

MUNICIPAL YEAR 2019/2020 – REPORT NO. 249

MEETING TITLE AND DATE:

Cabinet
13 May 2020

REPORT OF:

Interim Executive Director
of Resources

Contact officer and telephone number:

Matt Bowmer, 0208 379 5580

E mail: matt.bowmer@enfield.gov.uk

Agenda – Part: 1

Item: 5

**Subject: Initial Assessment Report of the
Financial impact of COVID 19**

Wards: ALL

Cabinet Member Consulted:

Cllr Mary Maguire

1. EXECUTIVE SUMMARY

- 1.1. The Council has responded quickly and comprehensively to the Covid-19 pandemic to ensure the community is properly supported at this very challenging time. This report provides an initial assessment of the financial impact of dealing with the Covid-19 pandemic across both the General Fund and the Housing Revenue Account (HRA) and considers the following three areas; additional expenditure incurred, loss of income and the impact on 2020/21 savings. On 20th April, The Secretary of State stated “I promised local government would have the resources they need to meet this challenge and today demonstrates my commitment to doing just that. We stand shoulder to shoulder with local government and my priority is to make sure they are supported so they can continue to support their communities through this challenging time.”
- 1.2. Prior to the Covid-19 crisis, in February 2020, the Council agreed a balanced budget; work over previous years had been undertaken to ensure finances were in a sustainable position. Historical overspends had been removed from the budget and a more realistic assessment of demographic pressures undertaken. However, as a direct result of the Covid-19 crisis the Council is forecasting financial pressures of £68.086m.
- 1.3. Initially, services have been forecasting on the basis of the immediate impact of the crisis over a 12 week period, each week increasing the pressure by circa £3m. Subsequently potential costs have also been estimated for the transition period as clearer on guidance on post lockdown becomes available.

- 1.4. The report presents an emerging picture of where the pressures are most likely to be experienced but at this early stage uncertainties remain and further intelligence is required on some significant areas such as commercial income.
- 1.5. There are also some major financial consequences which will take some time to filter through. Recovery of historical benefit overpayments and uncollected Council Tax and Business Rates will impact on the calculation of Bad Debt provisions at year end. Similarly, there is a risk to maintaining the assumed in year collection rates for 2020/21 Council Tax and Business rates. The accounting treatment for this through the Collection Fund means this will impact the 2021/22 income budget.
- 1.6. The report also includes an update on the Government funding and expectations that will be provided. The Government had allocated £1.6bn with Enfield having received a share of £8.8m, with a further £1.6bn announced on Saturday 18th April of which Enfield's share was £9.1m will bring the total funding to £17.9m.
- 1.7. The Council's resources will be under considerable pressure in the event of no further support from Government.
- 1.8. As an initial measure the Council has set aside £3m of its reserves to create a Covid-19 Fund.
- 1.9. There are also pressures on the HRA which it will attempt to contain.
- 1.10. Other Government measures have been to put a Hardship Fund in place, £500m nationally of which Enfield's share is £5.9m. In addition, business rate relief means that Business Rates collection reduced from £116m to £70m after the application of the government relief grant. These two measures may help some of the local taxation collection risks above.
- 1.11. There is no immediate impact on the Council's Cashflow. Government has put in place arrangement to allow £2.6bn of payments due to Central Government under the Business Rate retention scheme to be deferred until later in the year and the Social Care grant payments being paid upfront.

2. RECOMMENDATIONS

Cabinet is recommended to:

- 2.1. Note the initial position of forecast cost pressures of £68.086m; less current grant funding allocation of £17.9m, and capital financing savings of £2m and reserves allocation of £3m; current estimated shortfall in funding of £45.186m.
- 2.2. Note that officers will be reviewing actual expenditure, income shortfall and the impact on savings programmes in order to update the forecasts on a continuous basis given the ever changing nature of the crisis with regular reports to senior management and Cabinet.
- 2.3. As a responsible Council, note that services are working to identify mitigating actions to help address the challenging financial position, including scenario planning in the event of the Government failing to fully fund the Council's Covid-19 costs.

3. INTRODUCTION

- 3.1. The Council has responded rapidly to the Covid-19 crisis ensuring that it supports the community as effectively as possible in very challenging circumstances. This naturally has a significant financial impact and this report provides an initial assessment of the impact on the Council's finances as a result of dealing with Covid-19. The figures and assumptions included within the report are based on early judgements and will require further working through and refinement as more information becomes available. The total impact will of course be dependent on how long the pandemic lasts.
- 3.2. Government has stated that it is committing to fully support the public sector in meeting the costs of its response to the Covid-19 crisis. There have been a number of funding announcements and following the second tranche of £1.6bn for local government, the Secretary of State stated on 20 April 2020 "I promised local government would have the resources they need to meet this challenge and today demonstrates my commitment to doing just that. We stand shoulder to shoulder with local government and my priority is to make sure they are supported so they can continue to support their communities through this challenging time."
- 3.3. CIPFA the public sector accounting body recently stated that: "... The current coronavirus emergency is eclipsing anything we might have seen in recent decades... Governments have responded swiftly with economic interventions on a scale not experienced since the Second

World War... But the speed of with which governments have acted brings huge uncertainty about the consequences for public finances once the crisis has receded. We cannot say yet what the impacts of Covid-19 are likely to be for the guardians of public money and the providers of public services, but the change could be profound.”

- 3.4. In February 2020, the Council agreed the budget which included a balanced budget in 2020/21; this included a £3m contingency and £1m planned use of reserves. Over the last two years the Council has addressed historical overspends, undertaken a more comprehensive review of demographic pressures which has ensured that the council has moved to a more sustainable financial position. The estimated MTFP budget gap was in the order of £13m per annum over the following four years. The level of uncertainty is challenging
- 3.5. Following the Covid-19 crisis, the financial position has now significantly changed. Overall forecast pressures arising from the Covid-19 crisis are £68.1m. The £17.9m, from Government is significantly short of the support required based on current estimated costs.
- 3.6. This report sets out the estimated impact of Covid-19 for 2020/21; it provides a department by department estimate in some detail of the various cost pressures and the current grant received. At this stage this paper does not set out any proposals in the event that there is a shortfall between the financial impact of Covid-19 and the grant allocations.

4. FINANCIAL IMPACT BY DEPARTMENT

- 4.1. This initial assessment has considered three areas and views on how these can be in part mitigated. The three areas are:
 - i. Additional expenditure
 - ii. Loss of income
 - iii. Impact on the 2020/21 savings programme
- 4.2. The total impact is £68.086m and is summarised by department and category in the table below. This is the current estimated view and the numbers are being continually reviewed to give a more up to date assessment. There are a number of gaps in forecasting where it is known that there will be an impact but it is not yet quantified and the initial assessment is based on the impact of the crisis for the most part being felt until the end of June.

Department	Forecast Additional Expenditure	Forecast Loss of Income	Forecast Impact on 2020/21 savings
	£000	£000	£000
Chief Executive	0	690	38

Resources	1,227	1,780	958
People	13,064	355	0
Place	3,575	9,650	1,800
Corporate	3,000	31,950	0
Total	20,866	44,425	2,795

Chief Executive's Department (Appendix A) – net Chief Executive budget is £11.096m; the total estimated additional cost is £0.728m (6.5%)

- 4.3. The initial impact in the Chief Executive's focus on the likely effect on the income and future income generation proposals in the 2020/21 budget. The likelihood of achieving budgeted levels of income and future delivery is considered to be lower because of a reduction in demand.

Resources (Appendix B) - net Resources budget is £37.638m; the total estimated additional costs of £3.965m (10.5%)

- 4.4. The most significant impacts identified in Resources services relate to additional costs and these are an increase in the number of Discretionary Housing Payments which is estimated at £0.500m, reverting IT work packages to deal with the systems, operations, network/infrastructure programme etc. at a cost of £0.900m. There is an estimated loss of income across services in the department of £1.780m with the most significant being in libraries, the schools catering service, music services and recovery of court costs. The closure of the libraries will impact on the delivery of income generating projects that were agreed for the 2020/21 budget.

People: Adult Social Care (ASC) and Public Health (Appendix C) – net budget is £72.249m; the total estimated additional costs of £9.420m (12.8%)

- 4.5. The impact on Adult Social Care (ASC) is in the main related to additional cost. The figures estimated were initially for a period of 12 weeks as has been the assumption for additional costs and lost income elsewhere in this report. However, it is clear that there will be an extended period of instability in Adult Social Care following the disruption caused by the crisis and costs are therefore based on a 21 week period and could amount to £9.0m. This is a pressure of approximately £0.500m per week which could continue past the initial 21 weeks and significantly increase the total pressure on the Council's finances. The most significant cost pressures are judged to be additional staffing required at Bridgewood House to enable taking patients direct from hospital at £1.320m, additional payments to care providers for additional staffing and equipment plus increased care cost for those being discharged from hospital. i.e. rapid admission to residential and nursing home for clients who otherwise would have been diverted to community of £2.325m and £0.750m additional long

term care purchasing costs as a result of the cancelation of routine operations e.g. hip, knee etc. Further costs are expected to be incurred because of the need for additional staffing across all teams at £0.767m and the closure of both Learning Disabilities and Older People's day centres meaning that increased cost of individuals being cared for at home at £1.175m and an estimated £0.600m for Learning Disabilities placement breakdown. Full details can be found in Appendix C.

- 4.6. There are some expected additional costs in the Public Health services specifically the closure of Silver Point Clinic, which could drive additional costs for testing for STI's in out of borough clinics.
- 4.7. **People: Education – net budget is £5.572m; the total estimated additional costs are TBC** Estimated figures are still being calculated but issues raised include the impact of free school meals, though schools are funded for this in their DSG allocation, meals for children of key workers and the possibility of staff being required to work outside of normal contracted hours during the Easter holidays. This may also impact on the home to school transport service though the impact will be seen in the Place department who run the service. With schools closed there may be small reductions in the number of consumables required which will have a small benefit to the school's budget.
- 4.8. **People: Children's & Families – net budget is £39.046m; the total estimated additional costs of £3.999m (10.2%)** The additional cost estimated is £3.999m in total with the most significant costs being due to delays in court days impacting on the length of secure remand placements. This is estimated to cost £0.697m for six months. Care placements and support packages into homes to safeguard children particularly but not exclusively children with SEND and/or severe emotional and mental health needs e.g. could cost up to £0.250m to support 1 child to stay at home with 3 carers 24 hours a day at the most complex end of the scale or it could cost £25k. At an average this could cost an additional £1.000m and the increase in the numbers of children looked after where parents fall very ill could cost £1.300m based on an estimate of 20 children. There may be an increase in need for additional Community Safety measures though a specific need has yet to be identified in Enfield, it has been recognised as an issue in other London Boroughs. Further details can be found in Appendix C.

Place (Appendix D) – net budget is £34.487m; the total estimated additional costs of £15.025m (43.6%)

- 4.9. Further evaluation is required across the Place services, but the following areas are considered as having a likely impact.
- 4.10. A 3 month automatic rent holiday, covering the period 25th March 2020 to the 23rd June 2030 has been agreed for all registered local based charities; community groups; sports clubs and social enterprises, all locally based small and medium sized retail, hospitality

and light industrial businesses who occupy Council owned buildings. The lost income from this is £1.2 to £1.5m. Rent relief or support for any business or organisation beyond this will be on a case by case basis. There is expected to be a greater loss of income beyond the rental holiday and this will be monitored over the year. The Government has provided short term security to tenants and as a result it is expected income to drop further, some of which may not be recoverable in this year.

- 4.11. There are a number of trading services across Place that could be impacted in a loss of demand for services and therefore experience a loss in income e.g. planning, scaffolding etc. Another area that will see a substantial decline is Parking income as there will be less travel undertaken and less use of car parks.
- 4.12. The Mortality Planning Group has been mobilised under the London Resilience Strategic Coordination Group and it is looking to expand mortuary capacity by up to 10,000 additional spaces across London. A very initial estimate of this is around £10m-£12m for the whole of London which would include temporary capacity for around 3 months. The cost of coroner and mortuary provision are allocated based on population size and this is the proposed approach for these additional costs which could, therefore be close to £0.5m.
- 4.13. The net loss arising from the Temporary Accommodation service is likely to increase. An Emergency Housing protocol has been introduced in line with Government guidance to take a broader responsibility towards meeting crisis, emergency housing needs – this will create increased short term pressures, but this will not necessarily translate into a longer term statutory duty for housing beyond the pandemic. There is, however, an assumption of between 350-700 additional homes being required for the year. Given that the Allocations policy has been suspended and Council housing will be used for emergency housing this will benefit the HRA.

There is also an impact on our strategic plans to decrease the amount of TA for the following reasons:

- i. Reduced ability to move residents on into the private rented sector
 - ii. Restraint on actions to cease the Council's duty. There is a backlog of circa 600 cases where decisions are awaited. It is anticipated for 25% the Council may not have a duty. However, it would be inappropriate to issue these decisions at this time other by consensus with alternative more suitable accommodation to move to.
 - iii. The budget for 2020/21 was predicated on certain initiatives such as Enfield let, Capital Letters and growth in the HGL portfolio increasing the amount of PRS to avoid the need for Temporary Accommodation.
- 4.14. Total unbudgeted exposure based on attached assumptions for the above is £3-5m in addition to the agreed net budget. This is on the

basis that the operating costs associated with a higher portfolio will be managed from the move-on team that will be redirected to this purpose.

- 4.15. The landscape on homelessness has shifted since the pandemic with the rise of the LHA rate to the 30% of the housing market making more private rented sector homes affordable and Boroughs having been aiming to accommodate vulnerable people in borough to ensure the provision of support services. Both these factors and the impact they may have on the Council's ability to prevent homelessness and therefore maintain the strategy of reducing the need for TA need to be kept under review over the coming months.
- 4.16. Additional investment into the Homelessness Service has been made through increased MHCLG grant. The service will aim to manage costs within the existing staffing budget. This is subject to understanding the impact of the ending of forbearance measures e.g. suspension of eviction notices and the impact on demand. The service will accelerate the introduction of parts of the new Housing Advisory service to work upstream to attempt to prevent and mitigate the costs arising from this situation.
- 4.17. It is likely that the Council may need to incur additional costs for rough sleepers which the Council is attempting to seek additional funding for via MHCLG:
 - i. Additional agency staff to cover for workers that may become ill or are self-isolating: 2 x Rough Sleeper Outreach Workers / Navigators this will cost £40k for 6 months.
 - ii. Self isolation accommodation is likely to be required all year rather than for the 3 weeks of agreed funding. 40 units of self contained accommodation for rough sleepers will be an additional cost of £325k for 6 months.
 - iii. The Council is likely to incur additional costs of deep cleaning, food for self isolating rough sleepers cost will be £20k for 3 months.

Corporate (Appendix E)

- 4.18. A Community Resilience Hub has been established to make emergency payments for rents, provision of food and medical supplies. The potential cost of these operations is still being evaluated.
- 4.19. A contingency of £1m has been currently forecast to cover any unknown or unquantified costs or loss of income at this time.

Collection Rates

- 4.20. There are two major risks on collection rates with the financial downturn associated with Covid-19. The first is the impact on historical collection rates on existing debt such as for Housing Benefit Overpayments (HBOP), Council Tax, Business Rates and Sundry

Debt. A 10% drop in collection rates for HBOP, Council Tax and Business Rates would have an approximate £2m, £2m and £0.7m impact respectively. By comparison the impact on the HRA is merely £0.2m for a drop in its historical debt collection rates. It is very difficult to model Sundry Debt as it reflects a wide variety of debtors from Adult Social Care to commercial rents.

- 4.21. Due to the nature of Collection Fund Accounting, which delays the impact of recognising surpluses and deficits, all Council Tax and NNDR impacts will not affect the Council's position till 2021/22.
- 4.22. At this stage it has been assumed total impact on Bad Debt Provisions could be in the order of £7.8m. More work will be undertaken on this area as part of the closure of the 2019/20 accounts, particularly the work on the Bad Debt Provisions and Collection Funds.
- 4.23. The second risk would be the loss to future year's collection rates. If collection rates for Council Tax were to drop by 1%, the local impact would be £1.3m and a drop of 10% or more is far from unlikely. For business rates, the impact is difficult to assess till the Government supported discounts and pooling are taken into account, but the impact is likely to be in the order of £0.7m for every 1% drop in the collection rates. There has been some commentary in the media of businesses hoarding cash, potentially refusing to make tax payments if necessary, in order to survive. Once again, the impact for Council Tax and NNDR is delayed till 2021/22 but the risk to the Council's budgets is significant and largely unknown at this point.
- 4.24. For the purpose of this report it has been assumed there will be a 10% loss in Council Tax which would amount to £13.0m and that as a worst case that the Council would see a £7.25m loss in Business Rates with any further loss protect by the Government's existing Safety Net provisions. The Finance Team have been working closely with neighbouring councils on these assumptions. These are significant sums of money and this area will naturally be a specific area of focus as the actuals start to come through.
- 4.25. All councils were required to complete a return to the MHCLG on the 15th April 2020, this report is based on this return. A review of Enfield's overall cost relative to others in London showed that Enfield was not an outlier.

Further Work

- 4.26. There is ongoing work to fully assess the full impact of the crisis on the Council's finances. These are detailed in Appendix F.

5. UPDATE ON 2020/21 SAVINGS & INCOME PROPOSALS

- 5.1. Considering that the budget was set in February and the work undertaken throughout the budget setting process for 2020/21 to ensure that robust and realistic savings and income proposals were put forward and implemented it would have been expected to see the majority, if not all the proposals at Green or Blue. However, following

the outbreak of the pandemic and the Council's response, an early review of the status of each has been undertaken to determine the current status. The outcome of which is summarised in the table below which shows that 49% are Amber and 26% are now Red.

5.2.

Department	Blue	Green	Amber	Red	Total
CEx	0	(150)	(250)	0	(400)
Resources	0	(354)	(585)	(1,900)	(2,409)
People	(107)	(732)	(1570)	0	(7,211)
Place	(737)	(1,358)	(3,027)	(2,089)	(2,839)
Corporate	0	(325)	(2,000)	0	(2,325)
Total	(844)	(2,919)	(7,432)	(3,989)	(15,184)
% of total	6%	19%	49%	26%	

- 5.3. The red proposals relate to the savings associated with the implementation of the new Homelessness model as described in paragraph 6.11 to 6.12. The income that was anticipated to be generated through the meanwhile use of Meridian Water is also at risk, along with savings associated with new IT delivery which have been delayed as the IT service prioritise resources at supporting the management of the pandemic.
- 5.4. Appendix G provides a further breakdown of savings and income by department.

6. CAPITAL PROGRAMME

- 6.1. There is anticipated to be a 25% slippage in the Capital Programme. Combined with the Council's prudent approach to budgeting for capital financing costs at 3.5% rather than the recent rates of 2%, there should be some short-term benefit in 2020/21 and likely into future years. A 25% reduction is anticipated to generate approximately a £2m reduction for 2020/21 in costs. Services are working to provide an update on the profile of spend and a further assessment of the impact on the capital financing costs will come forward in future reports.
- 6.2. The Council will also be reviewing its Minimum Revenue Provision to ensure that it is not in any way over providing. Any benefit is likely to be used to offset existing MTFP gaps.

7. GOVERNMENT FUNDING

- 7.1. To date Government has provided two tranches of funding to support local authority finances. On Thursday 19th March the Government

announced an additional £1.6bn for councils and £1.3bn for CCGs to help support discharging patients from hospital. This was recognised as a “down payment”, and a great deal more support will be required. The second allocation of £1.6bn was announced on the 30th April 2020.

- 7.2. The two tranches £1.6bn for councils are not ring-fenced. The first tranche of funding was accompanied by a letter from the Secretary of State (20th March), which explained that this funding included money for increased demand for adult social care, children’s social care, homelessness and to “meet pressures across other services, as a result of reduced income, rising costs or increased demand”. For the second tranche, the Secretary of State’s letter explained, “My role as Local Government Secretary is to make sure you have everything you need to carry out this vital work. I have already made available £1.6 billion of additional funding to councils and today I am confirming another £1.6 billion will be provided to councils to help to deal with the new responsibilities we have asked of you. I said that I would ensure you had the resources you needed to do the job, and I meant it. I promised that I would champion your cause and fight your corner as we work together, and I meant it.”
- 7.3. The first tranche, and Enfield’s allocation is £8.8m and is based on ASC formula for £1.4bn; on 2013/14 SFA for remaining £200m. This was paid into the Council’s bank account by 3rd April. There was some delay before the second tranche but under growing pressure from local authorities the second tranche was announced on Saturday 18th April. The second tranche of £1.6bn was allocated on a per capita basis, using the latest ONS population projections. Enfield’s share was £9.1m which bring its total support from Government up to £17.9m.
- 7.4. Allocations for Enfield and the other London Boroughs are included in Appendix H.
- 7.5. Whilst a further £17.9m is much welcomed, the pressures that the Council face means the funding is still significantly short of providing the financial assurance required to deal with the impact of the crisis and the Council is not alone. The Council has been working with neighbouring boroughs in order to compare the financial impact of each borough, the outcome being that all boroughs were estimating similar significant pressures in comparison to Enfield’s £68.1m. The Council is lobbying through London Councils to ensure further funding is delivered and the Leader has also written to the Prime Minister. Nevertheless, the Council has cautiously started scenario planning in the event the Government fails to cover all of Enfield’s Covid-19 costs. This is imperative for the Council to meet its financial responsibilities.
- 7.6. The £1.3bn for CCGs is to accelerate the process of discharging people from hospitals. The declared purpose is to cut through the means testing/responsibility issues that cause disputes between CCGs and councils about who has to pay for post-hospital care. If the measure needed is a social care package, CCGs should not be

setting up parallel arrangements, and money will be with CCGs on April 3rd.

- 7.7. The Government is asking authorities to say how they have used the funding but for purposes of planning rather than to restrict how they use it. Accounting arrangements have been put in place to facilitate these returns.

8. RESERVES

- 8.1. There is uncertainty on the full extent of Government funding to support the Council's financial pressures arising from its response to the crisis. To date £3m of the Council's Risk Reserve has been set aside to meet unplanned on off expenditure or income loss.

9. CASHFLOW

- 9.1. In addition to the two tranches of £1.6bn grant, the Government has also announced two further measures to help assist Council's cash flow. These being the ability to defer £2.6bn of payments due to Central Government under the Business Rate retention scheme and the Social Care grant payments worth £850m for both Children's and Adults will be paid this month, rather than monthly in April, May and June. The deferral of Business Rates payments will benefit the Council's cash flow by deferring circa £10.0m until later in the year (October 2020 to March 2021). This does mean that the Council's cashflow is robust at this time.

10. HOUSING REVENUE ACCOUNT (HRA) (APPENDIX I)

- 10.1. The service will be monitoring demand for responsive repairs during this time. As a result of the "lock down" only emergency works (or works to prevent emergencies arising) are permissible. This is likely to result in a reduction in repairs costs. However, it is anticipated that there will be an increase in demand once these measures have been lifted. On this basis the service is aiming to contain costs as follows:
- i. There are provisions for 50 trade operatives, 4 charge hands and 4 Repairs Managers within the existing structure. To date there are 22 operatives on board with 3 chargehands and 2 repairs managers.
 - ii. The current recruitment campaign will be put on hold with the exception of work underway to convert existing agency workers onto LBE contracts.
 - iii. Sub-contracted works for year are budgeted at circa £1.100m and it is anticipated this may increase as a result of extending all 4 existing contracts to mitigate against the risks associated with Covid19. Works are billed based on Schedule of rates and works completed and as such if work demand drops so will the associated costs.
 - iv. All routine works will be reviewed with the view to packaging up as mini planned programmes to get the best Value for Money once we move back to a business as usual environment.
 - v. Plans to take the N9 postcode for emergency works via the DLO will progress as planned.

- 10.2. At this stage the service is anticipating that the costs associated with the changes in service to be contained within the overall responsive repairs budget.
- 10.3. Caretaking services are vital in respect of cleaning of communal areas especially in blocks of at risk residents and also being the eyes and ears on estates especially with young people out of schools. Increased costs are anticipated arising from the need for additional agency staff. The existing permanent team includes a number of older, potentially at risk workers who may need to self isolate. The current team includes circa 70 workers. Working on the basis that 2/5 of these may be out of action at any one time additional cost of £30k may be necessary.
- 10.4. On the housing management service 13% of council tenant households are over 70 and it will be necessary to maintain a core workforce to cover this group. The service anticipates increased ASB arising from the closure of schools for potentially a prolonged period. A safe system of work and risk assessment has been developed to allow work/ inspections to continue in communal areas and a stock of PPE purchased. Cost associated with initial PPE and sanitiser is £15k. On costs will depend on length of social distancing requirements.
- 10.5. The closing of Community Halls for the next 6 months would see a loss of income of £186k.
- 10.6. The sheltered housing service is a high priority service with over ¾ of resident households over 70. The current workforce is older and contains high risk groups. The service may need to deploy housing management staff to undertake the daily/weekly safe and well calls and routine health and safety functions arising at no additional costs.
- 10.7. The service has written to tenants advising that services will be continuing with Health and safety compliance checks taking a risk-based approach so not attempting works when a resident is ill for two weeks beyond the end of the valid compliance. This could lead to a potential underspend, but this is as of yet unquantified.
- 10.8. The HRA budget assumes efficiency savings derived from revenue operations during 2020/21 of £1.2m. This was to be delivered in part as a result of efficiencies arising from Civica. Even if the programme keeps running to implementation by July which is at high risk in the current environment these savings would not be delivered, therefore a pressure of £1.2m.
- 10.9. There is a further pressure arising from Civica delayed implementation of £700k.
- 10.10. The service foresees additional pressures arising from ASB, community policing, pest control etc. This could amount to circa £250k in increased recharges.
- 10.11. Income collection from tenants rent and service charges are likely to take a hit in the current environment despite the additional benefit

arrangements which are time limited. It is anticipated that rent collection will reduce by circa 10% resulting in an increase to the bad debt provision of circa £200k.

- 10.12. Void loss, arising from holding voids especially in sheltered schemes to protect the vulnerable resulting in an increased pressure of £100k.
- 10.13. The net impact on the agreed revenue budget for 2020/21 could be in the region of an overspend of £2.5m and is summarised in the table below.

Department	Additional Expenditure	Loss of Income	Impact on 2020/21 savings
	£000s	£000s	£000s
HRA	285	286	1,900

11. DSG

- 11.1. A full assessment of the impact on the DSG is still to be undertaken but an early assessment has identified the following two areas that could be impacted. The first is following the closure of independent schools funded by the High Needs Block, children will be back with families and though this may be feasible in the short term, there may be a requirement to make alternative provision. The second is where building works were being undertaken to increase Special Education Need provision in the borough that this may be delayed and therefore placing children in out of borough may continue for longer than planned.

12. NEXT STEPS

- 12.1. The current £17.9m grant allocation is clearly insufficient to meet the Council's significant pressures arising from the crisis and it is essential to lobby hard for the appropriate level of support. It is already doing this through London Council and also the Leader has written to the Prime Minister requesting the Government honour its commitment to fully support local authorities. There also needs to be lobbying on definitions of essential so the Council doesn't find itself exposed to legal challenge where planning applications or payment of invoices for example are delayed.
- 12.2. The next steps fall into two broad areas: continuing to improve the understanding of the emerging financial impact of Covid-19 and considering how these costs could be mitigated:
 - i. Continuing to understand the emerging financial position, forecasts are now being reviewed in light of actual expenditure

and income losses for March (part month only) and April as well as the ongoing review of the impact on the savings programme:

- ii. Work with all services to update and revise the financial forecasts on a continuous basis.
- iii. Undertake further assessment of the Cabinet Office guidance on paying suppliers, especially to maintain the supply chain and ensure business continuity.
- iv. Further work on the impact of recovery of Council Tax, Housing Benefit Overpayments and Business Rates
- v. Services will be asked to identify opportunities to meet these costs but there will be limited in scope.
- vi. Review HRA business plan
- vii. Review impact on capital expenditure in more detail.
- viii. Further analysis of Bad Debt Provisions and the Council Tax and Business Rates Collection Fund.

- 12.3. Should the Government funding fall short of the full costs of the Covid19, as a financially responsible council, consideration of options to mitigate these costs will be necessary. Scenario planning work is underway assessing the impact of Government not fully recompensing the Council and the actions which would need to be taken.

13. ALTERNATIVE OPTIONS CONSIDERED

No alternative options have been considered.

14. REASONS FOR RECOMMENDATIONS

- 14.1. The prime purpose of the report is to provide an early assessment of the financial pressures the Council is facing as a consequence of the Covid-19 pandemic.

15. COMMENTS FROM OTHER DEPARTMENTS

15.1. Financial Implications

- 15.1.1. The Council face a significant financial challenge at this time. There have been numerous statements from Government that local authorities will be fully supported but the phased nature of the funding does create uncertainty.

15.2. Legal Implications

- 15.2.1. The purpose of the Coronavirus Act 2020 ('CVA 2020', 'the Act')) is to enable the Government to respond to an emergency situation and manage the effects of the Covid-19 pandemic during the 'emergency period' (not defined in the CA, however, it refers to the period for which the relevant provisions in the CVA 2020 have effect). The Act came into force on 25th March 2020, however please note [para 15.2.8] below.

- 15.2.2. The Act contains temporary measures designed to either amend existing legislative provisions or introduce new statutory powers which are designed to mitigate these impacts of a reduced workforce, increased pressure on health services and death management processes.
- 15.2.3. The Act aims to support Government in doing the following:
- i. Increasing the available health and social care workforce
 - ii. Easing the burden on frontline staff
 - iii. Containing and slowing the virus
 - iv. Managing the deceased with respect and dignity
 - v. Supporting people
- 15.2.4. The Act is part of a concerted effort across the whole of the UK to tackle the Covid-19 outbreak. The intention is that it will enable the right people from public bodies across the UK to take appropriate actions at the right times to manage the effects of the outbreak.
- 15.2.5. As part of its contingency planning, the Government has considered what measures would be needed during a severe Covid-19 outbreak to reduce the pressure of key services and limit the spread of infection.
- 15.2.6. This Act is just one part of the overall solution. It has therefore not been necessary for each tool or power needed to address the Covid-19 pandemic to be covered by this Act. Some exist already in statute.
- 15.2.7. The legislation is time-limited to two years, due expire on 24 March 2022 (section 89(1), CVA 2020). However, this is subject to various exceptions set out in section 89(2). Please note that there is a power to make regulations to alter the expiry date either by extending it or bringing the date forward (section 90 (1)).
- 15.2.8. It is neither necessary nor appropriate for all of its measures to come into force immediately. while the Act includes provisions, which relate to a wide spectrum of areas across the UK, they are all focused on responding to circumstances that may arise as a result of the Covid-19 pandemic.
- 15.2.9. This Report sets out the current heavy, financial challenges that the Council is facing as a result of the impact of the pandemic in delivering the exigencies of this unprecedented, emergency situation. The Report also notes that the financial situation is uncertain and evolving, and is dependent on factors such as the duration of the pandemic, any other impacts that may arise and future Government announcements.

15.3. Property Implications

- 15.3.1. Whilst the current rent holiday for affected Council commercial tenants and other business support measures are designed to support the viability of businesses through the early phase of the crisis it is likely

that the impact will last considerably longer for many businesses, both in lockdown and in recovery. It is likely that many tenants will seek further assistance beyond the current holiday and with or without help there will be business failures leading to voids and unrecovered debt and dilapidations. Rents are likely to fall in some sectors (especially retail and hospitality) in the short and probably medium term leading to lower rental income on reletting and no increases at rent reviews. Yields may also rise as investors price in additional risk and therefore receipts from disposals may fall. Income from the current portfolio could be lower than prior to the crisis for some considerable time.

- 15.3.2. The opportunity should be taken to review the current portfolio which is currently skewed towards secondary retail (outside town centres) and secondary industrial property.
- 15.3.3. Whilst the industrial market has been strong recently and this is expected to recover more quickly than other sectors after Covid19 this recovery will be largely led by the logistics sector. Enfield's current portfolio generally comprises smaller more local businesses which have a higher churn and higher management costs leading to lower net returns. The opportunity to consider divesting and reinvesting in growth sectors and logistics should be considered.
- 15.3.4. In the retail sector whilst there is a view that local food shops will benefit from changing habits there will be an oversupply and therefore a combination of lower rents and higher voids. The opportunity to manage supply downwards by selective redevelopment within the HRA retail portfolio should be considered.
- 15.3.5. Investment in the residential private rental sector should be considered.
- 15.3.6. The opportunity should be taken to further review the balance of remote and office working and the impact on the council's business space requirements. The Build the Change project was already progressing this but the increase (and success in many areas) of home working and online meetings (with knock on impacts in other areas such as travel) during the crisis should lead to acceleration of the reduction in both our space and environmental footprint.

16. KEY RISKS

- 16.1. The Council is operating in an environment of great uncertainty. There has not been a worldwide pandemic of this nature in most people's lifetime. It is not known how long the period of lockdown will continue for and even for those countries where there is some return to normality there is still the risk of secondary outbreaks and possibly further periods of lockdown.
- 16.2. Understanding the financial consequences for Enfield Council and planning how to manage them are very challenging. An early assessment was made of the situation and this has been based on a scenario of a three month period of lockdown with an allowance for some service to take a period of time to settle back down to normality. The Finance Team have also been liaising with neighbouring London

Boroughs as well as London Boroughs as a whole to ensure that the assessments are as accurate as they possibly can be.

- 16.3. The forecasts of additional expenditure, lost income and the impact on savings programmes have initially been based on an emerging situation. These can now be reviewed on the basis of expenditure incurred/committed to the end of the end of April. The forecasts are being continually reviewed and updated.
- 16.4. Government support and funding is an area of concern though. Government has said that it will “stand shoulder to shoulder financially’ with local authorities but to date there has only been a commitment to meet £18m of the potential £68m. Scenario planning is being undertaken to model the actions necessary were there to be minimal, moderate or significant shortfalls of funding from Government.

Risk	Mitigation
Estimated costs and income are significantly under stated	By working transparently with other councils has ensured that all types of costs have been considered. Expertise and knowledge of finance and service staff will support forecasting. As uncertainty reduces and more data such as current spend is available the estimates will improve.
Grant funding is insufficient to meet costs	Council undertaking scenario planning to fully understand the implications
Impact of lockdown transition on estimated cost	The current estimate has factored 12 weeks duration of impact but not made an assessment, other than for social care and homelessness for a period of transition to Once there is more information, further work will be undertaken.

16. IMPACT ON COUNCIL PRIORITIES – CREATING A LIFETIME OF OPPORTUNITIES IN ENFIELD

16.1 Good homes in well-connected neighbourhoods

16.2 Sustain strong and healthy communities

16.3 Build our local economy to create a thriving place

The report sets out how Covid-19 will impact on Council finances and this will have an impact on how the priorities are delivered. The Council is engaged in wider contingency and strategic planning work through a dedicated Covid-19 Recovery Group that will be advising

and initiating strategies and interventions that can will mitigate impacts and aim to ensure the continued delivery of services and our transformational ambitions for the borough whilst flexing to absorb any new savings required. This will be set out in more details in a refreshed Council Plan that is currently in development and is currently scheduled to come to Cabinet in June 2020.

17. EQUALITIES IMPACT IMPLICATIONS

- 17.1 Local authorities have a responsibility to meet the Public Sector Duty of the Equality Act 2010. The Act gives people the right not to be treated less favourably because of any of the protected characteristics. The Council needs to consider the needs of these diverse groups when changing services or budgets So that our decisions it do not unduly or disproportionately affect access by some groups more than others.
- 17.2 Corporate advice has been sought in regard to equalities and an agreement has been reached that an equalities impact assessment is neither relevant nor proportionate for Cabinet to note the findings of this Initial Assessment of the Financial impact of Covid-19 report. The Council continues to be highly responsive to the Covid-19 pandemic, helping to support those most vulnerable in our community. As part of the ongoing decision making processes and response the Council will continue to ensure that due regard is given to the Equalities Act 2010.

18. PERFORMANCE AND DATA IMPLICATIONS

- 18.1 The current Covid-19 pandemic has impacted levels of demand for a number of services across the Council and has also affected performance. a series of KPIS has been developed that will be used to help understanding of the impact of Covid-19 on the council. This dashboard of indicators will feed into the corporate plan and allow to current and future demand management issues to be identified as well as helping to inform the recovery programme. Ongoing data and analysis will be needed to understand future pressures and to help explore opportunities.

19. HEALTH AND SAFETY IMPLICATIONS

- 19.1 This report is predominately concerning the financial implications of delivering additional services or reduced services to the community due to the Covid-19 pandemic. However, some of the additional expenditure required is due to the need for additional staffing to deliver services often to vulnerable customers (arising as some staff are themselves vulnerable or shielding), and also additional expenditure required for Personal Protective Equipment for staff.
- 19.2 The Council, as an employer, has a duty to ensure, so far as is reasonably practicable, the health, safety and welfare at work of all its employees under the Health and Safety at Work Act 1974. It is also the duty of the Council in the conduct of its work to ensure, so far as is reasonably practicable, that persons other than employees (e.g. the public) are not exposed to risks to their health or safety. Such additional expenditure, such as that outlined above, is entirely in

accordance with the Council's legal duty towards its staff and the public.

20. HR IMPLICATIONS

- 20.1 This report is not proposing changes to the Council's directly employed workforce, therefore, there are minimal HR implications at this stage.
- 20.2 Given the significant impact on Council budgets and future savings plans, should there be a need to review services and staff resources, HR should be involved in any potential changes. In this event Council policies should be followed.
- 20.3 During the Covid-19 situation a Workforce Deployment Framework has been developed that includes arrangements for the temporary redeployment of staff from non-essential services to essential services. This Framework overrides Council HR policies during this period and should be followed.
- 20.4 Consideration should be given to business as usual activities to ensure the workforce is resourced and able to deliver services.
- 20.5 HR are working with agency worker providers to ensure they are able to meet the Council's requirements during this period.

21. PUBLIC HEALTH IMPLICATIONS

- 21.1 The Council has moved swiftly to safeguard the health of its residents and staff during a period of threat unprecedented in living memory. The financial implications of this have been harsh and have reached into every department in the Council.
- 21.2 This report details the financial implications to date of the Covid-19 pandemic and highlights that there will be ongoing and unknown financial implications in the short to medium term. As the council is fundamental to the health of Enfield residents it needs to achieve financial balance, a position which is currently difficult to envisage.
- 21.3 This report notes the work that the Council is and has already undertaken and therefore in and of itself does not have public health implications. However, both the Office for Budget Responsibility (OBR) and the Institute for Financial Services (IFS) have both reported on the negative health effects of the 2008 financial crisis. In order to mitigate the effects of this current crisis the council will need to attain financial balance, consider what the 'new normal' might be and how this might be achieved whilst optimising resident's health.

Background Papers

None

Appendix A

Chief Executives	Additional Expenditure	Loss of Income	Impact on savings
	£000	£000	£000
Estimated impact on the income generation proposals in the MTFP as a result of reductions in demand.	0	0	38
Impact of service income generated from sales, fees and charges as a result of reduced demand.		690	
Chief Executive's Department Total	0	690	38

Appendix B

Resources	Additional Expenditure	Loss of Income	Impact on savings
	£000	£000	£000
Customer Experience: Civica on Demand telephony working at home costs	44	0	0
Customer Experience: Civica on Demand Extra staff - Benefits	67	0	0
Customer Experience: Civica on Demand Extra Staff - Telephony	50	0	0
Customer Experience: Discretionary Housing Payments (DHP) - additional over government allocation	500	0	0
Customer Experience: Council Tax Support Hardship payments (CTSH) - additional	250	0	0
Customer Experience: The libraries service had put forward and were working on implementing income generating proposals worth £230k in the MTFP. With libraries now closed the likelihood of delivery has changed from green to amber. Assumed delays of 3 months	0	0	58
Data & Technology: Converting to an out of hours service 23/03/2020 Overtime and Standby – Team of 20 x 4 hours per day (80 x 5 = 400) + Team of 15 x 24 (2 x 12) hours per weekend = 360 hours = 720 hours extra per week – say PO1 per hour £20 (so £14,400 per week) x 8 weeks = £115k	115	0	0
Data & Technology: Potentially £900k (£3.6m / 4) (although some of this would have been to deliver projects that are delayed – but mainly that all plans now have to be changed to accommodate COVID19) Operations Network/Infrastructure Programme Technical Programme Digital Programme Security Compliance Programme CRM Replacement Device Rollout The above packages are to deliver the existing Work Programme. Some of these such as Network/ Infrastructure, Technical, Digital are clearly impacted by making changes due to COVID19 – e.g. changing capacity for WFH,	0	0	900

<p>focussing on the Critical Applications, providing or adapting programmes to change service delivery once known. In addition, there are future programme delivery that do not have a work package that will be fast tracked such as Remediation, Cyber, Resilience and such like that could be delivered by the resources within those work packages</p> <p>We have to take an estimated approach that by extending all work packages in delivery, then it is possible that some of those would have been extended anyway. However, it is likely in that case new work packages may be procured alongside these for COVID19. My estimate is based on the extension value meaning we procure sufficient COVID19 Work Packages or extensions to cover this, but it is still an evolving situation</p>			
Data & Technology: Contingency cost: additional out of hours support, licence increases, capacity and security	120	0	0
Finance & Commercial: Loss of income in Schools catering service	0	730	0
Finance & Commercial: Loss of income in the Music service	0	70	0
All services: Additional Kit: Already purchased/purchasing – Keyboards/Mice (£40k), Jabras (£15k), Possibly wi-fi dongles (100 = £10k including usage – maybe more) across all Resources teams.	81	0	0
All: Loss of income across services due to reduced demand. For example, Library Fees and Visa Immigration Income and Court Income	0	980	0
Resources Department Total	1,227	1,780	958

Appendix C

People	Additional Expenditure	Loss of Income	Impact on savings
	£000	£000	£000
ASC & Public Heath			
Additional Social Workers/agency staff-MH	62	0	0
Additional Social Workers/agency staff-OP/PD Social workers and OTs	285	0	0
Additional Social Workers/agency staff- Enablement staff DTA	155	0	0
Additional Social Workers/agency staff-LD	48	0	0
IWE costs – Enablement staffing costs	579	0	0
IWE costs – additional equipment from the stores i.e. beds/PPE, equipment to support more rapid hospital discharges. Also, the stores staff are now open for extended hours and providing a service at the weekend	194	0	0
20% additional staff at Bridgewood in preparation for taking patients direct from hospital	1,320	0	0
Safe and connected equipment and software	75	0	0
Safe and connected and Brokerage- 7 FTE	116	0	0
Increased costs of Enablement staff and Discharge to Assess staff in MH	62	0	0
Expenditure on P-cards – food, supplies, care of pets, transport. (London Ambulance Service are no longer transporting people leaving hospital!)	413	0	0
Additional payments to providers, for additional staffing and equipment OP/PD plus increase care cost for those being discharged from hospital. i.e. rapid admission to residential and nursing home for clients who otherwise would have been diverted to community	2,325	0	0
Additional payments to providers, for additional staffing and equipment MH plus increase care cost for those being discharged from hospital. i.e. rapid admission to residential and nursing home for clients who otherwise would have been diverted to community	75	0	0
Additional agency AMHP SWs	41	0	0
Learning Disability Service – closure of day centres and additional costs of providing individual care at home. School and college closures and increased costs to keep people safe		0	0
Loss of income from financial assessments		355	0
Older People – Closure of day centres and additional costs of providing individual care at	788	0	0

home			
One off payment to providers at £1,000 each for Personal Protective Equipment (PPE)	350	0	0
Additional long term care purchasing costs as a result of cancelation of routine operations, hip, knee etc	750	0	0
Double running of care costs where carers go are off sick-LD	378	0	0
Learning Disability Service – closure of day centres and additional costs of providing individual care at home. School and college closures and increased costs to keep people safe	387	0	0
Learning Disability Service – Placement breakdown	600	0	0
Public Heath		0	0
Closure of Silver point clinic, additional costs of out of borough STIs	tbc	0	0
Additional use of the e-service for STIs		0	0
Children's & Families		0	0
Impact on Secure remand placements as a result of the delay in court dates for long trials	697	0	0
Care placements, support packages into homes to safeguard children particularly but not exclusively children with SEND and/or severe emotional and mental health needs e.g. it could cost up to £250k to support 1 child to stay at home with 3 carers 24 hours a day at the most complex end of the scale or it could cost £25k	1,000	0	0
Increase numbers of children to look after where parents are very ill. Estimated 20 children ranging in cost from 45k to 100k/yr.	1,300	0	0
Extra staffing and overtime	200	0	0
24 hour support line for foster carers and providers to stabilise placements	12	0	0
Increase numbers of agency staff	550	0	0
Block booking placements	240	0	0
People Department Total	13,064	355	0

Appendix D

Place	Additional Expenditure	Loss of Income	Impact on savings
	£000	£000	£000
Homelessness - The service has modelled two worse case scenarios based on increases in demand and price. Scenario 1 is based on growth of 10% which is approximately existing demand and a 15% increase in cost this results in a total cost of £5m. Scenario 2 is based on 20% growth and a 20% increase in cost.	2,200	0	1,800
Additional agency staff to cover for workers that may become ill or are self-isolating: 2 x Rough Sleeper Outreach Workers / Navigators this will cost £40k for 6 months.	40	0	0
Self isolation accommodation is likely to be required all year rather than for the 3 weeks of agreed funding. 40 units of self contained accommodation for rough sleepers will be an additional cost of £325k for 6 months.	325	0	0
Additional costs of deep cleaning, food for self isolating rough sleepers cost will be £20k for 3 months	20	0	0
Support to business who rent Council assets i.e. waiving of a 3 month period to SME businesses and charities. Initial estimates put this in a range of £1.2m to £1.5m in lost income.	0	1,500	0
Loss of parking income for three months	0	3,000	0
Loss of management fee from leisure provider for 3 months.		150	
Loss of discretionary income across services due to reduced demand for services. e.g. these will include planning, scaffolding, staff car parking fees for 2 months etc.		5,000	
Additional staffing cover for refuse service	490		
LB Enfield share of increased mortuary provision across London.	500		
Place Department Total	3,575	9,650	1,800

Appendix E

Corporate (Community Resilience Hub) plus Other Emergency Payments	Additional Expenditure	Loss of Income	Impact on savings
	£000	£000	£000
Council tax Bad Debt Provision		2,000	
Council Tax collection		13,000	
NNDR Bad Debt Provision		800	
NNDR Collection – if this is safety net, lets state this is minimum etc		7,000	
Sundry Bad Debt Provision		5,000	
Sundry collection		0	
Housing Benefit Overpayments Bad Debt Provision		2,500	
Housing Benefit Overpayments collection		1,650	
Food	2,000		
Overtime of staff working at weekends on the call centre and emergency deliveries			
Emergency Assistance			
Premises costs			
Commissioning of voluntary sector			
Contingency to cover any unknown or unquantified costs or loss of income at this time.	1,000		
Corporate Total	3,000	31,950	0

Appendix F

Unquantified Pressures	Additional Expenditure	Loss of Income	Impact on savings
	£000	£000	£000
Children's & Families			
Additional Community Safety measures	TBC		
Education			
Free school meals	TBC		
Meals for children of key workers	TBC		
Schools remained open to children of key workers during the upcoming Easter holidays. This will have required staff working outside of normal contracted hours.	TBC		
Schools may see a small reduction in consumables whilst they remain closed.			
Place			
Home to school transport if impacting on key worker children during Easter Holidays	TBC		

Appendix G

Update on 2020/21 Savings and Income Proposals

Savings by Department

Savings	CEx	People	Place	Resources	Corporate	Grand Total
	£000's	£000's	£000's	£000's	£000's	£000's
FYE	0	(157)	(3,291)	(200)	0	(3,648)
New 2020/21	(300)	(1,842)	(2,465)	(2,409)	(2,250)	(9,266)
Savings Total	(300)	(1,999)	(5,756)	(2,609)	(2,250)	(12,914)

Income by Department

Income	CEx	People	Place	Resources	Corporate	Grand Total
	£000's	£000's	£000's	£000's	£000's	£000's
FYE	0	0	444	0	(75)	444
New 2020/21	(100)	(410)	(1,899)	(230)	0	(2,639)
Income Total	(100)	(410)	(1,455)	(230)	(75)	(2,195)

Total Savings and Income

Total	CEx	People	Place	Resources	Corporate	Grand Total
	£000's	£000's	£000's	£000's	£000's	£000's
FYE	0	(157)	(2,847)	(200)	(75)	(3,279)
New 2020/21	(400)	(2,252)	(4,364)	(2,639)	(2,250)	(11,905)
Total	(400)	(2,409)	(7,211)	(2,839)	(2,325)	(15,184)

Risk Status of Savings and Income

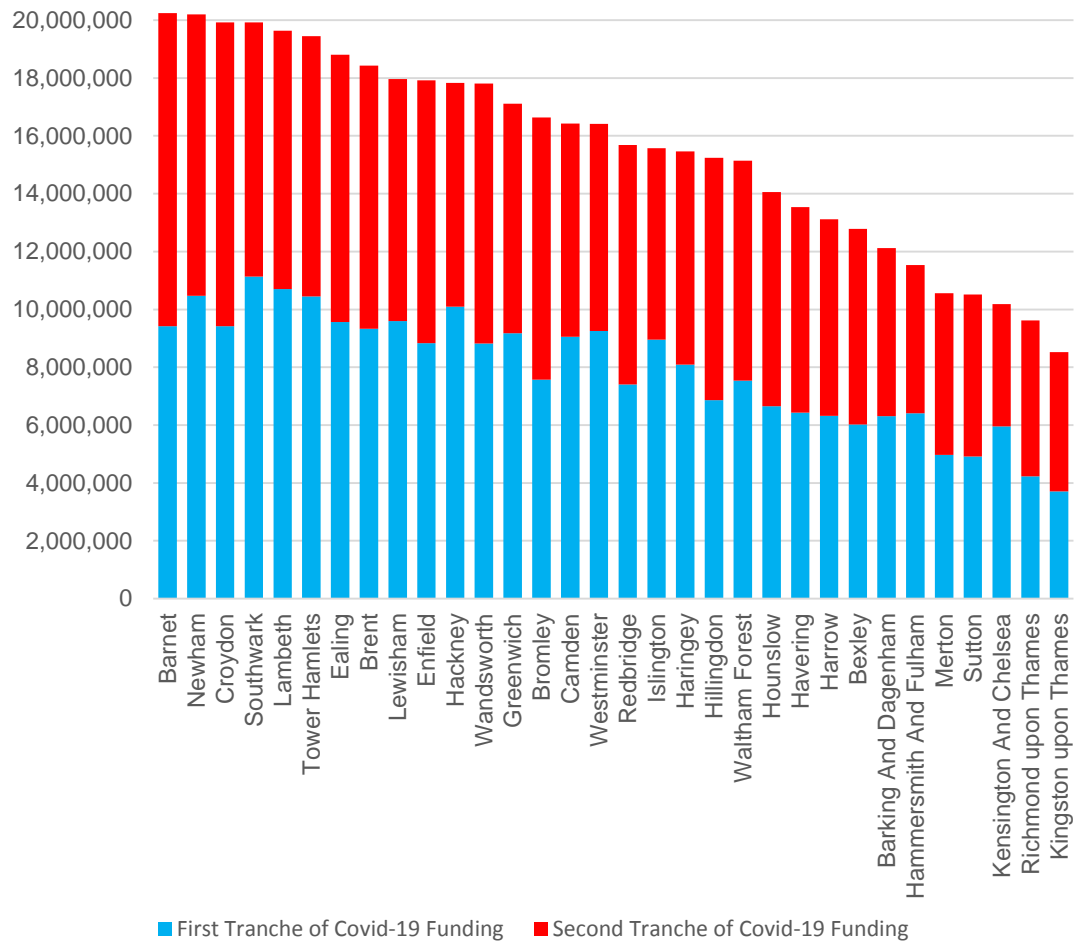
Total	CEx	People	Place	Resources	Corporate	Grand Total
	£000's	£000's	£000's	£000's	£000's	£000's
Blue	0	(107)	(737)	0	0	(844)
Green	(150)	(732)	(1,358)	(354)	(325)	(2,919)
Amber	(250)	(1,570)	(3,027)	(585)	(2,000)	(7,432)
Red	0	0	(2,089)	(1,900)	0	(3,989)
Total	(400)	(2,409)	(7,211)	(2,839)	(2,325)	(15,184)

Appendix H

Share of £3.2bn COVID-19 funding for London Boroughs

Local Authority	First Tranche of Covid-19 Funding (£)	Second Tranche of Covid-19 Funding	Total Covid-19 Additional Funding	Relative share of London allocation
Barnet	9,417,728	10,830,225	20,247,953	4.06%
Newham	10,467,750	9,728,037	20,195,787	4.05%
Croydon	9,420,138	10,506,093	19,926,231	4.00%
Southwark	11,137,326	8,784,734	19,922,060	4.00%
Lambeth	10,703,342	8,932,821	19,636,163	3.94%
Tower Hamlets	10,448,682	8,999,802	19,448,484	3.90%
Ealing	9,568,038	9,239,306	18,807,344	3.77%
Brent	9,333,909	9,090,265	18,424,174	3.70%
Lewisham	9,598,134	8,362,545	17,960,679	3.60%
Enfield	8,827,425	9,091,515	17,918,940	3.60%
Hackney	10,092,854	7,743,064	17,835,918	3.58%
Wandsworth	8,816,135	8,996,173	17,812,308	3.57%
Greenwich	9,174,867	7,939,313	17,114,180	3.43%
Bromley	7,572,304	9,067,837	16,640,141	3.34%
Camden	9,057,945	7,365,666	16,423,611	3.30%
Westminster	9,255,090	7,155,430	16,410,520	3.29%
Redbridge	7,404,535	8,281,716	15,686,251	3.15%
Islington	8,948,910	6,625,745	15,574,655	3.13%
Haringey	8,093,980	7,370,731	15,464,711	3.10%
Hillingdon	6,861,397	8,382,103	15,243,500	3.06%
Waltham Forest	7,540,913	7,596,527	15,137,440	3.04%
Hounslow	6,656,135	7,397,701	14,053,836	2.82%
Havering	6,433,203	7,098,067	13,531,270	2.72%
Harrow	6,315,679	6,795,355	13,111,034	2.63%
Bexley	6,022,339	6,763,805	12,786,144	2.57%
Barking & Dagenham	6,304,325	5,817,863	12,122,188	2.43%
Hammersmith & Fulham	6,408,348	5,127,034	11,535,382	2.31%
Merton	4,964,977	5,594,207	10,559,184	2.12%
Sutton	4,911,467	5,605,988	10,517,455	2.11%
Kensington & Chelsea	5,948,911	4,234,128	10,183,039	2.04%
Richmond upon Thames	4,224,942	5,388,527	9,613,469	1.93%
Kingston upon Thames	3,708,264	4,816,390	8,524,654	1.71%
	253,639,992	244,728,713	498,368,705	100.00%

Allocation of COVID-19 Funding to London Boroughs (£)



Appendix I

HRA	Additional Expenditure	Loss of Income	Impact on savings
	£000	£000	£000
Additional capacity if caretakers are off	30		
PPE and sanitiser	15		
Closing of Community Halls for 6 months		186	
Efficiency savings derived from revenue operations			1,200
Delayed implementation of Civica			700
Increase in ASB, community policing, pest control etc	250		
Void loss arising from holding voids especially in sheltered schemes		100	
HRA Total	295	286	1,900