1,099	(208)	1,099	(208)
2	Community Safety	1,625	1,492	(133)	1,492	(133)
	Planning, Highways & Transportation					
	Assistant Director Planning, Highways & Transportation	193	193	0	193	0
	Env Protection & Regulatory Services	1900	1,900	0	1,900	0
3	Corporate Health & Safety	437	331	(106)	331	(106)
	Corporate Maintenance & Construction	(126)	(151)	(25)	(151)	(25)
	Development Management	265	233	(32)	233	(32)
	Highways Services	1,403	1,365	(37)	1,365	(37)
	Street Lighting	2,632	2,673	41	2,673	41
4	Parking	(4,079)	(4,152)	(73)	(4,152)	(73)
5	Traffic & Transportation	383	253	(130)	253	(130)
	People Transport Service	(740)	(787)	(47)	(787)	(47)
	Public Realm					
	AD Public Realm & Sustainability	(31)	(35)	(4)	(35)	(4)
	Vehicle Lease	1,100	1,100	0	1,100	0
	Head of Waste Services	82	79	(4)	79	(4)
	Fleet Management	(228)	(218)	10	(218)	10
	Waste Operations	6,157	6,143	(13)	6,143	(13)
	Morson Road Depot	1313	1316	3	1,316	3
6	Head of Commercial Services	139	90	(50)	90	(50)
7	Cemeteries	(162)	(313)	(151)	(313)	(151)
8	Waste Client	2,806	3,089	284	3,089	284
	Parks Client	210	211	1	211	1
9	Commercial Waste	(1,043)	(1,231)	(188)	(1,231)	(188)
10	Commercial Services (Parks)	490	386	(104)	386	(104)
	Sustainability	635	639	4	639	4
	Street, Parks, Garden Enfield & Depot Operations	7,483	7,499	16	7,499	16
	Economic Development					
	AD Economic Development	140	117	(23)	117	(23)
	Skills for Work	(23)	(24)	(1)	(24)	(1)
	Growth & Inward Investment	233	233	(0)	233	(0)
	Economic Development	371	359	(12)	359	(12)
	Regeneration & Planning					
	Regeneration, Planning & Programming	1	2	0	2	0
11	Neighbourhood Regeneration	149	(23)	(172)	(23)	(172)
	Strategic Planning & Design	976	976	0	976	0
	Housing Strategic Services	10	4	(6)	4	(6)
	2016/17 Net Expenditure	26,009	24,849	(1,160)	24,849	(1,160)

Regeneration & Environment Department Outturn 2016-17

APPENDIX B

		Variance
<u>Explanations of variances greater than £50k:</u>		£000's
1	Director & Programme Office Favourable variance is as a result of an on-going project to review efficiencies across the Regeneration and Environment department.	(208)
2	Community Safety Mainly due to the police contract underspend, Community Safety salaries underspend and additional budget contribution from Environment efficiencies to offset the loss of a grant from the Home Office	(133)
3	Corporate Health & Safety This is due to contract and salary underspend, additional income received from undertaking asbestos surveys, additional income from Schools SLAs and other minor underspends.	(106)
4	Parking Underspend due to a business rates refund received in 2016/17.	(73)
5	Traffic & Transportation Favourable variance is mainly due to increased salary recharges to capital schemes and additional Temporary Traffic Order income.	(130)
6	Head of Commercial Services Salary costs underspend.	(50)
7	Cemeteries Overachievement on Cemeteries income.	(151)
8	Waste Client The overspend is due to the waste commodities, composition and contamination costs reflecting current difficult commodity and trading conditions, plus contributions to fund an extensive contamination communication campaign to support & implement the contamination policy (Dry Recycling Contamination Proposal). The pressure has been addressed during the year following contractual negotiations and a successful campaign.	284
9	Commercial Waste Variance is due to additional income generated from the successful marketing of the commercial waste services, coupled with efficiencies in the service.	(188)
10	Commercial Services (Parks) Parks Events, Allotments and Parks Assets income over achievement and minor efficiencies in Whitewebbs Golf Course.	(104)
11	Neighbourhood Regeneration This is mainly due to an underspend in the revenue cost of consultancy, advertising and publications, plus salary recharges to capital projects (Meridian Water, Estates Renewal and Ponders End Project).	(172)
	Other Minor Variations	(129)
	2016/17 Service Budget Variance	(1,160)

Finance, Resources & Customer Services Outturn Position 2016/17**APPENDIX C**

Notes	Finance, Resources and Customer Services	Latest Budget	Service Net Expenditure	Budget Variation	Service Net Expenditure plus Reserves	Outturn Variation to Latest Budget
		£000's	£000's	£000's	£000's	£000's
1	Property Services	167	942	775	942	775
2	Legal & Corporate Governance	3,776	4,030	254	4,030	254
3	Other Variations	43,505	43,090	(415)	43,090	(415)
4	Use of Capital Receipts	0	(500)	(500)	(500)	(500)
	2016/17 Net Expenditure	47,448	47,562	114	47,562	114

Explanation of variances greater than £50k:		Variance £000's
1	Property	775
	Shortfall in rental income on admin buildings and a delay in anticipated bund income due to the initiative being delayed in the planning process.	
2	Legal & Corporate Governance	254
	External legal costs, VAT liability, Home Office grant income shortfall & salary overspend.	
3	Other Variations	(415)
	Favourable variance is due to vacant posts and an underspend in operating expenditure in Customer Solutions and Operational Support as well as favourable outturn in Revenues & Benefits.	
4	Use of Capital Receipts	(500)
	Capital Receipts applied for transformation schemes across the service areas.	
	2016/17 Service Budget Variance	114

Health, Housing & Adult Social Care Outturn Position 2016/17

APPENDIX D

Notes	Health, Housing and Adult Social Care	Latest Budget	Service Net Expenditure	Budget Variation	Service Net Expenditure plus Reserves	Outturn Variation to Latest Budget
		£000's	£000's	£000's	£000's	£000's
1	Strategy & Resources	4,190	4,206	16	4,206	16
	Other Control Measures	(3,581)	(7,837)	(4,256)	(7,837)	(4,256)
	Adults Division					
2	Customer Pathway	30,573	35,548	4,975	35,548	4,975
3	Adult Mental Health	6,248	6,593	345	6,593	345
4	Independence and Wellbeing	9,016	9,228	212	9,228	212
5	Learning Disabilities	20,364	23,081	2,718	23,081	2,718
	Public Health	(1,893)	(1,893)	(0)	(1,893)	(0)
	Community Housing					
6	Housing Related Support / HHASC Other	5,872	6,712	840	6,712	840
	Assistant Director	108	113	5	113	5
7	GF Temp Accommodation team	6,292	4,907	(1,386)	4,907	(1,386)
	Housing Gateway	5	0	(5)	0	(5)
	2016/17 Net Expenditure	77,194	80,658	3,464	80,658	3,464

Health, Housing & Adult Social Care Outturn Position 2016/17

		Variance £000's
Explanation of variances greater than £50k:		
<u>Adults Social Care Division</u>		
1	Other Control Measures	(4,255)
	Use of the Better Care Fund (£1.5m) and the use of one-off monies and further monies and further management actions (£2.755m).	
2	Customer Pathway	4,975
	The service has overspent on demand led care purchasing budgets for Residential (+£3.43m) and Non-Residential (+£1.5m) care packages due to an increase in the average cost of packages (minimum wage and contract inflation) and demand for services as a result of demographic changes.	
3	Adult Mental Health	345
	The service overspend is a result of the net cost of care purchasing placements in year.	
4	Independence and Wellbeing	212
	Client income at the two in-house residential homes was less than expected.	
5	Learning Disabilities	2,718
	Overspend is the result of managing demand-led services. Substantial savings have been made in year, however demand for services continues to rise as a result of demographics and Ordinary Residence clients.	
<u>Community Housing Division</u>		
6	Housing Related Support	840
	The savings in 16/17 were £2.6m in Housing Related Support. The overspend is from Housing Related Support contracts. The variance is as a result of delayed savings.	
7	Homelessness & Temporary Accommodation	(1,386)
	Temporary Accommodation costs were lower than originally budgeted for predominantly due to the more expensive TNPA property rents showing no significant increase throughout the year	
	Other Minor Variations	15
	2016/17 Service Budget Variance	3,464

Schools & Children's Services Outturn Position 2016/17
APPENDIX E

Notes	Schools & Children's Services	Latest Budget	Service Net Expenditure	Budget Variation	Ring-Fenced Grant	Service Net Expenditure plus Reserves	Outturn Variation to Latest Budget
		£000's	£000's	£000's	£000's	£000's	£000's
	Children's Services						
	Children's Services -Assistant Director	1,089	1,046	(43)	0	1,046	(43)
	Social Work Training Grant	0	(7)	(7)	0	(7)	(7)
1	Looked After Children	12,818	13,957	1,139	0	13,957	1,139
	Children in Need	7,855	7,871	16	0	7,871	16
2	Cheviots	2,415	2,288	(127)	0	2,288	(127)
	Safeguarding & Quality Assurance	787	682	(105)	96	778	(9)
	Early Intervention Support Services	87	77	(10)	0	77	(10)
3	Youth Management & Business Support	3,654	1,728	(1,926)	1,363	3,091	(563)
	Education Services						
	Behaviour Support	82	82	0	0	82	0
	Community Access, Childcare & Support	3,429	3,411	(17)	0	3,411	(17)
4	Admission Service	274	180	(94)	0	180	(94)
5	Asset Management	(143)	76	219	0	76	219
6	Catering Services	(602)	(727)	(125)	0	(727)	(125)
	Human Resources	2,122	2,091	(31)	0	2,091	(31)
	Departmental Management Team	155	162	7	0	162	7
	Children & Adolescent MH & EPS Services	1,169	1,170	2	0	1,170	2
7	Special Needs & Inclusion / Transport	3,454	5,790	2,336	0	5,790	2,336
	Schools Sports	(41)	(8)	32	0	(8)	32
	College Pension costs	74	73	(1)	0	73	(1)
	School Improvement Service	488	524	36	0	524	36
	Children & Family Commissioning	1,029	1,026	(3)	0	1,026	(3)
8	Central Charges	96	10	(87)	0	10	(87)
	Commissioning Management Team	65	17	(49)	0	17	(49)
9	Enfield Art Support Service	16	(82)	(98)	0	(82)	(98)
10	Residential Care Purchasing (Children)	5,270	5,642	372	0	5,642	372
	Learning Skills for Work	369	367	(2)	0	367	(2)
	Business Improvement	33	32	(1)	0	32	(1)
	Director	283	305	22	0	305	22
	2016/17 Net Expenditure	46,327	47,782	1,455	1,459	49,240	2,914

Schools & Children's Services Departmental Outturn 2016-17

Explanation of variances greater than £50k:		Variance
		£000's
1	Looked After Children The 'Leaving Care' client costs budget has overspent by £643k which is partially due to the number of new clients that have complex and challenging behaviours who require a high number of support hours. In addition, existing client package costs have increased with delays in clients moving on to independence. There was also an overspend of £150k within the 'Unaccompanied Asylum Seeking Childrens' (UASC) budgets due to the increased number of clients and higher costs associated with the lack of suitable accommodation resulting in the usage of higher cost agency placements. A further overspend of £344k was within the Fostering and Adoption service due to higher than budgeted numbers of clients and additional special guardianship arrangements.	1,139
2	Cheviots A number of vacant cheviots centre worker posts had been held in advance of a service restructure which has meant savings of £57k being achieved. There was a further saving of £70k within the commissioned services budget as a result of the short break grant scheme.	(127)
3	Youth Management & Business Support A planned spend reduction to reduce pressures elsewhere within the Children's Service together with the maximisation of grant funding, resulted in an underspend of £420k within the Youth Strategy and Support Service. An underspend of £143k within the 'Youth Offending Service' (YOS) was mainly within the staffing budget due to difficulties in recruiting to vacant posts.	(563)
4	Admission Service Overspend relates to staff vacancies within the Education Welfare	(94)
5	Asset Management Overspend relates to non-capitalisation of salary costs.	219
6	Catering Services Overachievement of income due to increase in meals take up in the	(125)
7	Special Needs & Inclusion / Transport Overspend relates to Special Educational Needs Transport Costs.	2,336
8	Central Charges Relates to early achievement of 17/18 savings by Careers Service	(87)
9	Enfield Art Support Service Arts Grant not fully utilised in year and cannot be carried forward to	(98)
10	Residential Care Purchasing (Children) The Residential Care clients cost budgets has overspent by £372k, which is partially due to an increase in the number of Foster Care Agency placements due to lack of available in-house placements. Additionally, we have an increase in the number of complex needs clients requiring expensive residential placements.	372
Other	Other minor variations	(58)
2016/17 Service Budget Variance		2,914

Corporate Items Outturn Position 2016/17
APPENDIX F

Notes	Corporate	Latest Budget	Service Net Expenditure	Budget Variation	Service Net Expenditure plus Reserves	Outturn Variation to Latest Budget
		£000's	£000's	£000's	£000's	£000's
	Levies					
	North London Waste Authority	5,843	5,853	10	5,853	10
	Environmental Agency	214	214	(0)	214	(0)
	Lee Valley Regional Park	270	269	(0)	269	(0)
	London Pension Fund Authority	348	346	(2)	346	(2)
	LPFA Sub-Pension Fund	146	145	(1)	145	(1)
	London Borough Grants Scheme	324	324	0	324	0
	Contingency					
	Contingency and Contingent Items	6,575	6,575	0	6,575	0
	IT Investments Fund	(775)	(777)	(2)	(777)	(2)
1	Capital Financing & Treasury Management					
	Treasury Management	11,391	8,894	(2,497)	8,894	(2,497)
	Minimum Revenue Provision (MRP)	13,376	8,970	(4,405)	8,970	(4,405)
2	Other Corporate Income & Expenditure	(846)	5	851	5	851
	2016/17 Net Expenditure	36,865	30,820	(6,045)	30,820	(6,045)

Explanation of Corporate variances greater than £50k:

	Variance £000's
1 Capital Financing & Treasury Management	(6,902)
Reduction in Minimum Revenue Provision for capital financing following review of methodology. Saving on interest payments also achieved due to lower interest rates and higher than anticipated interest receipts, including interest charged to Council owned companies and major projects.	
2 Other Corporate Income & Expenditure	851
Contribution to Redundancy and Early Retirement reserve to meet in-year costs resulting from the restructuring of the Council's workforce.	
Other Minor Variations	6
2016/17 Service Budget Variance	(6,045)

RESERVE	2017/21 Programmes					
	Balance 31 March 2016	Net Transfers 2016/17	Balance at 31 March 2017	Revenue	Capital	Forecast Reserves as at 31 March 2021
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
General Fund Reserves						
Projects / Programmes						
Council Development Reserve	697	(214)	483	0		483
Regeneration Reserve	982	(80)	902	0		902
Vehicle and Equipment Replacement Fund	3,702	836	4,539	0	(3,170)	1,369
Capital Reserve - General Fund	73	124	197	0		197
ICT Investment Fund	2,932	(1,311)	1,621	0	(1,621)	0
Revenues & Benefits Systems	269	(269)	0	0		0
Homelessness Initiatives	566	(566)	(0)	0		(0)
Waste Recycling Reserve	0	337	337	(337)		0
European Social Fund match funding	342	0	342	0		342
Enfield Community Capacity Building Fund	899	(148)	750	(750)		0
NHS Social Care Grant	166	(166)	0	0		0
Project Carry Forwards	1,511	(33)	1,478	(1,478)		0
Industrial Estates Improvements	78	0	78	0		78
Empty Properties (New Homes Bonus 2011/12)	173	(60)	113	0		113
New Homes Bonus	1,555	(99)	1,456	(133)		1,323
Other General Fund Reserves for small projects	4,722	582	5,303	0		5,303
	18,666	(1,066)	17,600	(2,698)	(4,791)	10,111
Risk / Smoothing						
PFI Investment Reserves	992	(307)	685	(3,001)		(2,316)
Insurance Fund	5,942	(423)	5,520	(2,000)		3,520
Repair & Maintenance of Council buildings	637	(2)	635	1,220		1,855
Interest Rate Equalisation Reserve	2,913	0	2,913	0		2,913
Restructuring and redundancy reserve	0	39	39	165		204
Repairs Fund for private sector housing leased to the Council	979	(41)	937	(400)		537
Risk Reserve	3,180	9,671	12,851	0		12,851
Welfare Reforms & Hardship Fund	4,183	(946)	3,237	(800)		2,437
	18,827	7,991	26,817	(4,816)	0	22,001
Other Reserves						
Performance reward grant receivable (LSP)	374	0	374	0		374
Residents Priority Fund	690	(123)	567	0		567
Year end appropriation of underspends / contingency (estimated subject to outturn position)			0			0
	1,064	(123)	941	0	0	941
GENERAL FUND RESERVES	38,557	6,801	45,358	(7,515)	(4,791)	33,053
Other Ring-Fenced Reserves						
Dedicated Schools Grant	1,203	(4,205)	(3,001)	0		(3,001)
Public Health	1,602	(778)	823	0		823
S106 Receipts	504	(6)	498	0		498
HRA Repairs/Capital Reserve	25,795	(5,118)	20,677	0		20,677
Total Earmarked Reserves	67,660	(3,306)	64,355	(7,515)	(4,791)	52,049

APPROVED PROGRAMME BUDGET 2016/17	Capital Budget 2016/17 £'000	Revised Budget 2016/17 £'000	Expenditure 2016/17 £'000	Total Variance £'000	Variance analysed as		
					Project Over/(Under) spend £'000	Underspend C/fwd to 2017/18 £'000	Overspend B/Fwd from 2017/18 £'000
					£'000	£'000	£'000
REGENERATION & ENVIRONMENT							
Transport for London funding:							
TFL Major Schemes	3,433	4,601	4,601	0	0	0	0
Cycle Enfield	5,945	5,929	5,318	(611)	(611)	0	0
Corridor Impr Hertford Rd	219	219	0	(219)	0	(219)	0
Highways & Streetscene:							
Programme	9,521	10,048	9,204	(844)	33	(1,006)	128
Environmental Protection	122	122	158	36	36	0	0
Community Safety	253	253	284	32	32	0	0
Waste & Recycling	364	364	471	108	(0)	(5)	113
Market Gardening	71	71	17	(54)	(54)	0	0
Parks	1,833	2,125	2,073	(52)	110	(163)	0
Vehicle Replacement Programme	853	853	238	(615)	0	(615)	0
Building Improvement Programme (BIP)	2,107	1,946	2,176	231	554	(484)	161
Housing Assistance Grants	175	175	223	47	47	0	0
Affordable Housing	4,675	4,675	4,710	35	35	0	0
Disability Access Programme	163	163	102	(61)	72	(133)	0
energetik	0	0	1,587	1,587	1,587	0	0
Environment	29,734	31,544	31,162	(382)	1,841	(2,625)	403
Regeneration:							
Electric Quarter	3,000	3,000	1,703	(1,297)	(0)	(1,297)	0
New Southgate	0	0	19	19	0	0	19
Meridian Water	41,339	41,400	50,912	9,512	0	(9,088)	18,600
Edmonton	71	0	0	0	0	0	0
Broomfield House	25	25	77	52	0	0	52
The Crescent - Edmonton	26	26	31	5	0	0	5
Business & Economic Development/Regeneration	84	84	18	(66)	18	(84)	0
Regeneration	44,546	44,536	52,760	8,225	18	(10,469)	18,676

APPROVED PROGRAMME BUDGET 2016/17	Variance analysed as						
	Capital Budget 2016/17	Revised Budget 2016/17	Expenditure 2016/17	Total Variance	Project Over/(Under) spend	Underspend C/fwd to 2017/18	Overspend B/Fwd from 2017/18
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
REGENERATION & ENVIRONMENT	74,280	76,080	83,923	7,843	1,859	(13,095)	19,078
Corporate Schemes							
IT Work Plan	9,093	9,093	8,733	(360)	0	(1,631)	1,271
Joint Service Centre	0	0	(3)	(3)	(3)	0	0
Southgate Town Hall & Library Enabling Works	350	350	248	(102)	(0)	(102)	0
Corporate Schemes	863	1,003	1,241	237	8	(27)	256
Civic Centre (BIP)	4,326	4,487	6,027	1,540	1,540	0	0
Enfield 2017	4,141	4,141	9,198	5,057	0	0	5,057
Libraries	350	350	910	560	3	0	557
Culture	133	133	0	(133)	0	(133)	0
FRCS / CE TOTAL	19,255	19,557	26,354	6,797	1,549	(1,892)	7,141
Health, Housing & Adult Social Care							
Housing							
Disabled Facilities Grant	2,108	2,108	2,107	(1)	(1)	0	0
Sub Regional Housing Grants	363	363	217	(146)	(0)	(146)	0
Housing	2,471	2,471	2,324	(147)	(1)	(146)	0
Adult Social Care							
Residential and Social Care Provision - Elizabeth House	8,098	8,098	7,247	(850)	0	(850)	0
New Options	81	81	18	(62)	(0)	(62)	0
Welfare Adaptations	100	100	0	(100)	(100)	0	0
Adult Social Care	8,278	8,278	7,266	(1,013)	(100)	(913)	0
HHASC TOTAL	10,750	10,750	9,590	(1,160)	(101)	(1,058)	0
Companies							
Housing Gateway	85,055	85,055	54,217	(30,838)	(30,838)	0	0
Enfield Innovations	7,754	7,754	5,344	(2,410)	(2,410)	0	0
Companies Total	92,809	92,809	59,561	(33,248)	(33,248)	0	0

APPROVED PROGRAMME BUDGET 2016/17	Capital Budget 2016/17 £'000	Revised Budget 2016/17 £'000	Expenditure 2016/17 £'000	Total Variance £'000	Variance analysed as		
					Project Over/(Under) spend	Underspend C/fwd to 2017/18	Overspend B/Fwd from 2017/18
					£'000	£'000	£'000
Schools & Children's Services							
Schools Access Initiative	43	35	0	(35)	0	(35)	0
Target Capital - Special Needs	3,989	4,243	3,025	(1,218)	64	(1,309)	27
Childrens Centres	701	701	46	(654)	(8)	(646)	0
Targeted Capital - School Meals Programme	237	237	152	(85)	(39)	(46)	0
Schools Conditioning Funding	7,430	7,499	4,615	(2,884)	1	(3,345)	460
Basic Need - Primary School Places	792	759	168	(591)	(119)	(472)	0
Primary Expansion Plan Phase 1	1,954	1,954	530	(1,424)	(0)	(1,424)	0
Primary Expansion Plan Phase 2 - Grange School	605	434	214	(220)	(0)	(220)	0
Primary Expansion Plan Phase 2 - Garfield School	2,825	2,836	2,936	100	0	0	100
Primary Schools	80	80	8	(72)	(0)	(72)	0
Primary Expansion Plan Phase 2	241	411	334	(77)	99	(176)	0
Secondary Schools	0	0	4	4	4	0	0
Minchenden	7,610	7,610	6,559	(1,051)	(0)	(1,051)	0
Fire Precaution Works	713	638	431	(207)	(8)	(199)	0
Programme before Devolved Funding	27,219	27,436	19,021	(8,415)	(7)	(8,995)	587
Devolved Schools Capital Schemes	6,000	6,000	4,051	(1,949)	(1,949)	0	0
SCS TOTAL	33,219	33,436	23,072	(10,364)	(1,957)	(8,995)	587
TOTAL GENERAL FUND	230,313	232,631	202,499	(30,132)	(31,898)	(25,040)	26,807
Housing Revenue Account							
Major Works	30,643	33,380	29,886	(3,494)	(693)	(2,801)	0
Minor Works	1,821	1,821	2,495	673	673	0	0
Estate Renewals	22,702	19,965	13,554	(6,411)	(0)	(6,411)	0
Grants to vacate	90	90	90	0	0	0	0
HRA TOTAL	55,256	55,256	46,025	(9,231)	(20)	(9,211)	0
APPROVED CAPITAL PROGRAMME	285,569	287,887	248,524	(39,363)	(31,918)	(34,252)	26,807