

## London Borough of Enfield

**Cabinet**

**7th July 2021**

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**Subject:** Revenue Outturn: General Fund and DSG 2020/21  
**Cabinet Member:** Cllr. Maguire  
**Executive Director:** Fay Hammond  
**Key Decision:** 5325

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### **Purpose of Report**

1. This Report sets out the Council's outturn position for 2020/21 and despite the impact of Covid-19 demonstrates that the Council has maintained progress on the journey of establishing a robust and resilient financial position prior to the outset of the pandemic.
2. The revenue outturn is reporting a balanced budget and strengthened financial position, following the Council's programme of ensuring robust financial management and resilience. This position is in despite of the uncertainty created by the pandemic over the last year.
3. The Council has been able to achieve this because it acted early in identifying mitigating actions to manage the financial impact of Covid-19. In September 2020, savings totalling £6.3m were identified and set aside in anticipation of Covid-19 financial risk. In addition, the robust management of service budgets during the year enabled the £3.0m of central contingency to be set aside for financial impact of Covid-19. It should be noted that this £9.3m in total are one offs for 2020/21 only. This is set out in Appendix B; the report is set out as follows:
  - i. Paragraphs 43 to 113 provide the underlying position in the General Fund as at the outturn. Paragraphs 114 to 153 provides an update on the Covid-19 financial impact of £65.2m. The movement from Quarter 3 is summarised in Table 3 of the report. The Government's response in terms of additional funding is highlighted in paragraph 24 to 26.
  - ii. Paragraphs 154 to 156 describe the Council's response to the pandemic, savings, income proposals of £6.3m.
  - iii. Paragraphs 27 and 153 discuss the option to run a Collection Fund deficit and the implications of doing so on the 2020/21 finances and the ongoing impact.

4. The impact of Covid-19 has been assessed by examining the additional expenditure, loss of income and impact on the savings programme, the total assessed cost is £65.2m. This includes expenditure incurred within Adult Social Care relating to hospital discharge programme which is funded via the NHS and Business Support grants.
5. The outturn position includes £60.5m of Government funding being applied. This is summarised in the Appendix N.
6. In year savings of £6.3m have been identified and a major element in the series of mitigations that were put in place to manage the Covid-19 financial pressures. However, given that the government grant funding received is sufficient to meet the 2020/21 Covid-19 pressures, these in year savings will now be transferred into a specific Covid-19 Risk Reserve in anticipation of ongoing financial risks.
7. The budget includes a contingency of £3.0m which was set to manage financial pressures arising in year and planned to be used to help mitigate the Covid-19 pressure for 2020/21. However, given the outturn position will now also be transferred to the Covid-19 Risk Reserve.
8. The Government announced that the Council could run a Collection Fund deficit which will transfer the 2021/22 cost of £4.7m over the next three years.
9. The overall impact on the Council's General Fund is a balanced position and strengthened reserves. This was achieved through prompt actions to mitigate the impact of the pandemic through holding £3.0m of central contingency and identifying £6.3m of in year savings. The remaining £2.6m was through the robust financial management of service budgets.
10. The Dedicated Schools Grant is forecasting an outturn position of a deficit of £3.567m. With the £4.482m deficit brought forward from 2019/20, the cumulative forecast deficit at year end is £8.049m and will be the first call on the 2021/22 grant allocation and therefore reduce the funding available for next year's allocation.
11. The report provides an update on the outturn for the level of reserves as at the end of 2020/21.
12. The Council remains in a financially challenging position for 2021/22 and throughout the five year Medium Term Financial Plan. In particular, arising from uncertainty in the unknown financial legacy of Covid-19 and delays in addressing the long-term solution for fair funding of local government, in particular adult social care.

### **Proposals**

13. Cabinet is recommended to:
14. Note the positive impact the Council's early actions to respond the financial impact of the pandemic has had on strengthening the Council's finances.
15. Note the General Fund and Dedicated Schools Grant (DSG) revenue outturn position for 2020/21.
16. Note the balanced position and strengthened reserves as at outturn.
17. Note the costs of Covid-19 and compensating government grant support received during 2020/21.

18. Note the progress made on the journey to setting a robust and resilient budget.
19. Note the level of reserves as at 31<sup>st</sup> March 2021 have been strengthened, providing resilience for the anticipated enduring financial impact of Covid-19 and ongoing uncertain funding levels.

### **Reason for Proposals**

20. To ensure that members are aware of the outturn position, including the level of reserves for the authority, including all major variances which are contributing to the outturn position and the mitigating actions taken to manage the financial position for 2020/21.

### **Relevance to the Council's Corporate Plan**

21. The General Fund and DSG Outturn Report sets out how the Council has best used its limited resources to deliver the Council's objectives in 2020/21. These objectives are:
  - i. Good homes in well-connected neighbourhoods
  - ii. Sustain strong and healthy communities
  - iii. Build our local economy to create a thriving place

### **Background**

22. On 26 February 2020, the 2020/21 budget was set by Council. This budget included savings and income generation of £15.2m to address the financial gap. As part of the aim to place the budget in a more resilient position, in 2020/21 £30.1m of growth was included to reflect the demographic, inflationary, investment, capital financing needs, partly offset by a £3.6m benefit from the Pension Fund Triennial Review to give a net growth figure of £26.5m.
23. The Council responded rapidly to the Covid-19 crisis ensuring that it supported the community as effectively as possible in challenging circumstances. This continues to have a significant financial impact as first reported to Cabinet in May. At the time the pressures were £68.1m and whilst this has been under continual review and refined, the outturn at £65.2m is still the most significant challenge the Council has faced.
24. The outturn position includes £60.5m of Government funding. The Government has provided much needed funding to support the Council's response. These include funding to directly fund services as well as funding that is passported on e.g. hardship support.
25. The Council has also passported £61.6m of business grants received from Government onto local businesses. These do not impact on the Council's outturn position but will be reflected on the balance sheet.
26. The Government announced during the year that the Council could run a Collection Fund deficit, i.e. carry forward the deficit and recover the position over the next three years. This will reduce the £4.7m impact on 2020/21

but it should be noted that this is only a short to medium term mitigation. There has been an indication, via the Secretary of State for Housing, Communities and Local Government, that this position maybe reviewed to provide some support for this lost income. This would be welcomed; however, the details are not currently clear and therefore the Council is prudently continuing to review budget options.

27. As set out in the Cabinet report of 15th July 2020, the Medium Term Financial Strategy (MTFS) set out the approach for meeting the Covid-19 financial pressures by seeking in year savings. These in year savings have been an essential part of the Council's response in order to be in long term sustainable budget position though it should be noted that these are one off savings.
28. Given the outturn position the £3.0m use of contingency is no longer required and will be transferred to a Covid-19 risk reserve.
29. The 2020/21 budget relied on a one-off use of reserves of £1.56m from the Reserves. The forecast as at Quarter 3 means that there will no longer be a need to draw down from reserve as planned.
30. In July 2020, the Financial Strategy set out the response to Covid-19 which included a review of all Reserves. The objective was to ensure that the Council remained financially resilient over the medium term by reviewing the adequacy of the risk and smoothing reserves. This review identified service specific and earmarked reserves that have been transferred to the Risk Reserve, as set out in the Reserves Section (paragraph 168).
31. The £65.2m financial pressures the Council is facing as a result of the Covid-19 pandemic have been reported collectively and are not included in the department outturn positions. These pressures are covered in paragraphs 114 to 153 and detailed in [Appendix G](#). It should be noted that these reflect gross expenditure incurred regardless of the funding source, e.g. the cost of hospital discharge is reimbursed by the NHS and both the expenditure and income are reported gross.
32. This report also provides information on the main budget variances and their causes that have affected the Council across all departments that are not as a result of Covid-19 and these are covered in paragraphs 43 to 113. Variations to budget in this report are limited to variances of at least £50,000 whether adverse or favourable, to provide a greater strategic focus. This report sets out the overall General Fund Revenue and the Dedicated Schools Grant (DSG) outturn for 2020/21, with details of variations provided in [Appendices C](#) to F (General Fund) and [Appendix K](#) (DSG). The variances detailed in each department are those which the Council would be experiencing without the pandemic, any variances resulting from Covid-19 are detailed in [Appendix G](#). The report also provides the outturn position for reserves and balances, which are set out in detail in [Appendix L](#). Use of capital receipts that have been applied to fund transformation expenditure is summarised in [Appendix H](#).
33. The anticipated Covid-19 financial pressures are likely to impact over the medium term, however, there is no precedent to base the forecast impact and therefore, the picture remains uncertain. In addition, the ongoing uncertainty over the medium-term funding of local government and no guarantees regarding future funding for the legacy costs of Covid-19

exacerbates this position. In this context, the action taken in 2020/21 and resulting strengthened reserves will ensure Enfield is better placed to face these challenges (paragraph 183).

## **Main Considerations for the Council**

### **34. General Fund Outturn**

35. Each of the departments has generated a list of the key variances which are contributing to the outturn figures and are not resulting from the pandemic.
36. The outturn position is set out in Table 1 below. It provides a comparison between the budget and the outturn. This is the total position for the Council, including the effects of Covid-19.
37. Table 2 sets out the Covid-19 associated pressures the Council has experienced by department.
38. The position from Quarter 3 to outturn has changed by £10.4m. The key headlines that have driven this change are as follows and summarised in Table 3:

- a. Covid-19 position summary changes:

- i. Improved position in the estimated loss of sales, fees and charges of £3.0m e.g. reduced loss in schools catering services and loss of parking receipts
- ii. Reduced expenditure outturn for both Adults and Children's Social Care
- iii. Removal of estimated impact on sundry Bad Debt provision.

Underlying budget position key changes:

- iv. Increase required in the insurance provision of £1.1m
- v. Children's & Families have seen favourable movement in the cost of Looked After Children's services.
- vi. In Place, Parking enforcement had a favourable variance due traffic enforcement and parking control measures. The revenue costs associated with the Meridian Water programme were lower than originally forecast and improved income has resulted in a positive variance at outturn.
- vii. Whilst in Corporate, there was a £1m bad debt provision release driven by the collection of historic Adult Social Care NHS Debt which has de-risked the sundry debt position.

39. Table 1: General Fund Departmental Outturn Variances 2020/21

Department	Net Budget	Total Forecast Outturn	Flexible use of Capital Receipts	Total Forecast Variance	Net Variance excl. Covid-19 and In year savings (Outturn)		Covid-19 Total Impact	Covid-19 Funding/Collection Fund
Chief Exec	11.564	14.149	(0.765)	1.820	1.301		0.626	(0.107)
People	124.257	127.217	(0.045)	2.915	(2.251)		18.270	(13.104)
Place	33.340	42.846	(0.157)	9.349	(3.946)		19.813	(6.518)
Resources	25.210	35.984	(0.620)	10.154	0.516		18.274	(8.636)
<b>Service Net Costs</b>	<b>194.371</b>	<b>220.196</b>	<b>(1.587)</b>	<b>24.238</b>	<b>(4.380)</b>		<b>56.983</b>	<b>(28.365)</b>
Corporate Expenses	39.626	42.554	0.000	2.928	1.128		3.550	(1.750)
Bad Debt Provisions	0.791	(0.242)	0.000	(1.033)	(1.033)		0.000	0.000
<b>Net Expenditure</b>	<b>234.788</b>	<b>262.508</b>	<b>(1.587)</b>	<b>26.133</b>	<b>(4.285)</b>		<b>60.533</b>	<b>(30.115)</b>
<b>Expenditure financed by:</b>								
Business Rates	(98.666)	(98.666)	0.000	0.000	0.000		*2.958	(2.958)
Council Tax	(133.281)	(133.281)	0.000	0.000	0.000		*1.743	(1.743)
Other non-ring-fenced Government Grants	(10.345)	(40.763)	0.000	(30.418)	0.000		0.000	(30.418)
Reserves	(1.565)	0.000	0.000	1.565	1.565		0.000	0.000
<b>General Fund Corporate Financing</b>	<b>(9.069)</b>	<b>(10.202)</b>	<b>(1.587)</b>	<b>(2.720)</b>	<b>(2.720)</b>		<b>65.234</b>	<b>(65.234)</b>
<b>In Year Savings</b>	<b>^6.069</b>	<b>(0.200)</b>	<b>0.000</b>	<b>(6.269)</b>	<b>(6.269)</b>		<b>0.000</b>	<b>0.000</b>
<b>Contingency</b>	<b>3.000</b>	<b>0.000</b>	<b>0.000</b>	<b>(3.000)</b>	<b>(3.000)</b>		<b>0.000</b>	<b>0.000</b>
<b>Covid-19 Reserve 2021/22 +</b>	<b>0.000</b>	<b>10.000</b>	<b>0.000</b>	<b>10.000</b>	<b>10.000</b>		<b>0.000</b>	<b>0.000</b>
<b>Risk Reserve</b>	<b>0.000</b>	<b>1.989</b>	<b>0.000</b>	<b>1.989</b>	<b>1.989</b>		<b>0.000</b>	<b>0.000</b>
<b>Final Outturn position</b>	<b>0.000</b>	<b>1.587</b>	<b>(1.587)</b>	<b>0.000</b>	<b>0.000</b>		<b>65.234</b>	<b>(65.234)</b>

\*These figures total £4.701m which represents the Collection Fund deficit that the Council can run based on the Government announcement. Though this benefits the finances for 2020/21, this will need to be recovered over the next three financial years, hence increasing future budget gap in the Medium Term Financial Plan.

^This figure is the General Fund in year savings, the remaining £0.200m were identified by the HRA. It is not possible to transfer budget between the two and therefore this was actioned as a journal in the accounts, hence is reflected as a £0.200m variance.

**Table 2: Summary of Covid-19 Impact by Department**

Department	Net Budget	Covid-19 Additional Expenditure	Covid-19 Loss of Income	Covid-19 Impact on Savings Programme	Covid-19 Total Impact
		£m	£m	£m	£m
Chief Exec	11.564	0.373	0.253	0.000	0.626
People	124.257	18.089	0.181	0.000	18.270
Place	33.340	10.269	7.594	1.950	19.813
Resources	25.210	14.211	3.063	1.000	18.274
<b>Service Net Costs</b>	<b>194.371</b>	<b>42.942</b>	<b>11.091</b>	<b>2.950</b>	<b>56.983</b>
Corporate Expenses	39.626	3.550	0.000	0.000	3.550
Bad Debt Provisions	0.791	0.000	0.000	0.000	0.000
<b>In Year Savings</b>	<b>6.069</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
Contingency	3.000	0.000	0.000	0.000	0.000
<b>Net Expenditure</b>	<b>243.857</b>	<b>46.492</b>	<b>11.091</b>	<b>2.950</b>	<b>60.533</b>
Expenditure financed by:					
<b>Business Rates</b>	<b>(98.666)</b>	<b>0.000</b>	<b>2.958</b>	<b>0.000</b>	<b>3.640</b>
<b>Council Tax</b>	<b>(133.281)</b>	<b>0.000</b>	<b>1.743</b>	<b>0.000</b>	<b>6.755</b>
Other non-ring-fenced Government Grants	(10.345)	0.000	0.000	0.000	0.000
Reserves	(1.565)	0.000	0.000	0.000	0.000
<b>General Fund Corporate Financing</b>	<b>(0.000)</b>	<b>46.492</b>	<b>15.792</b>	<b>2.950</b>	<b>65.234</b>

Budgets shown in Tables 2 and 3 are controllable departmental budgets excluding capital and asset impairment charges, which are not directly controlled by departments.



**Table 3: Summary of changes in Financial Position Outturn to Quarter 3**

	<b>Outturn £m</b>	<b>Quarter 3 £m</b>	<b>Notes</b>
<u>Covid-19 Impact</u>			
Additional Expenditure	43.394	37.112	Includes gross grant spend and updated for new grant funded spend
Loss of Income	11.091	14.138	
Impact on Savings Programme	2.950	2.850	
Bad debt provision	3.098	8.660	
Collection fund income reduction	4.701	10.395	Furlough extended and review of forecast resulting in lower estimate
<b>Total Covid-19 costs</b>	<b>65.234</b>	<b>73.155</b>	
Collection deficit income and debt c/f	(4.701)	(12.749)	
<b>Covid-19 cost net of c/f collection fund</b>	<b>60.533</b>	<b>60.406</b>	
Funded by:			
Covid-19 grant	(64.821)	(35.374)	
Grants (other/new)		(18.929)	New or existing grossed up
<b>Covid-19 cost net of grant and c/f collection fund</b>	<b>(4.288)</b>	<b>6.103</b>	Reduced ASC and C&F forecasts and application of grants.
Balance transferred to Covid-19 grant reserves	<b>4.288</b>	<b>0.000</b>	
Underlying Budget variance favourable variance	(4.285)	(2.986)	
Planned use of reserves	1.565	1.565	Drawdown of reserves to balance the 20/21 budget is no longer required
<b>Net underlying budget variance</b>	<b>2.720</b>	<b>1.421</b>	
Council savings	(6.269)	(6.269)	To now be set aside to support 2021/22 costs
Contingency budget	(3.000)	0.000	
Transfer to Risk Reserve	1.989	0.000	
Transfer to Covid-19 Reserve 2021/22 +	10.000	0.000	
<b>Outturn v Q3 forecast</b>	<b>(0.000)</b>	<b>(1.587)</b>	

40. Management actions continued to address all budget pressures, including those related to Covid-19. Management action taken to reduce costs includes reconvening the Pressures Challenge Board to review the most significant pressures being reported. The purpose of the sessions is to identify any further solutions to reduce specific areas of overspend in 2020/21 but also to identify whether there will be an ongoing pressure that will need to be considered in the 2021/22 budget setting process. The outcome of the review of Culture Services has been reflected in the 2021/22 Budget agreed in February.
41. The Council has continued the journey of increasing the robustness and resilience of its financial management and forecasting and has strengthened its financial reserves.
42. This report provides further information on the outturn position as follows:
  - Summary narrative for each service area and supported by [Appendices C](#) to F providing additional data and analysis
  - Monitoring information on the progress towards meeting agreed savings and income generation
  - Update on the DSG
  - The financial management key performance indicators set out in [Appendix A](#).
43. **Departmental Monitoring Information – Budget Pressures and Mitigating Actions (net variance, excluding Covid-19)**
44. **Chief Executive's ([Appendix C](#))**
45. The Chief Executive's department is forecasting a net adverse variance of £1.301m against a budget of £11.6m and the department has contributed £0.434m to the in year savings to mitigate the financial pressure relating to Covid-19.
46. The predominant reason for variance is a £1.154m increase in the insurance fund provision required, without which the department would be reporting a £0.147m variance, which is in line with the forecast at quarter 3.
47. Human Resources outturn reflected an improved position on the quarter 3 forecast, where the outturn was £0.012m underspend. The previously reported adverse variance which was due to increased staffing expenditure to support the agency staff reduction strategy has been mitigated by additional recharge income and surpluses generated by the Schools traded service.
48. The Organisational Development service outturn position is a £0.142m favourable variance which is mainly due to vacant posts and the inability to deliver to the originally planned training schedule as a result of the pandemic.
49. Legal services are forecasting to be £0.518m overspend which is due to an increase in the number of children's social care cases and associated legal costs.

50. Electoral services are forecasting an overspend of £0.137m due to the retention of an electoral specialist which has been required to be extended throughout the year.
51. A favourable variance of £0.100m was achieved in Strategy, Partnership, Engagement and Consultation which is the outcome from further controls on expenditure within the service.
52. Delays to planned campaigns have resulted in a forecast favourable variance in the Communications team of £0.092m.
53. **Use of Capital Receipts:**
54. The flexible use of capital receipts is forecast as planned and detailed in the 2020/21 Budget Report to fund the Procurement and Commissioning co-managed contract, which is forecast to cost £0.765m for 2020/21.
55. Further details of the Chief Executive department's outturn variations are provided in [Appendix C](#).
56. **People** ([Appendix D](#))
57. The department's forecast outturn is a £2.2m favourable variance against the budget of £124.3m. This is an improved position on the £1.6m favourable position forecast at Quarter 3. The main variations are as follows:
58. **Adult Social Care (ASC)**
59. Adult Social Care services outturn was a £0.6m favourable variance across all services, which has remained consistent with the forecasts at Quarter 3.
60. Since Quarter 3, several items have been identified that need a provision in the accounts and these reflect disputed debt with the NHS and the possible impact of a national legal case on income levels. Therefore, provisions to cover these likely scenarios have been allowed for which brings the final outturn to a neutral position.
61. The continuation of the effects of Covid-19, use of NHSE funding for hospital discharge cases, have made forecasting extremely difficult. NCL Councils have agreed with the NHS that they will continue to fund the additional client costs of hospital placements and avoidance as a result of Covid-19 for this financial year. Additional provider costs due to Covid-19, demographic and inflationary pressures and changing client will continue in 2021/22.
62. As a result of the above and further reductions due to Covid-19 there was a reduction in costs of £3.7m. This has been set aside in a specific ASC smoothing reserve that will provide resilience in the face of the impact of long Covid on the demand for Social care and the transfer of higher cost packages back from the NHS.
63. **Public Health**

64. The Public Health grant is ring fenced grant that can only be used for public health functions. The outturn position was a £0.3m favourable variance. This is due to favourable variances in out borough sexual health testing and treatment and health checks which are usually performed by GPs, not taking place due to the pandemic. These costs and activity are expected to increase in 2021/22.
65. Providers of substance misuse services have also reported a 700% cost increase for buprenorphine, a drug prescribed for Opiate Substitution Therapy (OST). If the service is to maintain a choice in OST (if not, only methadone will be prescribed), this will have a significant impact on costs in 2021/22.
66. The outturn favourable variance has been carried forward into 2021/22 in order to mitigate the risks of increase costs resulting from the two issues raised above and therefore show a neutral position for Public Health services.
67. **Education, Children's and Families**
68. There are only a few General Fund services in Education and the outturn reflected a £0.419m favourable variance. The cost of former employees on enhanced pension was a £0.160m favourable variance at the year end, reflecting small increase on the Quarter 3 forecast.
69. Other notable favourable variances were seen in the Admissions Service resulting from vacancies within the team, additional traded income in the Education Welfare team and in the School and Early Years Improvement Service because of staffing savings due to a small number of vacancies and a maternity leave, less consultancy work used for school improvement due to the pandemic and reduced training delivery costs due to this predominantly moving online. These variances totalled £0.201m.
70. Children's and Families services are forecasting a favourable variance of £2.057m and similarly to Adult Social Care, a review of items that require a provision has been undertaken and £0.191m for legal disbursements has been identified. The final favourable variance to budget will then be £1.866m.
71. A £0.335m favourable variance resulted from delays in recruitment and vacancies in the Looked After Children and Leaving care social work teams as well as the Heart (Virtual School) and the Edge of Care team, reflecting a minor change on the £0.360m forecast at Quarter 3.
72. The former Unaccompanied Asylum Seeking Children costs continued to see a favourable variance due to a successful bid for additional funding from Department of Education, benefit maximisation and clients moving to their own accommodation.
73. Through benefit maximisation for care leavers, the in year saving of £0.200m has been achieved through an additional £0.026m will fall into 2021/22. Other variance to budget resulted from the delayed transition of a case to Adult Social Care causing a £33k adverse variance.

74. A £0.100m favourable variance was forecast due to reduced demand levels in the Prevention of Care (section 17) service, however this has increased to £0.199m by outturn because of a reduction in demand.
75. Whilst Community Safety have also seen an improved outturn of £0.276m compared to the forecasted £0.115m favourable variance. This increase was a result of the Mayor's Office for Policing and Crime (MOPAC) grant maximisation and Covid-19 causing delays in project delivery.
76. The main adverse variances are reported in In House Fostering where court delays in granting Special Guardianship Orders (SGOs) and new placements have further resulted in increased costs of £0.492m. However, this has led to an outturn favourable variance in the SGO budget of £0.498m.
77. The cost of external childcare placements is now reporting a favourable variance of £0.395m compared to a £0.324m overspend forecast at Quarter 3. This movement was due to care packages ending earlier than anticipated and the Clinical Commissioning group agreeing to fund the full year cost of three complex care cases.
78. Increased demand for short breaks and family support plus complex needs cases have resulted in a £0.397m pressure. Support costs for Looked After Children were £0.100m overspend due to a case with very complex needs, though this was less than the £0.144m forecast. The overspend for legal disbursements incurred has increased to £81k. The complex care cases and legal disbursement have been recognised as on ongoing pressures and will be included in the 2021/22 MTFP.
79. **Use of Capital Receipts:**
80. The planned use of capital receipts included £45k to fund a pilot scheme for 1 year to evaluate the use of Virtual Reality to improve Social Worker practice and increase recruitment and retention of Foster Carers. This project was delayed as a result of the pandemic but subsequently was progressed and therefore the drawdown of capital receipts was required as planned.
81. **Housing Related Support**
82. For the first time in several years, the services outturn is a neutral position as has been forecast throughout the year. This is as a result of the significant savings programme that has delivered £8m of savings and the recognition in the MTFP that the pace of delivery of further savings could not match the expected targets, resulting in circa £0.3m being added to the budget in 2020/21.
83. Further details of People outturn variations are provided in [Appendix D](#).
84. **Place** ([Appendix E](#))
85. The Place department is reporting a forecast £3.9m favourable variance once the impact of Covid-19 and offering in year savings of £2.2m have been considered, against a net budget of £33.341m.

86. Favourable outturn variances and improvements are being reported in services across the department. Traffic & Transportation services reported a favourable outturn variance of £0.244m due to additional Traffic Order income and funding for staffing from Transport for London.
87. Parking Enforcement of £2.608m as a result of traffic enforcement and parking control measures.
88. Waste services are forecasting a favourable variance of £0.286m due to an increased take up in the number of garden waste subscriptions and reduction in operational costs. Whilst Commercial waste services are forecasting a favourable variance of £0.109m due to improved Schedule 2 income and operational efficiencies.
89. Parks Operations and Activities & Engagement of £0.105m due to favourable variances in salary costs and other operational expenditure plus forecasted improved income from allotments.
90. The adverse forecast in Passenger Transport Services at Quarter 3 moved to a favourable variance because of schools' closures in the last quarter of the year.
91. Strategic Property Services which is forecasting a £0.361m favourable variance in the services salary budget due to vacancies and the Morson Depot rent review.
92. And whilst the Homelessness Service the Homelessness Service continues to manage challenging demand pressures, the service outturn was an adverse variation to budget of £0.3m. The pandemic has had a serious effect on the Emergency Accommodation (EA) budgets, preventing tenants from moving out into the private sector while also driving an increase in demand for emergency accommodation primarily through the "Everyone In" initiative. The variance between the Q3 monitor and the outturn position is due to expected reductions in EA tenants not being realised. Again, this was mainly down to the pandemic as restrictions on movement were prevalent during the last three months of 2020/21. However, the service experienced a reduction in the number of No Recourse to Public Funds cases leading to a forecast favourable variance of £0.245m.
93. An adverse variance of £0.559m continued to be reported Culture services which reflected the continuation of previous year's budget pressures. The Culture service actively sought additional funding and successful bids to the Department of Culture, Media and Sport helped reduce the Covid-19 related pressure. The underlying budget pressure has been in place for some time, following a challenging saving target of £700k in 2017/18 which was not fully realised. Although costs have reduced during this time the underlying pressure has been addressed through the Medium Term Financial Plan for 2021/22.
94. Spatial Planning is forecasting a £0.248m overspend resulting from a £0.373m overspend in Plan making/Local Plan, partially offset by favourable variance in reported in Planning and Land charges of £0.115m.
95. Following an ongoing review of the revenue charges to capital, the Meridian Water team were forecasting an adverse variance of £0.663m related to the non capital elements of the Meridian Water programme. This

is partly due to a reduction in the non-capital elements of £0.213m and an improved income position.

**96. Use of Capital Receipts:**

97. The planned use of capital receipts included the mobilisation costs associated with the implementation of the waste service changes, these have progressed despite the pandemic and the cost £96k for 2020/21.

98. In order to deliver the new Housing Advisory Service investment totalling £62k has been required for the implementation of the new allocations system, establishment of Enfield Lets and review of accommodation provided at Brickfield House and have funded via the flexible use of capital receipts. These were all investments agreed through Cabinet when agreeing the new Homelessness model

99. Further details are provided in [Appendix E](#).

**100. Resources (Appendix F)**

101. The Resources Department is reporting a net variance of £0.5m after the application of capital receipts against a net budget of £25.209m (the concessionary travel budget of circa £11.6m has been moved to corporate). This overspend is after £0.4m of in year savings have been identified and excluding the impact of Covid-19, which is discussed later in the report.

102. The Finance and Commercial service reported a £0.274m overspend. This resulted from the Procurement team posting a favourable variance resulting from vacant posts held whilst the new structure was implemented. The Commercial team reporting a favourable variance due to vacant posts and the Finance team being overspent resulting from a lower than forecast level of capital recharges and the need to retain temporary staff longer than anticipated.

103. An overspend of £0.595m is reported within Digital Services which is predominantly due to the implementation of new and additional IT requirements required across Council services. Such pressures will need to be considered when the Medium Term Financial Plan is refreshed and updated for 2022/23 onwards.

104. The Knowledge & Insights Team continues to forecast a favourable variance due to vacant posts within the service.

105. The Library service is reporting a favourable variance due to controls on service expenditure and additional income generated by the visa verification service.

106. Both Customer Operations and Exchequer Services continued to report favourable variance at outturn.

**107. Use of Capital Receipts:**

108. Within Digital Services pressure of £0.595m, £0.368m reflects the part year impact from implementing the new IT structure, which reduced the current pressure and is transformational in nature.
109. The net cost of the Transformation Team is by its nature transformation project costs and as planned in the Budget Report 2020/21 were funded by the flexible use of capital receipts.
110. Further details of Resources outturn variations are provided in [Appendix F](#).

**111. Corporate**

112. The Corporate Outturn which includes Corporate expenses, Bad Debt Provisions and planned use of reserves was a £1.7m adverse variance to budget. Within this, there are a number of movements that offset each other reflecting important key points about the Council's underlying financial position:

- There was a £1m bad debt provision release driven by the collection of historic Adult Social Care NHS Debt which has de-risked the sundry debt position.
- There were £2.3m of provisions set up for Legal, Redundancies and other smaller items that reflect the prudent approach to accounting taken by the authority.
- The Council chose not to use £1.6m of reserve to balance the budget as was originally budgeted for in Corporate.
- There was a £2.5m underspend on Treasury interest due to prudent treasury management and a lack of need for borrowing due to slippage in the Capital Programme and Government providing cash and Grants ahead of need. The previous fair value of the revenue element of company loans that had previously been 'impaired' under IFRS 9 was reversed, generating a £1.6m benefit. Inevitably, due to yearly re-assessments, these yearly movements (benefits and costs) are managed via the Risk Reserve.
- The Minimum Revenue Provision (MRP) was £2.5m below budget but this was offset by £3.2m of Refcus (Revenue Expenditure funded by Capital under Statute) that was written out to revenue. This cleansing will reduce risks on the Balance Sheet.
- There were £0.5m of smaller items, such as the centralisation of historic budget for additional pension costs and other similar items. Reducing the convoluted recharging arrangements and clearing out unachievable budget targets improves transparency of the underlying financial position.

113. The £1.7m reflects the net position because the Treasury and the MRP will go to the Capital Financing Reserves, to manage the risk of Council's capital programme financing costs.

**114. Covid-19 Pressures ([Appendix G](#))**



115. **Chief Executive's: net Resources budget is £11.564m; the total estimated additional costs of £0.626m (5.4%)**
116. The Chief Executive's department continued to experience the impact 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 low because of a reduction in demand being experienced across services, though this became less predominant in the final quarter of the year. Additional expenditure pressures were experienced in legal services as the increased volume of child legal cases increased the capacity demands on the service.
117. **People: Adult Social Care (ASC) and Public Health – net budget is £76.386m; the total estimated additional costs of £15.518m (Gross i.e. includes NHS Hospital discharge costs), £8.978m (Net) 11.7%**
118. The impact on Adult Social Care (ASC) was exclusively related to additional cost. The current forecasted pressure directly in the department is £2.7m. The most significant cost pressures are judged to be additional staffing costs of £0.8m for additional staffing across ASC services. Additional payments to care providers for increase costs due to additional staffing and increase costs due to rapid admission to residential and community, who otherwise might have been diverted into the community is £0.176m. Additional PPE and equipment cost not funded by specified grants is £0.9m. The additional costs are as a result of delays in routine operations such as, hip and knee has yet to materialise but is expected to have a long term impact of social care demand.
119. The NHS Hospital discharge programme has cost a further £6.6m though this is recovered from the additional Government funding that has been allocated to the NHS.
120. There were two tranches of the Infection Control grant totalling £5m which has been passported on to care providers in line with the grant conditions.
121. The outturn also includes the two grants announced by the Government in the last quarter of the year, those being for Rapid Testing and increasing staffing capacity in social care providers and totalled £1.2m.
122. **People: Education – net budget is £5.152m; the total estimated additional costs are £0.181m (3.5%)**
123. The loss of income pressure identified within the sports and swimming services as a result of the National Lockdowns on the purchase of sessions by schools reduced over the Autumn and Spring terms resulting in a forecast £0.181m loss of income.
124. **People: Children's & Families – net budget is £42.717m; the total estimated additional costs of £2.571m (6.0%)**
125. The additional cost outturn reduced further to £2.571m at outturn. The most significant costs remained at £0.3m being due to delays in court days impacting on the length of secure remand placements. 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, cost an additional £0.2m and the increase in the numbers of children looked after where parents fall very ill cost £1.3m.

126. **Place – net budget is £33.340m; the total estimated additional costs of £19.813m gross (59%) and £18.494m net (55%) once specific funding for rough sleepers is included**
127. The total lost income in Strategic Property Services was £0.9m. A 3 month rent holiday was 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 at the beginning of the pandemic. Along with the loss of income in commercial rents, there were further losses in filming income, staff car parking and youth services. Additional expenditure has been incurred in supporting local businesses and additional measures put in place in Council buildings such as additional cleaning, safety measures and materials.
128. There have been several trading services across Place that have been impacted by a loss of demand for services and therefore experience a loss in income e.g. planning, scaffolding and Culture Services.
129. The outturn net loss of income for Culture Services is £0.3m which remained in line with the Quarter 3 forecast and was an improved position on quarter 2 because the service successfully bid for additional funding from the Department for Culture, Media and Sport which help contribute towards the impact on the services income.
130. The most substantial loss of income continued to be experienced in the decline in Parking income, though there was an improvement on the Quarter 3 forecast. The Tier restrictions and National Lockdowns have meant less travel undertaken and less use of car parks..
131. Operational services such as Waste, fleet, Street Cleaning and Parks have all had to incur additional expenditure during the pandemic, these were originally forecast to decline in the 1<sup>st</sup> quarter but with additional lockdowns his increased to £3.4m at outturn. Alongside this a forecast increase in the amount of waste tonnages produced in the borough has increased the financial pressure by £0.8m though this is reported in the corporate section because the impact will be seen in the levy charges from the North London Waste Authority.
132. The cost of running the Community Testing programme of £2.125m is expected to be covered in full by the government and the final accounts reflect this position.
133. Additional expenditure was also incurred in the Passenger Transport Service in order to ensure social distancing and support bubbles.
134. And in line with government requirements additional measures such as Covid-19 marshals', enforcement and contact tracing were implemented.
135. The service implemented a 9 point plan to decrease the amount of Temporary Accommodation which is a key part of the new model including its funding. This is described below:

- i. Reduced ability to move residents on into the private rented sector due to National Lockdowns. 190 tenants were moved out of TA and into the private sector during the year, resulting in savings to the Council of C.£237,500. This is slightly below the pre-pandemic levels expected.
- ii. Restraint on actions to cease the Council's duty. There is a backlog of circa 260 cases where decisions are awaited. However, it was inappropriate to issue these decisions during 2020/21 due to the pandemic. These decisions will be actioned at the earliest possible point in 2021/22.
- 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 Private Rented Sector (PRS) accommodation to avoid the need for Temporary Accommodation. Enfield Let is underway and has housed some former EA tenants, however progress has been slower than anticipated due to Covid-19 lockdowns causing delays in property inspections and freedom of movement. This meant only 85 properties were procured or transferred to Enfield Let rather than the 200 initially anticipated. Capital Letters have housed 147 homeless families to date which is well below the initial target of 400. HGL increased their level of stock by 25 units, however due to difficulties operating in the midst of the pandemic this was only a quarter of the anticipated level of stock increase. Overall these initiatives resulted in a reduction of costs to the TA portfolio of circa £0.642m against an expectation of circa £1.75m.
- iv. The increase in the LHA rate has made more PRS properties affordable to residents but has also led to a rise in rent levels. The overall impact of this is positive for many residents but also means that there are fewer properties that can be afforded by those who are benefit capped. The Everyone In programme saw large numbers of single homeless people provided with emergency accommodation across London. Boroughs are now trying to source move on accommodation and this has meant unprecedented demand for one bed and studio flats. This impacts on the services ability to secure move on accommodation. Coupled with this, many of the single people accommodated have support needs that need to be addressed as part of any move on plan. Funding has been awarded to help mitigate this cost to the authority and this should increase the amount of accommodation available in 2021/22 but did not provide help in 2020/21 due to the length of time needed to source and purchase suitable accommodation on the open market.
- v. Until recently the TA portfolio and procurement activity has been geared around family sized accommodation. The service is now in the process of reviewing the portfolio and procurement priorities to address changing needs.
- vi. Additional investment into the Homelessness Service has been made through increased MHCLG grant. 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.

136. The Council incurred additional costs for rough sleepers as a result of the initial “everyone in” agenda and the move on accommodation required as a result, the service successfully bid for additional funding from the MHCLG and GLA to cover:
- i. Additional agency staff to cover for workers that may become ill or are self-isolating,
  - ii. Self contained accommodation for rough sleepers
  - iii. Though the use of Edmonton Travel Lodge for emergency accommodation has now ceased, this cost £0.455m
  - iv. Additional costs of deep cleaning, food for self isolating rough sleepers cost were £0.600m.
  - v. In reach support officers £0.072m.
  - vi. Deposits and rent in advance for rough sleepers
137. Total unbudgeted exposure for 2020/21 was £3.7m in addition to the agreed net budget. This was in line with projections throughout the year of between £3m- £5m and will be funded from non specific Covid-19 grants.
138. **Resources: net Resources budget is £25.210m; the total estimated additional costs of £12.378m (49%) excluding Covid-19 hardship funding of £5.896m.**
139. The most significant impacts identified in Resources services relate to additional costs. These are an increase in the number of Discretionary Housing Payments which is estimated at £0.2m, reverting IT work packages to deal with the systems, operations, network/infrastructure programme etc. at a cost of £0.900m. Other areas of additional expenditure incurred related to managing the demand for Customer operations and income collection, whilst the later has also had to administer the support grants to local businesses.
140. There was a loss of income across services in the department of £3.123m, with the most significant being the, the schools catering service, music services and recovery of court costs. Covid-19 has impacted on the delivery of some of the library income generating projects that were agreed for the 2020/21 budget.
141. The Bad Debt provisions for Housing Benefit overpayments and Court costs are now reflected in the Resources costs. The pressure at outturn from these Bad Debt provisions is £6.3m.
142. The outturn includes expenditure of £1.4m that is funded via the Winter Grant scheme and the self isolation payments of £0.5m which were also funded from a specific government grant.

143. **Corporate**

144. A Community Resilience Hub was established to support vulnerable residents and in particular, clinically extremely vulnerable resident with provision of food and access to supermarket delivery slots, pharmacy collections and isolation phone calls. This service is operating through the contact centre and is also supported by the voluntary sector. The final cost of these operations is £1.8m for the year.
145. Personal Protective Equipment has been purchased for use across all Council services excluding Adult Social Care where this is recorded separately for the purposes of the MHCLG return.
146. The Mortality Planning Group was mobilised under the London Resilience Strategic Coordination Group and it expanded mortuary capacity across London. The initial estimate of this was around £10m-£12m for the whole of London where the cost of coroner and mortuary provision are allocated based on population size. The actual cost was £0.9m with a further £0.6m to manage and prepare for future provision of mortuary capacity.
147. The impact of Covid-19 on the Council Tax and Business Rates Bad Debt Provisions is included in the Collection Fund impact below.

**148. Collection Fund**

149. The final outturn position for the Collection fund is summarised in Table 4 below. The impact on the Collection Fund was £4.701m (including the Bad Debt Provisions) compared to the forecast as at quarter 3 of £12.749m.
150. In the last few months of the year the recovery rates were stronger than expected and income collection was better than anticipated. This was particularly noticeable in the Council Tax collection where the continuation of the furloughing scheme and the hardship fund. This improved collection rate also meant that the expected need to increase the Bad Debt Provision was also no longer as high as expected.

151. Table 4: Collection Fund outturn

	<b>Council Tax £m</b>	<b>NNDR £m</b>	<b>Total £m</b>
Loss Before Covid-19 Reliefs	<b>1,743</b>	<b>15,987</b>	<b>17,730</b>
Covid-19 Reliefs (to go to Earmarked Reserves and released over 3 years to match off against deficits)	0	(13,029)	(13,029)
Loss After Covid-19 Reliefs	<b>1,743</b>	<b>2,958</b>	<b>4,701</b>
S. 31 Grant to cover 75% of losses on Collection	(1,307)	(2,218)	(3,525)
Impact on General Fund	<b>436</b>	<b>739</b>	<b>1,175</b>

152. Due to accounting regulations, the Council must recognise its share of the Covid-19 relief grant and hold it in earmarked reserves, drawing the monies down over 3 years to offset the £17.7m deficit. Likewise, it must recognise

the £3.5m S.31 Grant that covers 75% of remaining Collection losses. All of this leads to a £16.5m growth in Reserves offset by the £17.7m debit residing in the Collection Fund Adjustment Account.

153. The Government will allow the deficit to be carried forward and managed over the next three years. This means that the impact of £4.701m along with the £3.525m S.31 grant will be carried forward to 2021/22. The net impact on revenue is £1.176m, with this being £0.392m per year over 3 years.

**154. Council's response to Covid-19 pressures**

155. In response to the financial pressure, departments have sought in year savings totalling £6.269m and the detail of which is laid out in the "in Year Savings" report KD 5204, which was published on the 10<sup>th</sup> August 2020. This position remains unchanged since quarter 2 and totals £6.269m for the Council's response.

156. Further details of Covid-19 variances are provided in [Appendix G](#).

**157. Flexible Use of Capital Receipts ([Appendix H](#))**

158. With effect from 2016/17 the Government provided a general capitalisation directive to all councils, giving them the option to utilise capital receipts for revenue purposes. These receipts can be used to finance projects that are designed to generate ongoing revenue savings in the delivery of public services, and/or transform service delivery to reduce costs or demand for services in future years for any of the public sector delivery partners. In the Provisional Local Government Financial Settlement of December 2017, the Government extended this flexibility for a further three financial years, from 2019/20 to 2021/22.

159. The Council is mindful of over reliance on, and the sustainability of, this one-off funding. In the medium to long term, alternative funding will need to be identified to fund any further projects, as capital receipts may not be available, and this flexibility will no longer be available after 2021/22. As set out in earmarked reserves below, it should be noted that the "Invest to Save" transformation reserve remains for future projects.

160. The impact of using capital receipts to fund revenue transformation projects is that these receipts are not available to fund the council's capital programme and, therefore, increase the council's borrowing requirements.

161. The Budget Report 2020/21 set out the plan for use of capital receipts this financial year. The forecast remains broadly in line with the agreed plan, however there are new requirements identified in Digital Services, Financial & Commercial and the Homelessness Service. Digital services have identified the need for additional resources to develop business cases for new projects as part of the portfolio pipeline. The Procurement team within Finance & Commercial are implementing the Social Value Portal. Whilst, in Homelessness, three transformational activities have been identified which includes the implementation of the new allocations system, establishment of Enfield Lets and review of accommodation needs. The total call on capital receipts as at outturn was £1.587m as described in [Appendix H](#).

162. **Achievement of Savings** ([Appendix I](#) and [Appendix J](#))

163. A risk-based approach to the monitoring of savings is undertaken as part of the monthly budget monitoring, where a score is given in relation to the value of saving or income and the likelihood of delivery, these are then multiplied together, and the total score provides the following risk ratings:

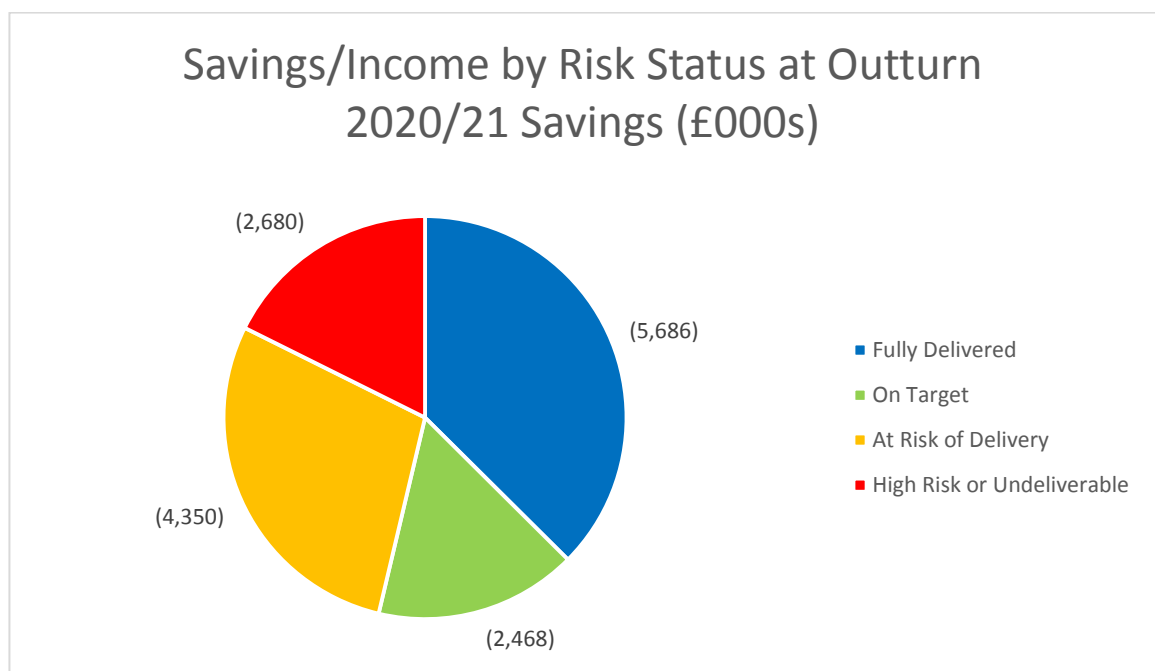
- Blue - Saving/ income has been fully delivered
- Green - Saving/ income is on target for delivery
- Amber - Saving/ income is at risk of delivery
- Red - Saving/ income is high risk or undeliverable

164. The savings include those that are new for 2020/21 plus the full year effect of previous decisions.

165. Of the £15.1m departmental savings, £8.2m have been fully delivered at this stage. This consists of £5.7m which have been fully achieved and a further £2.5m which are on track for delivery.

166. However, £4.4m and £2.5m are amber or red risk status. These risk ratings are reflected in the outturns for each department and predominantly relate to pressures and delays caused by the pandemic. The first quarter of 2021/22 will review the impact of any undelivered savings on 2021/22 and mitigating actions.

167. Chart 2: Savings/Income Risk Outturn Status 2020/21



168. Further details for each department are summarised in the charts and tables in [Appendix I](#) and [Appendix J](#).

169. **Dedicated Schools Grant (DSG) (Appendix K)**

170. For 2020/21 Enfield received an initial total Dedicated Schools Grant allocation of £351.26m and the funding is allocated across four blocks as shown below. Adjustments were made during the financial year to reflect changes in early years pupil numbers and high needs import/export adjustments resulting in a final DSG allocation for 2021/22 of £351.6m. Following recoupment for academies, the net DSG cash received was £213.047m.

<b>Block</b>	<b>Original DSG 2020/21 £s</b>	<b>In Year Adjustment £s</b>	<b>Final DSG 2020/21 £s</b>	<b>Academy Recoup 2020/21 £s</b>	<b>NET DSG Cash 2020/21 £s</b>
<b>Schools</b>	267,872	0	267,872	(136,558)	131,314
<b>Central Services</b>	2,678	0	2,678	0	2,678
<b>Early Years</b>	25,803	449	26,252	0	26,252
<b>High Needs</b>	54,905	(108)	54,797	(1,995)	52,802
<b>Total</b>	<b>351,258</b>	<b>341</b>	<b>351,599</b>	<b>(138,552)</b>	<b>213,047</b>

171. In 2019/20 there was a bought forward DSG surplus of £0.38m but due to ongoing High Needs pressures there was an in year overspend of £4.862m resulting in a cumulative outturn deficit of £4.482m which was bought forward to 2020/21. There continues to be cost pressures in supporting and providing suitable placements for SEN pupils but wherever possible pupils are placed in borough. There is a SEN expansion programme in place which continues to increase in borough provision through expansion of current provision and the development of additional units and satellite provisions. Over time this will enable more pupils to be placed in borough and reduce the number of pupils placed out of borough in costly independent provision.

172. The outturn position is a net deficit of £3.567m, (£3.410m as at Quarter 3). This is due to an overspend of £5.4m on the High Needs Block offset by underspends on the other blocks as shown in the table below.

<b>Block</b>	<b>Deficit b/f</b>	<b>In Year Variance</b>	<b>Position 31/3/21</b>	<b>Adj due in 21/22</b>	<b>Adj Outturn Position</b>
<b>Schools</b>	0	(52)	(52)	-450	(502)
<b>Central Services</b>	0	(24)	(24)	0	(24)
<b>Early Years</b>	0	(1,754)	(1,754)	1,400	(353)
<b>High Needs</b>	4,482	5,397	9,878	0	9,878
<b>Total</b>	<b>4,482</b>	<b>3,567</b>	<b>8,049</b>	<b>950</b>	<b>8,999</b>

173. The main pressures in the High Needs Block relate to the development of additional in borough special provision, an increase in costs for post 16 SEN pupils and the increase of the number of pupils with Education, Health and Care plans (EHCPs) in mainstream schools.



174. Therefore, the cumulative net deficit at year end is £8.049m (£7.892m as at Quarter 3) and this will be the first call on the 2021/22 grant allocation and therefore reduce the funding available for next year's allocation. However, there are expected adjustments in 2021/22 in relation to 2020/21 and this will increase the deficit to £8.999m. The Schools Block Adjustment relates to a repayment from a primary school of funds received in advance as they have now moved onto the rolling credit agreement. The Early Years Block Adjustment relates to a recovery of funding due to an in year reduction in pupil numbers but, as this is largely as a result of the pandemic, the DfE have not confirmed the amount to be clawed back at this stage and it may be lower than the amount stated.
175. The authority's ongoing and increasing DSG deficit position is a general London and national issue resulting from additional demand for high needs provision which is increasing at a higher rate than the additional funding being provided by Government. The Department for Education are carrying out a review of SEND services and it is hoped that the outcome of this will address the shortfall in high needs funding.

**176. Earmarked Reserves (Appendix L)**

177. The level of Reserves as at Outturn is summarised in the table below:

	<b>Outturn</b>	<b>Q3</b>
General Fund Useable Reserves	(70.219)	(48.889)
Capital Financing Reserves	(22.527)	(20.677)
S31 Relief Grant	(16.554)	0.000
Grant reserves	(15.130)	(7.275)
Insurance Reserve	(7.021)	(7.021)
General Fund Balance	(13.950)	(13.950)
HRA Reserves	(6.497)	(21.820)
HRA Balance	(4.623)	(4.415)
Schools' Balances	0.241	3.193
Dedicated Schools Grant	8.069	7.892

178. It is important to recognise that the reserves overall are limited, especially against a backdrop of challenging savings targets for 2021/22 and 2022/23. The importance of maintaining a tight control on spend, delivering on existing savings plans and recovering lost income positions due to Covid-19 cannot be understated.
179. The Risk reserve has significantly reduced over the past couple of years and had been forecast to be in deficit by end 2020/21 based on the Quarter 2 overall financial position. A review of Service Specific and earmarked reserves was completed during the year and £10.4m was transferred to replenish the risk reserve and though the outturn has improved, this

remains an important and prudent action given the ongoing financial uncertainty created as the pandemic continues. The balance is now £20.5m and has been further bolstered by no longer applying the planned £1.6m use of reserves set out in the 2020/21 budget. A specific Covid-19 Risk Reserve for 2021/22 and beyond of £10.0m has been set up, which includes transferring the Council's in year savings and contingency into this reserve to smooth the impact of anticipated legacy costs of the pandemic.

180. The General Fund Balances are forecast to be held at £13.950m (on a net budget of £244m, i.e. 5.7%; and borrowing of £1bn). The minimum level of unallocated reserve balances is a decision reserved for the Section 151 Officer, in order to ensure operational efficacy and sustainability of the Council's financial position. The appropriate level of General Fund balances will need to be reviewed over the course of 2021/22 considering the risks and uncertainty brought about by the ongoing impact of Covid-19.
181. The Risk/Smoothing Reserves relating to Council Tax (£133m) /Business Rates (£90m) and Housing Benefits (£290m claim per year) have been increased and are currently £25.2m. This now includes the newly created Adult Social Care smoothing reserve.
182. The £21m of Capital and Minimum Revenue Provision reserves are committed for the next five years to smooth any increased budget requirement.

**183. Medium Term Financial Impact**

184. The Council remains in a financially challenging position for 2021/22. Due to the work ensuring financial resilience and sustainability the underlying budget is in good health. However, there is significant risk and uncertainty due to the ongoing pandemic, a number of key financial risks facing the Council are set out below:

- The ongoing anticipated impact of Covid-19 on council tax and business rate debt; the 2021/22 includes £3.188m was needed to be applied from reserves to address the Collection Fund deficit and £1.926m from the risk reserve to balance the overall budget for 2021/22.
- The unknown impact of Covid-19 on adult social care costs, in particular, delayed operations and long Covid-19 and undetermined suppressed need such as mental health.
- One of the most significant areas of risk is the ongoing impact on Temporary Accommodation costs arising from the economic impact of Covid-19 and suppressed need.
- The risk of increasing number of children in need as families bear the sustained economic impact of Covid-19 and increased need for respite packages for families with children with disabilities.
- Ongoing impact of Covid-19 on Council fees and charges income.
- Changes in working patterns and lifestyle impacting on car park income, waste services.
- Unknown impact on businesses and residents when furlough scheme ends in September 2021.

185. These anticipated Covid-19 financial pressures are likely to impact over the medium term, however, there is no precedent to base the forecast impact and therefore, the picture remains uncertain. In addition, the ongoing uncertainty over the medium-term funding of local government and no guarantees regarding future funding for the legacy costs of Covid-19 exacerbates this position. In this context, the action taken in 2020/21 and resulting strengthened reserves will ensure Enfield is better placed to face these challenges.

186. Full details of the of the 2021/22 budget and MTFP 2021/22 to 2025/26 can be found in the Budget Report 2021/22 and Medium-Term Financial Plan 2021/22 to 2025/26 report (KD5213) which went to Cabinet on the 3rd February 2021.

**187. Safeguarding Implications**

188. There are no specific safeguarding implications arising out of these recommendations, other than to note the financial impact of safeguarding children and adults in the borough.

**189. Public Health Implications**

190. The Council moved swiftly to safeguard the health of its residents and staff during a period of threat unprecedented in living memory. As previously reported the financial implications of this have been harsh and have reached into every department in the Council. As the council is fundamental to the health of Enfield residents it needs to achieve financial balance.

191. 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.

**192. Equalities Impact of the Proposal**

193. 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.

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

**195. Environmental and Climate Change Considerations**

196. None in the context of this report.

197. **Risks that may arise if the proposed decision and related work is not taken**

198. None in the context of this report.

199. **Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks**

200. The budget risks during 2020/21 will be managed through detailed revenue monitoring reports provided regularly to Cabinet. Departments will take action to minimise budget pressures and align departmental spend to budgets. Action plans have been drawn up to manage controllable pressures in 2020/21.

201. **Financial Implications**

202. Financial implications are implicit in the body of the report. The variances and risks identified through the closure of accounts will be considered in the financial monitoring process for 2021/22.

203. **Legal Implications**

204. The Council has duties within an existing legal framework to arrange for the proper administration of its financial affairs. The recommendations in this report will support the Council in meeting its statutory obligations.

205. **Workforce Implications**

206. None in the context of this report.

207. **Property Implications**

208. None in the context of this report.

209. **Other Implications**

210. None in the context of this report.

211. **Options Considered**

212. Not relevant in the context of this report.

213. **Conclusions**

214. The Council continues to face its most significant financial challenge, however the early and decisive response to the crisis as laid out in the report and the work undertaken in previous years to create a robust and sustainable budget has enabled the Council to report a balanced position at

2020/21 outturn with strengthened reserves. Whilst the position since Quarter 3 has improved due to further Government funding and reduction in variances across Departments through robust financial management, there is of course the continued uncertainty around the long term impact of the pandemic and the adverse impact on the additional costs and income losses. The end of the Furloughing Scheme will undoubtedly see a further rise in unemployment in the Borough with further cost pressure on Council Tax Support and Council services. This is of major concern with the number of working age adults in the Borough claiming unemployment benefits having already increased 180% between January 2020 and March 2021 (from 7,285 to 20,415). When all of this is taken into consideration this will need continual careful and prudent financial management to ensure the long term sustainability of the Council's finances.

215. However, what has become clear throughout this financial year is the impact of the progress the Council was making pre pandemic has significantly strengthened the Council's financial position to face the uncertain future.
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Report Author:

Matt Bowmer

Director of Finance

Matt.bowmer@enfield.gov.uk

Date of report: 26th June 2021

## **Appendices**

[Appendix A: Financial Resilience Key Performance Indicators](#)

[Appendix B: Forecasted Financial Position as at Quarter 3](#)

[Appendix C: Chief Executive's Variances](#)

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[Appendix M: Reserves 31st March 2015 to 31st March 2026 \(forecast\)](#)

[Appendix N: Covid-19 Grant Funding](#)

## **Background Papers**

The following documents have been relied on in the preparation of this report:






- Revenue Outturn 2019/20 - KD5151
- Initial Assessment Report of the Financial Impact of Covid-19
- In year savings 2020/21 - KD 5204
- Revenue Monitoring 2020/21: Quarter 1 (June 2020) - KD5198
- Revenue Monitoring 2020/21: Quarter 2 (September 2020) - KD5200
- Revenue Monitoring 2020/21: Quarter 3 (December 2020) – KD5203
- Medium Term Financial Plan 2021-22 to 2025-26 Update and Early Savings report - KD5215

### Financial Resilience Key Performance Indicators

A summary overview of financial performance is outlined below in Table 4. This dashboard summary captures the key messages across the Council's main financial areas:

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

**Table 3: Summary performance overview**

Financial Indicator	Status	Key Highlights
<b>Income &amp; Expenditure Position – General Fund year end forecast variances</b>		Year-end balanced budget with £11.9m added to reserves. Within this is a Net favourable variance of £4.4m on the underlying service budget and includes one off in year savings to mitigate Covid-19 pressure. Therefore, this remains a challenging financial position due to Covid-19.
<b>Progress to Achieving Savings MTFP (current year)</b>		Savings monitoring has identified a total of £2.5m considered a high risk rated/ undeliverable and a further £4.4m that are at risk of delivery. These are reflected in the reported overspend as at Outturn for 2020/21.
<b>Income &amp; Expenditure Position – DSG</b>		The DSG forecast is a £3.567m overspend at year-end outturn against budget. Therefore, the cumulative deficit is forecast to be £8.049m and will be the first call on the 2021/22 grant allocation.
<b>Cash Investments; Borrowing &amp; Cash Flow</b>		The current profile of cash investments continues to be in accordance with the Council's approved strategy for prioritising security of funds over rate of return.
<b>Balance Sheet - General Fund balances year end projections</b>		The outturn reflects a strengthened financial position with the General Fund balance contributing to the Councils reserves that will provide greater resilience for 2021/22.

**Appendix B****Financial Position as at Outturn**

	<b>£m</b>	<b>£m</b>
<b>Covid-19 Pressure</b>	65.234	
<b>Funding</b>	(60.533)	
<b>Collection Fund Deficit c/f to 2021/22</b>	(4.701)	
<b>Gap After Funding</b>		<b>0.000</b>
Net Outturn underlying budget	(2.720)	
Contingency	(3.000)	
In year Savings	(6.269)	
<b>Transfer to Risk Reserve</b>	1.989	
<b>Transfer to Covid-19 Reserve 2021/22+</b>	10.000	
<b>Final Outturn Position</b>		<b>0.000</b>



**Appendix C**

<b>Chief Executive</b>	<b>Current Budget</b>	<b>Gross Variance</b>	<b>Flexible Use of</b>	<b>Net</b>	<b>Net</b>	<b>Net</b>	<b>Net</b>
	<b>(£m)</b>	<b>Outturn</b>	<b>Capital</b>	<b>Variance</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>
		<b>(£m)</b>	<b>Receipts</b>	<b>Outturn</b>	<b>Variance</b>	<b>Variance</b>	<b>Variance</b>
			<b>(£m)</b>	<b>(£m)</b>	<b>Q3</b>	<b>Q2</b>	<b>Q1</b>
					<b>(£m)</b>	<b>(£m)</b>	<b>(£m)</b>
<b>Insurance Fund Provision</b>	0.474	1.154	0.000	1.154	0.000	0.000	0.000
<b>Strategy, Partnership, Engagement and Consultation</b> Favourable variance through further controls on operational expenditure.	1.651	(0.100)	0.000	(0.100)	(0.093)	(0.005)	0.000
<b>Communications</b> Reduced expenditure resulting from delays in planned campaigns.	0.367	(0.092)	0.000	(0.092)	(0.078)	(0.011)	0.000
<b>Human Resources</b> The previously reported adverse variance which was due to increased staffing expenditure to support the agency staff reduction strategy has been mitigated by additional recharge income and surpluses generated by the Schools traded service.	1.344	(0.012)	0.000	(0.012)	0.057	0.126	0.091
<b>Organisational Development</b> There was a shortfall in income as the service is unable to deliver face to face training but this is offset by favourable variances in the services salary budget and further reduction in expenditure due to the inability to deliver to the originally planned training schedule.	0.636	(0.142)	0.000	(0.142)	(0.117)	(0.068)	(0.067)

<b>Democratic Services</b> Savings achieved from vacant posts held	1.989	(0.097)	0.000	(0.097)	0.000	0.000	0.000
<b>Electoral Services</b> Extended period of electoral consultant cover and additional postage costs.	0.609	0.137	0.000	0.137	0.104	0.062	0.065
<b>Legal Service</b> The forecast overspend is due to an increase in the number of Children's Social care cases and associated legal costs.	2.356	0.518	0.000	0.518	0.300	0.200	0.200
<b>Internal Audit</b>	0.986	(0.064)	0.000	(0.064)	0.000	0.000	0.000
<b>Shareholder Strategy</b> Procurement and Commissioning co-managed contract costs funded by capital flexibilities as planned.	0.000	0.765	(0.765)	0.000	0.000	0.000	0.000
<b>Other variances</b>	1.152	(0.003)	0.000	(0.003)	0.007	(0.033)	(0.037)
<b>Chief Executive Total</b>	<b>11.564</b>	<b>2.066</b>	<b>(0.765)</b>	<b>1.301</b>	<b>0.180</b>	<b>0.271</b>	<b>0.252</b>

[Return to Chief Executive Narrative](#)

**Appendix D**

<b>People</b>	<b>Current Budget</b>	<b>Gross Variance Outturn</b>	<b>Flexible Use of Capital Receipts</b>	<b>Net Variance Outturn (£m)</b>	<b>Net Forecast Variance Q3 (£m)</b>	<b>Net Forecast Variance Q2 (£m)</b>	<b>Net Forecast Variance Q1 (£m)</b>
	<b>(£m)</b>	<b>(£m)</b>	<b>(£m)</b>				
<b>Adult Social Care</b>							
<b>Strategy &amp; Resources</b> These services include, grants to voluntary organisations, service development Safeguarding Adults and Safeguarding Adults, deprivation of liberty safeguards (dols) as well as brokerage, contract monitoring and Safe & Connected. The underspend is mainly in DOLs due to some assessments being carried out remotely due to Covid-19.	5.172	(0.067)	0.000	(0.067)	(0.031)	0.000	0.000
<b>Mental Health</b> The service is currently projecting a minor variance.	6.080	(0.002)	0.000	(0.002)	0.000	0.000	0.000
<b>Learning Disabilities</b> The service overspend position as a result of managing demand led services. Savings continued to be made in year however, demand for services continues to rise as a result of demographics, particularly complex and very expensive transition cases.	23.897	0.363	0.000	0.363	0.361	0.461	0.465
<b>Older People and Physical Disabilities (the Customer Pathway)</b> The service underspend was mainly in residential and nursing	32.589	(0.767)	0.000	(0.767)	(0.763)	0.000	0.000



<b>People</b>	<b>Current Budget</b>	<b>Gross Variance Outturn</b>	<b>Flexible Use of Capital Receipts</b>	<b>Net Variance Outturn (£m)</b>	<b>Net Forecast Variance Q3 (£m)</b>	<b>Net Forecast Variance Q2 (£m)</b>	<b>Net Forecast Variance Q1 (£m)</b>
	<b>(£m)</b>	<b>(£m)</b>	<b>(£m)</b>				
<b>Public Health Sub Total</b>	<b>(4.706)</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	0.000
<b>Housing Related Support</b> The service is reporting a zero variance, after circa £8m of savings have been achieved in this area.	2.709	0.000	0.000	0.000	0.000	0.000	0.000
<b>Housing Related Support Sub Total</b>	2.709	0.000	0.000	0.000	0.000	0.000	0.000
<b>Adult Social Care &amp; Public Health</b>	<b>76.819</b>	<b>0.034</b>	<b>0.000</b>	<b>0.034</b>	<b>(0.598)</b>	<b>0.490</b>	<b>0.493</b>
<b>Education</b>							
<b>Enhanced Pension costs</b> These are the cost of former employees on enhanced pension and forecasted variance is £0.145m.	1.942	(0.160)	0.000	(0.160)	(0.145)	(0.127)	(0.121)
<b>Schools &amp; Early Years Improvement Service</b> <b>Favourable variance due to:</b> <ul style="list-style-type: none"> <li>Staffing savings due to a small number of vacancies and a maternity leave</li> <li>Less consultancy work used for school improvement due to the pandemic</li> <li>Reduced training delivery costs due to this predominantly</li> </ul>	0.478	(0.099)	0.000	(0.099)	0.000	0.000	0.000

<b>People</b>	<b>Current Budget</b>	<b>Gross Variance Outturn</b>	<b>Flexible Use of Capital Receipts</b>	<b>Net Variance Outturn (£m)</b>	<b>Net Forecast Variance Q3 (£m)</b>	<b>Net Forecast Variance Q2 (£m)</b>	<b>Net Forecast Variance Q1 (£m)</b>
	(£m)	(£m)	(£m)				
moving online							
<b>Admissions &amp; Education Welfare Team</b>	0.025	(0.102)	0.000	(0.102)	0.000	0.000	0.000
Due to vacancies within services and additional traded income							
<b>Other variances</b>	2.677	(0.059)	0.000	(0.058)	0.000	0.000	0.000
<b>Education Sub Total</b>	<b>5.152</b>	<b>(0.420)</b>	<b>0.000</b>	<b>(0.420)</b>	<b>(0.145)</b>	<b>(0.127)</b>	<b>(0.121)</b>
<b>Children and Families</b>							
<b>Children In Need</b>	8.260	(0.297)	0.000	(0.297)	(0.207)	(0.089)	0.014
Predominantly £0.112m favourable variance forecast in Edge of Care team due to delays in recruitment and £0.199m reduced demand in Prevention of care (section 17) service plus other minor adverse variances within the service.							
<b>Looked After Children</b>	24.294	(1.723)	0.000	(1.723)	(0.809)	(0.322)	(0.161)
The cost of External Childcare Placements reported a favourable variance of £0.395m due to some care packages ending earlier and several complex needs cases being funded jointly with the Clinical Commissioning Group. Unaccompanied Asylum-Seeking Children (UASC) and Former UASC saw a favourable variance of							

<b>People</b>	<b>Current Budget</b>	<b>Gross Variance Outturn</b>	<b>Flexible Use of Capital Receipts</b>	<b>Net Variance Outturn (£m)</b>	<b>Net Forecast Variance Q3 (£m)</b>	<b>Net Forecast Variance Q2 (£m)</b>	<b>Net Forecast Variance Q1 (£m)</b>
	<b>(£m)</b>	<b>(£m)</b>	<b>(£m)</b>				
<p>£0.221m and £0.795m respectively due to an increase in grant funding, benefit maximisation, and clients moving to their own accommodation or more economic placements. Favourable variances of £0.498m in Special Guardianship Orders resulting from court delays off-set an additional cost of £0.492m in the In-house Fostering service caused by these delays. Other favourable variances occurred in the LAC Social Work team, Leaving Care team, Heart (Virtual school), and Adoption services, mainly due to held vacancies and delays in recruitment. Furthermore, there was a £0.121m underspend in the Leaving Care service due to benefit maximisation for care leavers. Support Costs for Looked After Children saw an overspend of £0.100m due to support cost of a child with very complex needs. Overall, this has contributed to a £1.723m underspend for the service.</p>							
<p><b>Young People &amp; Community Safety</b></p> <p>Community Safety saw a favourable variance of £0.276m resulting from the Young Londoners Fund covering cost of projects and Covid-19 causing delays in project delivery. Youth Offending service was underspent by £0.058m due to the impact of Covid-19 on service delivery and partnership planned activities.</p>	3.857	(0.335)	0.000	(0.335)	(0.115)	(0.063)	(0.046)

<b>People</b>	<b>Current Budget</b>	<b>Gross Variance Outturn</b>	<b>Flexible Use of Capital Receipts</b>	<b>Net Variance Outturn (£m)</b>	<b>Net Forecast Variance Q3 (£m)</b>	<b>Net Forecast Variance Q2 (£m)</b>	<b>Net Forecast Variance Q1 (£m)</b>
	<b>(£m)</b>	<b>(£m)</b>	<b>(£m)</b>				
<b>Joint Service for Disabled Children</b> The overspend is due to an increased demand in short breaks, commissioning and Direct Payments and the addition of several very complex needs cases taken on since quarter 2.	2.704	0.432	0.000	0.432	0.296	0.067	0.036
<b>Other Variances</b> Though the cost of legal disbursements and translation costs incurred is a £0.281m overspend, this is mitigated by favourable variances of £0.235m in the Centre of Excellence and vacancies in the Safeguarding and Quality Assurance and Operational Support teams. As per the Budget Report a pilot scheme for 1 year to evaluate the use of Virtual Reality to improve Social Worker practice and increase recruitment and retention of Foster Carers will be funded through the flexible use of capital receipts.	3.482	0.092	(0.045)	0.047	(0.088)	0.044	0.125
<b>Children's and Families Services Sub Total</b>	<b>42.717</b>	<b>(1.831)</b>	<b>(0.045)</b>	<b>(1.876)</b>	<b>(0.923)</b>	<b>(0.363)</b>	<b>(0.032)</b>
<b>People Department Total</b>	<b>124.257</b>	<b>(2.206)</b>	<b>(0.045)</b>	<b>(2.251)</b>	<b>(1.666)</b>	<b>0.000</b>	<b>0.345</b>

[Return to People Narrative](#)



**Appendix E**

<b>Place</b>	<b>Current Budget</b>	<b>Gross Variance</b>	<b>Flexible Use of Capital Receipts</b>	<b>Net Variance</b>	<b>Net Forecast Variance Q3</b>	<b>Net Forecast Variance Q2</b>	<b>Net Forecast Variance Q1</b>
	<b>(£m)</b>	<b>Outturn(£m)</b>	<b>(£m)</b>	<b>(£m)</b>	<b>(£m)</b>	<b>(£m)</b>	<b>(£m)</b>
<b>Planning</b> Planning overspent by a £0.240m resulting from a £0.387m forecast overspend in Local Plan making/Local Plan, partially offset by favourable variance in reported in Land charges income and vacancies.	0.943	0.267	0.000	0.267	0.126	0.121	0.000
<b>Highways</b> The service outturn was a minor favourable variance.	2.255	(0.015)	0.000	(0.015)	(0.070)	0.050	0.000
<b>Traffic &amp; Transportation</b> The variance is due to additional Traffic Order income and TfL funding for staffing.	(0.840)	(0.244)	0.000	(0.244)	(0.135)	(0.138)	(0.072)
<b>Parking Enforcement</b> The variance is a result of putting in place additional traffic enforcement and parking control measures.	(5.345)	(2.608)	0.000	(2.608)	(1.961)	(0.374)	(0.200)
<b>Regulatory Services</b> A £0.1894m favourable outturn waste due to favourable variances in staffing budgets. additional MOPAC grant and efficiencies gained in the procurement of the waste enforcement contract.	2.056	(0.189)	0.000	(0.189)	(0.126)	(0.126)	(0.100)

<b>Place</b>	<b>Current Budget</b>  <b>(£m)</b>	<b>Gross Variance</b> <b>Outturn(</b> <b>£m)</b>	<b>Flexible Use of</b> <b>Capital Receipts</b> <b>(£m)</b>	<b>Net Variance</b> <b>Outturn</b> <b>(£m)</b>	<b>Net Forecast</b> <b>Variance</b> <b>Q3</b> <b>(£m)</b>	<b>Net Forecast</b> <b>Variance</b> <b>Q2</b> <b>(£m)</b>	<b>Net Forecast</b> <b>Variance</b> <b>Q1</b> <b>(£m)</b>
<b>Waste Services</b>  The favourable variance is due to an increased take up in the numbers of garden waste subscriptions and operational efficiencies, whilst the mobilisation costs of implementing waste service change are as planned funded from the flexible use of capital receipts.	8.265	(0.190)	(0.096)	(0.286)	(0.149)	(0.100)	0.000
<b>Commercial Waste</b>  Improved Schedule 2 income and operational efficiencies.	(0.867)	(0.109)	0.000	(0.109)	(0.100)	(0.033)	0.000
<b>Parks Operations/Activities &amp; Engagement</b>  This is due to favourable variances in salary costs and other operational expenditure plus forecasted improved income from allotments.	2.140	(0.105)	0.000	(0.105)	(0.108)	(0.102)	(0.073)
<b>Passenger Transport Service</b>  The improved position has been caused by the impact of the third national lockdown on schools but should be noted that there is still a pressure of £0.120m relating to the Brokerage Team and is the continuation of the historic pressure as reported in the 2019/20 outturn.	8.504	(0.456)	0.000	(0.456)	0.148	0.120	0.120
<b>Strategic Property Services</b>  Favourable variance due to underspend on salaries of £0.220m	(0.471)	(0.461)	0.000	(0.461)	(0.282)	(0.387)	(0.232)

<b>Place</b>	<b>Current Budget</b>  (£m)	<b>Gross Variance Outturn(£m)</b>	<b>Flexible Use of Capital Receipts (£m)</b>	<b>Net Variance Outturn (£m)</b>	<b>Net Forecast Variance Q3 (£m)</b>	<b>Net Forecast Variance Q2 (£m)</b>	<b>Net Forecast Variance Q1 (£m)</b>
and £0.230m on operational property items such as rent, service charges and repair & maintenance.							
<b>Sustainability Team</b> Favourable variances due to vacant posts and operational budgets.	0.453	(0.059)	0.000	(0.059)	(0.093)	(0.085)	(0.065)
<b>Culture Services</b> The overspend is continuation of previous year's budget pressure.	0.077	0.490	0.000	0.490	0.596	0.589	0.500
<b>Meridian Water</b> The improved position is due to the non capital elements of the delivering the Meridian Water programme being £0.213m lower than previously forecast and an improved income from meanwhile use.	(1.631)	(0.136)	0.000	(0.136)	0.663	0.000	0.000
<b>Housing</b> The Homelessness Service the Homelessness Service continues to manage challenging demand pressures, the service outturn was an adverse variation to budget of £0.3m. The Coronavirus pandemic has had a serious effect on the Emergency Accommodation (EA) budgets, preventing tenants from moving out into the private sector while also driving an increase in demand for emergency accommodation primarily through the	5.125	0.367	(0.061)	0.306	(0.182)	(0.100)	0.000

<b>Place</b>	<b>Current Budget</b>	<b>Gross Variance</b>	<b>Flexible Use of Capital Receipts</b>	<b>Net Variance</b>	<b>Net Forecast Variance Q3</b>	<b>Net Forecast Variance Q2</b>	<b>Net Forecast Variance Q1</b>
	<b>(£m)</b>	<b>Outturn(£m)</b>	<b>(£m)</b>	<b>(£m)</b>	<b>(£m)</b>	<b>(£m)</b>	<b>(£m)</b>
“Everyone In” initiative. The variance between the Q3 monitor and the outturn position is due to expected reductions in EA tenants not being realised. Again, this was mainly down to the pandemic as restrictions on movement were prevalent during the last three months of 2020/21. However, the service experienced a reduction in the number of No Recourse to Public Funds cases leading to a forecast favourable variance of £0.245m.							
<b>Other variances</b>	12.205	(0.341)	0.000	(0.341)	(0.173)	(0.109)	0.034
<b>Place Department Total</b>	<b>33.340</b>	<b>(3.789)</b>	<b>(0.157)</b>	<b>(3.946)</b>	<b>(1.846)</b>	<b>(0.674)</b>	<b>(0.088)</b>

[Return to Place Narrative](#)

**Appendix F**

<b>Resources</b>	<b>Current Budget</b>	<b>Gross Variance</b>	<b>Flexible Use of Capital Receipts</b>	<b>Net Variance</b>	<b>Net Forecast Variance Q3</b>	<b>Net Forecast Variance Q2</b>	<b>Net Forecast Variance Q1</b>
	<b>(£m)</b>	<b>(£m)</b>	<b>(£m)</b>	<b>(£m)</b>	<b>(£m)</b>	<b>(£m)</b>	<b>(£m)</b>
<p><b>Finance &amp; Commercial</b></p> <p>An adverse variance due to the additional resources required to support the finance function and a reduction in the level of staff capitalisation which was previously forecast. Savings have been achieved across the Procurement and Commercial Team due to vacant posts held.</p>	3.984	0.274	0.000	0.274	(0.238)	(0.116)	0.022
<p><b>Digital Services</b></p> <p>The overspend was due to the staff resource required to support business transformational activities (£0.368m) with the remainder driven by an increase in contractual spend due to a rise in the demand for additional support across the council.</p>	11.351	0.595	(0.368)	0.227	0.655	0.000	0.000
<p><b>Knowledge &amp; Insights Team</b></p> <p>The favourable variance is due to vacant posts in the team and staff redirected to support grant funded pandemic related activities.</p>	1.501	(0.188)	0.000	(0.188)	(0.096)	(0.107)	(0.091)
<p><b>Customer Experience</b></p> <p>A favourable variance is reported for Customer Experience, mainly due to savings in Customer Operations, Exchequer</p>	7.727	(0.165)	0.000	(0.165)	(0.078)	0.083	(0.175)

services and Library services.							
<b>Transformation</b> The overspend is transformation project costs and are as described in the Budget Report 2020/21 to be funded by the Flexible use of capital receipts.	0.283	0.252	(0.252)	0.000	0.000	0.000	0.000
<b>Other variances</b>	0.363	0.369	(0.000)	0.369	0.153	0.198	0.301
	<b>25.210</b>	<b>1.136</b>	<b>(0.620)</b>	<b>0.516</b>	<b>0.346</b>	<b>0.058</b>	<b>0.057</b>

[Return to Resources Narrative](#)

**Appendix G**

<b>Covid-19 Impact</b>	<b>Additional Expenditure £m</b>	<b>Loss of income £m</b>	<b>Impact on Savings £m</b>
<b>Chief Executive</b>			
Loss of income in Registrars services	0.000	0.167	0.000
Design and Print service loss of income resulting from school closures and Council partners not placing orders during pandemic.	0.000	0.086	0.000
Registrars overtime incurred	0.016	0.000	0.000
Additional expenditure incurred on Communications	0.075	0.000	0.000
Additional expenditure incurred in Electoral services	0.000	0.167	0.000
Additional resources in legal services to manage increase in Children's cases	0.238	0.000	0.000
Covid-19 response staff capacity	0.032	0.000	0.000
<b>Chief Executive Total</b>	<b>0.373</b>	<b>0.253</b>	<b>0.000</b>
<b>People</b>			
<b>Adult Social Care</b>			

Costs related to the Test Centres incurred by ASC	0.007	0.000	0.000
Communications (ASC)	0.001	0.000	0.000
Outside Pod at Bridgewood for Family visits	0.028	0.000	0.000
A contribution towards the vaccination additional payments to care staff in Enfield, the rest to be funded from IPC funding	0.098	0.000	0.000
Smart Tech for ASC	0.042	0.000	0.000
Additional Social Workers/agency staff-MH	0.112	0.000	0.000
Additional agency AMHP SWs	0.034	0.000	0.000
Additional Social Workers/agency staff-OP/PD Social workers and OTs	0.270	0.000	0.000
Additional Social Workers/agency staff-Enablement staff DTA	0.034	0.000	0.000
Additional Social Workers/agency staff-LD	0.138	0.000	0.000
Safe and connected and Brokerage- 7 FTE	0.151	0.000	0.000
Additional payments to providers, for additional staffing and equipment OP/PD	0.722	0.000	0.000
IWE costs – additional equipment from the stores i.e. beds/PPE, providing a service at the weekend.	0.275	0.000	0.000



ASC PPE including that for providers (OP/PD)	0.634	0.000	0.000
ASC PPE including that for providers (MH)	0.015	0.000	0.000
Safe and connected equipment and software	0.001	0.000	0.000
Expenditure on P-cards – food, supplies, care of pets, transport. (London Ambulance Service are no longer transporting people leaving hospital!)	0.003	0.000	0.000
IWE costs – Enablement staffing costs	0.052	0.000	0.000
20% additional staff at Bridgewood in preparation for taking patients direct from hospital.	0.054	0.000	0.000
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	0.001	0.000	0.000
Support for CEV residents (Foodbank Co-ordinator)	0.014	0.000	0.000
One off payments to providers at £1,000 each	0.040	0.000	0.000
Hospital Discharge Programme	6.579	0.000	0.000
Infection Control	5.006	0.000	0.000
Rapid Testing	0.598	0.000	0.000
Workforce Capacity	0.649	0.000	0.000

<b>Health &amp; Adult Social Care Total</b>	15.557	0.000	0.000
<b>Children's &amp; Families</b>			
Covid-19 Reward payments	0.048	0.000	0.000
Impact on Secure remand placements as a result of the delay in court dates for long trials	0.340	0.000	0.000
Care placements, support packages into homes to safeguard children particularly but not exclusively children with SEND and/or severe emotional and mental health needs	0.244	0.000	0.000
Increase numbers of children to look after whilst parents are very ill.	1.258	0.000	0.000
Extra staffing and overtime	0.113	0.000	0.000
24 hour support line for foster carers and providers to stabilise placements	0.001	0.000	0.000
Increase numbers of agency staff	0.289	0.000	0.000
Block booking placements	0.168	0.000	0.000
PPE for Children's Services	0.032	0.000	0.000
Children's & Families miscellaneous	0.046	0.000	0.000
Leaving Care	0.032	0.000	0.000

<b>Children's &amp; Families Total</b>	2.571	<b>0.000</b>	<b>0.000</b>
<b>Education</b>			
Loss of service income	0.000	0.181	0.000
<b>Education Total</b>	<b>0.000</b>	<b>0.181</b>	<b>0.000</b>
<b>People Total</b>	<b>18.129</b>	<b>0.181</b>	<b>0.000</b>
<b>Place</b>			
Homelessness Demand & Price modelling (savings)			1.900
Homelessness Demand & Price modelling including Emergency bed spaces for rough sleepers	1.566		
PPE for Councils Services (Housing)	0.001		
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.	0.003		
Additional costs of deep cleaning, food for self isolating rough sleepers cost will be £20k for 3 months	0.060		
Edmonton Travelodge	0.313		
In reach support officers	0.072		

Deposits/rent in advance for rough sleepers	0.066		
Rough sleepers back to work scheme/One Housing/Beam	0.089		
Procurement & Management of properties for rough sleepers	0.188		
Protect Plus initiatives	0.120		
Impact on increase in temporary accommodation management fee	0.336		
Community Mass Testing Programme	2.125		
Fleet operatives Covid-19 cover and additional work	0.145		
Express fleet-Cleaning of vehicles due to Covid-19	0.006		
Additional waste management fleet hire	0.450		
Additional waste management communications	0.033		
Additional waste management, outreach/waste client team and communications	0.064		
Sanitiser, Cleaning Materials and Cleaning (Waste and Fleet)	0.001		
Additional duties in Parks & Additional cemetery work	0.163		

Additional duties in Parks (Additional Litter Clearance)	0.029		
Parks Toilets additional clean	0.015		
Contact and Trace Reg Service	0.084		
PPE for Councils Services (Place)	0.211		
Finance & corporate - ICT & remote working & PPE (Place)	0.002		
Finance & corporate - ICT & remote working (Parking)	0.001		
Costs related to the Test Centres (Highways)	0.238		
Additional duties (Additional cemetery work burials)	0.039		
Enforcement of Covid-19 restrictions in parks	0.265		
Mortuary and funerals (Haringey shared service)	0.095		
Delays to street lighting savings			0.050
Additional waste management/fleet hire/street cleaning in order to ensure that all waste is collected during Covid-19 crisis	0.021		
Social Distancing Signs etc (Parking)	0.002		

Social Distancing Signs etc (Highways)	0.053		
Additional street cleaning only	0.420		
Additional staffing cover for refuse/streetscene employees due to age of workforce.	0.590		
Community Resilience Hub - Food supplied by Place services	0.015		
Waste and Street Cleaning Additional Covid Fuel costs	0.009		
Waste Op (Waste Collections additional costs - Extra Waste produced due to Covid19)	0.800		
Reopening Barrowell Green	0.111		
Allotments cleaning	0.008		
SEN Transport - additional staffing resources	0.013		
SEN Transport - bus cleaning	0.012		
SEN Transport Covid Social Distancing/bubbles	0.343		
Reopening the High Street Safely	0.206		
Covid-19 Marshalls	0.386		

Staff time in Resources teams spent on Shielding	0.013		
Finance & corporate - ICT & remote working (Planning)	0.001		
Vaccination Programme	0.075		
Economic Development (assisting local businesses)	0.083		
Additional cleaning, hand sanitisers and materials in council buildings (FM)	0.128		
Temporary building arrangements	0.001		
Remote working costs	0.001		
Staff time in Place teams spent on Shielding	0.121		
ARG	0.077		
Development Management loss of income across Building control, planning fees		0.495	
Land charges loss of income		0.080	
Loss of CIL income in strategic planning and design		0.228	
Loss of Design Panel income		0.038	

Highways service loss of income across advertising, skip licences, crossovers, suspension of scaffolding works and staff diverted to non fee earning work.		0.310	
The estimated pressure in Traffic & Transportation is due to the reduction of salary recharges to LIP funded schemes, net of employee costs and NRWA loss of income.		0.080	
Loss of income in from the boroughs Car parks and Pay & Display		0.845	
Loss of income from Parking Enforcement		3.121	
Loss of income across Regulatory Services including Trading Standards, licensing, food hygiene courses and Pest Control services.		0.249	
An increase in income is forecast resulting from an increase in demand during the pandemic.		(0.545)	
Net loss of income from commercial and schedule 2 waste services.		0.085	
Income loss across Parks activities and engagement which includes sports pitches and events held in parks.		0.312	
Estimated loss of income resulting from the contract with the Councils Leisure centre provider and the sports activity programme.		0.469	
Loss of income from sports activities		0.009	
Loss of income from the provision of the Passenger Transport service.		0.229	
Loss of income across Strategic Property Services which includes commercial rents, filming income, staff car parking and youth services.		0.936	



<b>Construction Maintenance Facility Management (CMFM)</b>		0.078	
Net loss of income in Culture services.		0.274	
Loss of meanwhile use income at Meridian Water.		0.252	
Loss of income from adaptations on properties		0.049	
<b>Place Total</b>	<b>10.267</b>	<b>7.594</b>	<b>1.950</b>
<b>Resources</b>			
Winter Grant scheme	1.371		
Self Isolation payments	0.478		
Contribution to London Gold	0.007		
Home working costs - monitors (finance)	0.002		
Covid-19 response additional staff resources	0.101		
Transformation Service redirected to support Covid-19 work	0.168		
Additional equipment purchased – Keyboards/Mice, Jabras, wi-fi dongles	0.459		
Additional out of hours support, licence increases, capacity and security, converting to an out of hours service	0.534		

Staff time in Resources teams spent on Shielding	0.038		
Covid-19 response additional staff resources	0.068		
Estimated £0.900m, due to delayed delivery of projects that all plans had to be changed to accommodate Covid-19.			0.900
Financial Assessments staff overtime	0.172		
Additional Resources in Income Collection due to increased demand relating to Covid-19 and administering Business grants scheme	0.365		
Covid-19 response additional staff resources	0.204		
Home working costs - monitors (Customer services)	0.005		
Delays to payments programme savings			0.100
Customer service overtime and backfill of posts through use of agency staff	0.480		
Discretionary Housing Payments (DHP) - additional over government allocation	0.228		
Bad Debt Provisions for Housing Benefit overpayments and Court cost income	3.097		
Impact on Temporary Accommodation Management Fee in Housing Benefit Subsidy claim	0.537		
Hardship Payments	5.896		

Net loss of income due to library closures		0.265	
Net loss of income in schools catering due to school closures		0.687	
Music service net loss of income		0.030	
Loss of income from Court cost		1.719	
Other Resources services loss of income e.g. recharges		0.362	
<b>Resources Total</b>	<b>14.211</b>	<b>3.063</b>	<b>1.000</b>
<b>Corporate</b>			
Share of increase mortuary and coroners' provision across London.	1.470		
Increased residual waste tonnages collected due to extra waste collections and it should be noted that extra Waste has been produced due to the pandemic and lockdown.	0.227		
Testing Centres pre December 2020	0.007		
Community Resilience Hub	1.754		
Contingency for miscellaneous costs	0.024		
Personal Protective Equipment across all Council services	0.031		

Council Tax Collection		1.743	
Business Rate Collection		2.958	
<b>Corporate Total</b>	<b>3.513</b>	<b>4.701</b>	<b>0.000</b>
<b>Covid-19 Total</b>	<b>46.491</b>	<b>15.792</b>	<b>2.950</b>

[Return to Covid-19 Narrative](#)

## Use of Capital Receipts in 2020/21

## Appendix H

2020/21 Cost of Transformation Initiatives	£m	Planned Savings and Demand Reductions
<b>People</b>		
Children's & Families	0.045	Pilot scheme for 1 year to evaluate the use of Virtual Reality to improve Social Worker practice and increase recruitment and retention of Foster Carers.
<b>Chief Executive</b>		
Procurement and Commissioning co-managed service contract	0.765	Procurement services/roles across the Council were brought together to form the Procurement & Commissioning Hub as part of the Enfield 2017 transformation programme. The Procurement & Commissioning Hub is made up of Enfield employees and the Council's co-manage partner EY. A focus of the work carried out by the hub is on contract and commissioning reviews, innovative procurement and programme management of MTFP savings.
<b>Resources</b>		
Digital Services IT	0.368	The service is continuing to implement changes to the infrastructure contracts aimed at achieving significant cost reductions and transforming how services are delivered.
Transformation	0.252	The Transformation Service manages a diverse Portfolio of Programmes, designing, planning and managing activity on behalf of Directors across the council, hiring and managing specialist IT and

2020/21 Cost of Transformation Initiatives	£m	Planned Savings and Demand Reductions
		<p>other resources, as required for each individual project. This includes delivery of new operating models, structures, processes and culture driven by user needs and enabled by technology. Capital receipts are used to support the funding of the following programmes: Payments, Children’s Transformation, Build the Change, Customer Experience.</p>
<b>Place</b>		
<p>Mobilisation costs associated with the implementation of waste service changes</p>	<p>0.096</p>	<p>The changes being implemented will revise the waste and recycling collection system for kerbside properties with a wheeled bin. The changes are:</p> <ul style="list-style-type: none"> <li>• To collect refuse every fortnight rather than weekly (collections from the property will be made on the alternative week to collections for dry recycling)</li> <li>• To collect dry recycling every fortnight rather than weekly (collections from the property will be made on the alternative week to collections for refuse)</li> <li>• To provide a new service of a weekly separate food waste collection</li> <li>• To introduce a £65 per year charge to collect garden waste from households that opt</li> <li>• into the scheme (additional bins per property will be charged at £65 per year)</li> <li>• recruitment of 2 additional Recycling Officers</li> <li>• recruitment of 2 additional Enforcement Officers</li> </ul>

2020/21 Cost of Transformation Initiatives	£m	Planned Savings and Demand Reductions
		<ul style="list-style-type: none"> <li data-bbox="1128 357 1805 389">• To invest £500k in Street Cleaning Services.</li> </ul> <p data-bbox="1077 411 2074 632">The total net savings over the 5-year business plan will be £7.5m from Waste Services, where the financial savings from the agreed option was significantly higher when compared to any other proposal or the current collection system, it conforms with the Mayor's Environment Strategy by providing separate food waste collections and has a projected step change in recycling to 49%.</p>
<b>Homelessness</b>	0.061	These costs included the implementation costs of new allocations system, project management of the establishment of Enfield Lets, implementation of the LIFT dashboard and review of Brickfield House.
<b>Total to be funded from the Flexible Use of Capital Receipts 2020/21</b>	<b>1.587</b>	

[Return to Capital Receipts Narrative](#)

## Appendix I

### Achievement of Savings and Income in MTFP

Savings by Department	CEx	People	Place	Resources	Corporate	Grand Total
	£m	£m	£m	£m	£m	£m
FYE	0.000	(0.157)	(3.291)	(0.200)	0.000	(3.648)
New 2020/21	(0.300)	(1.842)	(2.465)	(2.409)	(2.250)	(9.266)
<b>Savings Total</b>	<b>(0.300)</b>	<b>(1.999)</b>	<b>(5.756)</b>	<b>(2.609)</b>	<b>(2.250)</b>	<b>(12.914)</b>

Income by Department	CEx	People	Place	Resources	Corporate	Grand Total
	£m	£m	£m	£m	£m	£m
FYE	0.000	0.000	0.444	0.000	(0.075)	0.369
New 2020/21	(0.100)	(0.410)	(1.899)	(0.230)	0.000	(2.639)
<b>Income Total</b>	<b>(0.100)</b>	<b>(0.410)</b>	<b>(1.455)</b>	<b>(0.230)</b>	<b>(0.075)</b>	<b>(2.270)</b>

Total Savings & Income by Department	CEx	People	Place	Resources	Corporate	Grand Total
	£m	£m	£m	£m	£m	£m
FYE	0.000	(0.157)	(2.847)	(0.200)	(0.075)	(3.279)
New 2020/21	(0.400)	(2.252)	(4.364)	(2.639)	(2.250)	(11.905)
<b>Total</b>	<b>(0.400)</b>	<b>(2.409)</b>	<b>(7.211)</b>	<b>(2.839)</b>	<b>(2.325)</b>	<b>(15.184)</b>

Total Savings & Income by Department by Risk Status	CEx	People	Place	Resources	Corporate	Grand Total
	£m	£m	£m	£m	£m	£m
Blue	(0.050)	(0.404)	(5.092)	(0.140)	0.000	(5.686)
Green	(0.350)	(0.715)	(0.803)	(0.275)	(0.325)	(2.468)
Amber	0.000	(1.290)	(0.536)	(0.524)	(2.000)	(4.350)
Red	0.000	0.000	(0.780)	(1.900)	0.000	(2.680)
<b>Total</b>	<b>(0.400)</b>	<b>(2.409)</b>	<b>(7.211)</b>	<b>(2.839)</b>	<b>(2.325)</b>	<b>(15.184)</b>

[Return to Achievement of Savings Narrative](#)



## Savings &amp; Income Monitor

Department	Directorate	FYE/New 2020/21	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2020-21 £'000
CEX	CEX	New 2020/21	Savings	Reduce printing	0.0	(50)
CEX	CEX	New 2020/21	Income	Review of recharges	1.5	(100)
CEX	CEX	New 2020/21	Savings	Organisational Review Saving	2.5	(250)

Department	Directorate	FYE/New 2020/21	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2020-21 £'000
Corporate	Corporate	FYE	Income	Tax base Growth	1.5	(75)
Corporate	Corporate	New 2020/21	Savings	Obtain rebates by using Purchase Cards for energy bills and matrix invoicing	1.5	(100)
Corporate	Corporate	New 2020/21	Savings	Tail spend savings. Supplier manages spend for the council. Savings achieved through economies	2.5	(150)
Corporate	Corporate	New 2020/21	Savings	Take system credits as a one-off saving, then assume £500k each year ongoing saving	5.0	(2,000)

Department	Directorate	FYE/New 2020/21	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2020-21 £'000
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<b>People</b>	ASC	FYE	Savings	Reduction in management as a result of service re-modelling	0.0	(157)
<b>People</b>	EI&P	New 2020/21	Savings	Reduction in early retirement pension budget	0.0	(58)
<b>People</b>	EI&P	New 2020/21	Savings	Reduction in reparation due to Police contribution	0.0	(10)
<b>People</b>	C&F	New 2020/21	Savings	Reducing placement cost	0.0	(140)
<b>People</b>	C&F	New 2020/21	Savings	Reduction in business support (vacant post)	0.0	(39)
<b>People</b>	Education	New 2020/21	Income	DSG Funding and capital recharges	1.5	(90)
<b>People</b>	ASC	New 2020/21	Savings	Increased use of Assistive Technology and support through the VCS	1.5	(100)
<b>People</b>	ASC	New 2020/21	Savings	Reduction in print costs	1.5	(25)
<b>People</b>	ASC	New 2020/21	Savings	Maximisation of IWE resource for day services	2.5	(90)
<b>People</b>	ASC	New 2020/21	Savings	Review of residential placements to secure appropriate supported living	2.5	(200)
<b>People</b>	ASC	New 2020/21	Savings	Reduced costs of care through early intervention	2.5	(110)
<b>People</b>	ASC	New 2020/21	Savings	More efficient processing of DoLs and care of Pets	2.5	(40)
<b>People</b>	PH	New 2020/21	Savings	PH Restructure 1FTE in PH Commissioning Team (part of 970k in MTFP)	3.0	(60)
<b>People</b>	C&F	New 2020/21	Savings	Block booking semi-independent accommodation	4.5	(60)
<b>People</b>	PH	New 2020/21	Savings	Reducing Out of borough Sexual Health spend (part of 970k in MTFP)	4.5	(100)
<b>People</b>	ASC	New 2020/21	Income	Increased income through fees and charges for chargeable Adult Social Care Services	5.0	(320)
<b>People</b>	PH	New 2020/21	Savings	Review of commissioning contracts 0-19 Contract (part of 970k in MTFP)	7.0	(810)

Department	Directorate	FYE/New 2020/21	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2020-21 £'000
<b>Place</b>	Env & Ops	FYE	Savings	Waste Savings	0.0	(1,800)
<b>Place</b>	All	FYE	Savings	Management actions to contain pressure	0.0	(379)
<b>Place</b>	Env & Ops	FYE	Savings	LED Street Lighting	0.0	(250)
<b>Place</b>	All	FYE	Income	Increase income across R&E	0.0	(250)
<b>Place</b>	All	FYE	Savings	Organisational Review Savings	0.0	(198)
<b>Place</b>	Env & Ops	FYE	Savings	Stop School Crossing Patrols	0.0	(34)
<b>Place</b>	Meridian	FYE	Income	Meridian Water Meanwhile Use income	0.0	1,190
<b>Place</b>	Property	New 2020/21	Savings	FM Contracts and resourcing (Security contract saving)	0.0	(78)
<b>Place</b>	Property	New 2020/21	Savings	Vacating St Andrews Court	0.0	158
<b>Place</b>	Property	New 2020/21	Savings	lease termination of 59 Church Street retail shop	0.0	(40)
<b>Place</b>	Property	New 2020/21	Savings	Close John Wilkes House (sale to HRA?)	0.0	(20)
<b>Place</b>	Env & Ops	New 2020/21	Income	Traffic order income	0.0	(160)
<b>Place</b>	Meridian	New 2020/21	Income	MW Meanwhile use income	0.0	(1,309)
<b>Place</b>	Env & Ops	New 2020/21	Savings	Parking Contract Renewal	0.0	(165)
<b>Place</b>	Env & Ops	New 2020/21	Income	Scaffolding Income	0.0	(50)

<b>Place</b>	Env & Ops	New 2020/21	Savings	Vehicle Fleet Replacement – through borrowing instead of leasing	0.0	(1,200)
<b>Place</b>	Env & Ops	New 2020/21	Savings	In house Parks/Cemeteries contracts efficiency	0.0	(50)
<b>Place</b>	Env & Ops	New 2020/21	Income	Commercialisation of the Fleet Workshop	0.0	(50)
<b>Place</b>	Meridian	New 2020/21	Income	Staff capitalisation to MW, due to increased staffing levels to meet the revised MW scope	0.0	(70)
<b>Place</b>	Property	New 2020/21	Income	Reprofiled Holly Hill Bunding Income	0.0	(487)
<b>Place</b>	Property	FYE	Savings	Energy Saving Initiatives	0.0	150
<b>Place</b>	Property	New 2020/21	Income	Genotin Road Car Park Redevelopment	1.5	93
<b>Place</b>	Housing	New 2020/21	Savings	Homelessness Service Review MTFP £1.0m (iv): 1% increase on the TA rent roll	1.5	(20)
<b>Place</b>	Housing	New 2020/21	Savings	Homelessness Service Review MTFP £1.0m (i): TA void loss	2.5	(180)
<b>Place</b>	Housing	New 2020/21	Savings	Homelessness Service Review MTFP £1.0m (iii): Additional Decants	2.5	(200)
<b>Place</b>	Planning	New 2020/21	Income	Increase in fee income from Design Review Panel	3.0	(50)
<b>Place</b>	Planning	New 2020/21	Income	Fee income from Urban Design / Heritage / Planning consultancy services	3.0	(50)
<b>Place</b>	Env & Ops	FYE	Income	Cemeteries Mausoleum and Vaulted graves sales - Southgate Cemetery	3.5	(390)
<b>Place</b>	Env & Ops	FYE	Income	Edmonton Cemetery Expansion - sales of mausolea and vaulted graves	3.5	(6)
<b>Place</b>	Planning	FYE	Income	Building Control Income	4.5	(50)
<b>Place</b>	Property	FYE	Income	Market Rentals for Council Properties	4.5	(50)
<b>Place</b>	Planning	New 2020/21	Income	CIL and S106 Admin Fee Income to Strategic Planning and Design Team	4.5	(50)

<b>Place</b>	Property	New 2020/21	Savings	Lease vacant space at Centre 14, Claverings	4.5	(20)
<b>Place</b>	Property	New 2020/21	Savings	Close Alan Pullinger Centre	4.5	(50)
<b>Place</b>	Housing	New 2020/21	Savings	Homelessness Service Review MTFP £1.0m (ii): TA Repairs & Maintenance	5.0	(250)
<b>Place</b>	Env & Ops	New 2020/21	Income	Southgate Cemetery Cemeteries Mausoleum and Vaulted graves sales	7.0	156
<b>Place</b>	Housing	New 2020/21	Savings	Homelessness Service Review MTFP £1.0m (v): High value debt cases	7.0	(350)
<b>Place</b>	Property	New 2020/21	Income	Claverings: close Ark, rent it out	7.5	128
<b>Place</b>	Housing	FYE	Savings	Temporary Accommodation - Future Years	10.5	(780)

Department	Directorate	FYE/New 2020/21	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2020-21 £'000
<b>Resources</b>	Customer Exp	New 2020/21	Income	Digital support to the UK immigration and visa verification service.	0.0	(140)
<b>Resources</b>	Customer Exp	New 2020/21	Savings	Re-procurement of bulk printing and postage contract	2.5	(200)
<b>Resources</b>	All	New 2020/21	Savings	Sustainable council: reduction in printing across the council by 15%	3.0	(50)
<b>Resources</b>	Customer Exp	New 2020/21	Income	Community Libraries sundry income	3.0	(25)
<b>Resources</b>	Finance	New 2020/21	Savings	Automation of processes and the use of online forms to facilitate savings within the financial assessments and income & debt teams	4.5	(20)
<b>Resources</b>	Customer Exp	New 2020/21	Savings	Review of out of hours contracting arrangements; early exit termination fees apply.	4.5	(14)
<b>Resources</b>	Customer Exp	New 2020/21	Income	Community libraries. Wireless self service printing to generate income	4.5	(25)

<b>Resources</b>	Customer Exp	New 2020/21	Income	Investment in a sensory room for use by individuals, companies and schools	4.5	(20)
<b>Resources</b>	Customer Exp	New 2020/21	Income	Makerspaces. Equipping community rooms to support crafting and other skill development	4.5	(20)
<b>Resources</b>	Finance	FYE	Savings	Payments Programme - new system allowing efficiencies in Exchequer	5.0	(200)
<b>Resources</b>	All	New 2020/21	Savings	Organisational Review Saving	5.0	(225)
<b>Resources</b>	Commercial	New 2020/21	Savings	Procurement saving resulting from replacing our digital customer platform	10.5	(600)
<b>Resources</b>	Customer Exp	New 2020/21	Savings	New arrangements for hosting ICT applications and mobile phone contract reductions	15.0	(1,300)

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## Appendix K

<b>Dedicated Schools Grant</b>	<b>Outturn Variance Q3</b>	<b>Forecast Variance Q3</b>	<b>Forecast Variance Q2</b>	<b>Forecast Variance Q1</b>
	<b>(£m)</b>	<b>(£m)</b>	<b>(£m)</b>	<b>(£m)</b>
<b>High Needs Block</b> The main pressures in the High Needs Block relate to the development of additional in borough special provision, an increase in costs for post 16 SEN pupils and the increase of the number of pupils with Education, Health and Care plans (EHCPs) in mainstream schools.	3.567	3.410	2.661	2.534
<b>DSG Total</b>	<b>3.567</b>	<b>3.410</b>	<b>2.661</b>	<b>2.534</b>

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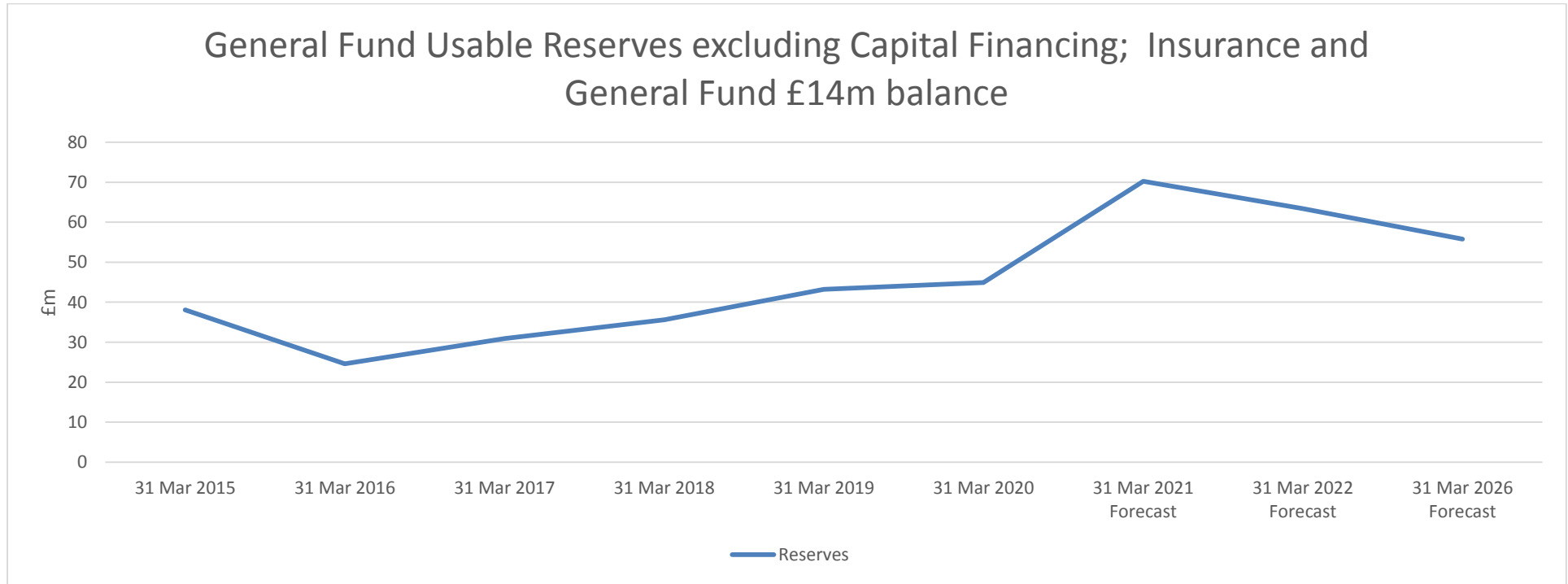
**Appendix L**

<b>Reserves</b>	<b>31 March 2020 £m's</b>	<b>Mid Year Review Transfers</b>	<b>In Year Transfers</b>	<b>Transfers 2020/21 £m's</b>	<b>Balance 31 March 2021 £m's</b>
<b>General Fund</b>					
<b>Risk Reserve</b>	<b>(8.304)</b>	<b>(10.451)</b>	<b>0.618</b>	<b>(2.391)</b>	<b>(20.527)</b>
<b>Covid-19 Reserve 2020/21</b>	<b>(3.000)</b>	<b>2.567</b>	<b>0.000</b>	<b>0.433</b>	<b>0.000</b>
<b>Covid-19 Reserve 2021/22+</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>(10.000)</b>	<b>(10.000)</b>
<b>Balance Sheet Management</b>	<b>(4.200)</b>	<b>2.200</b>	<b>0.000</b>	<b>0.000</b>	<b>(2.000)</b>
Collection Fund Equalisation EM reserve	(10.542)	0.000	0.000	0.000	(10.542)
Housing Benefit Smoothing Reserve	(6.142)	0.000	3.504	(6.928)	(9.566)
Adult Social Care Smoothing Reserve	0.000	0.000	(3.697)	0.000	(3.697)
North London Waste Authority Reserve	(1.349)	0.000	0.000	0.000	(1.349)
<b>Medium Term Financial Planning Smoothing Reserves</b>	<b>(18.033)</b>	<b>0.000</b>	<b>(0.193)</b>	<b>(6.928)</b>	<b>(25.155)</b>
Salix Fund	(0.726)	0.000	0.000	0.000	(0.726)
MRP Equalisation	(15.338)	0.000	0.000	(1.800)	(17.138)
Interest Rate Fluctuations	(8.190)	3.527	0.000	0.000	(4.663)
<b>Capital Financing Reserves</b>	<b>(24.254)</b>	<b>3.527</b>	<b>0.000</b>	<b>(1.800)</b>	<b>(22.527)</b>
Service Specific Reserves	(14.253)	2.157	1.548	0.113	(10.435)
Property	(2.125)	0.000	0.024	0.000	(2.101)
S31 Relief Grant	0.000	0.000	(16.554)	0.000	(16.554)
Covid-19 Grant	(8.521)	0.000	8.521	(4.288)	(4.288)
Other Grant Reserves	(9.757)	0.000	(1.085)	0.000	(10.842)
Grants & Other Contributions	<b>(18.278)</b>	<b>0.000</b>	<b>7.436</b>	<b>(4.288)</b>	<b>(15.130)</b>
<b>General Fund Usable Reserves Sub Total</b>	<b>(92.447)</b>	<b>0.000</b>	<b>(7.121)</b>	<b>(24.861)</b>	<b>(124.429)</b>
Insurance	(7.021)	0.000	0.000	0.000	(7.021)
General Fund Balance	(13.950)	0.000	0.000	0.000	(13.950)



<b>Total General Fund Reserves and Balances</b>	<b>(113.418)</b>	<b>0.000</b>	<b>(7.121)</b>	<b>(24.861)</b>	<b>(145.400)</b>
<b>HRA</b>					
HRA Repairs Fund	(21.997)	0.000	15.823	0.000	(6.174)
HRA Insurance	(0.323)	0.000	0.000	0.000	(0.323)
<b>Total HRA Reserves</b>	<b>(22.320)</b>	<b>0.000</b>	<b>15.823</b>	<b>0.000</b>	<b>(6.497)</b>
<b>HRA Balance</b>	<b>(4.623)</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>(4.623)</b>
<b>Total HRA Reserves and Balances</b>	<b>(26.943)</b>	<b>0.000</b>	<b>15.823</b>	<b>0.000</b>	<b>(11.120)</b>
<b>Schools</b>					
Schools' Balance	3.193	0.000	(2.952)	0.000	0.241
Dedicated Schools' Grant	4.482	0.000	0.000	3.587	8.069
<b>Total Schools' Reserves and Balances</b>	<b>7.675</b>	<b>0.000</b>	<b>(2.952)</b>	<b>3.587</b>	<b>8.310</b>

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<b>Grant Name</b>	<b>Funding received £m</b>	<b>Funding Applied £m</b>
Covid-19 Support Grant	30.588	26.300
Income loss compensation scheme	5.752	5.752
Contain Outbreak Management	8.059	4.098
Test & Trace	1.582	0.387
Community Testing Funding	2.124	2.124
Welfare Support Grant	0.426	0.426
Clinically Extremely Vulnerable	0.946	0.671
Compliance and Enforcement	0.207	0.207
Re-opening High Street Safely	0.206	0.206
Vaccination Programme	0.075	0.075
Substance Misuse	0.271	0.000
Rough Sleeping - Covid-19 Contingency Fund	0.018	0.018
NSAP	1.181	1.181
Protect Plus	0.120	0.120
	<b>51.556</b>	<b>41.566</b>
<b>Pass through grants</b>		
Winter Grant Scheme	1.371	1.371
Self Isolation payment	0.479	0.479
Infection Control	5.006	5.006
NHS Hospital Discharge	6.579	6.579
Rapid Testing ASC	0.599	0.599
Workforce Capacity	0.649	0.649
ARG	0.077	0.077
Hardship Fund	5.897	5.897
	<b>20.657</b>	<b>20.657</b>
Total	72.212	62.223

<b>Funding applied to:</b>	<b>£m</b>
General Fund	60.534
Housing Revenue Account	1.689
Total	62.223