

London Borough of Enfield

Cabinet

13 October 2021

Subject: Medium Term Financial Plan 2022/23 to 2026/27 and Early Savings Proposals

Cabinet Member: Cllr Maguire, Cabinet Member for Finance & Procurement

Executive Director: Fay Hammond, Executive Director Resources

Key Decision: KD5337

Purpose of Report

1. This report provides an update on the funding and spending assumptions set out in the Medium Term Financial Strategy 2022/23 to 2026/27 approved by Cabinet in July and brings forward early savings proposals to balance the 2022/23 budget.

Proposals

2. Cabinet is recommended to:
3. Note the late commencement of the 2021 Comprehensive Spending Review.
4. Note the timing of the implementation of Fair Funding and the Business Rates reset.
5. Note that the London Business Rate Pool will not be operating in 2022/23.
6. Note the funding and spending pressures set out below.
7. Approve early savings proposals of £4.966m set out in Appendix Three
 - £4.366m from efficiencies and,
 - £0.600m from income generation
8. Note the current forecast funding gap of £10.532m in 2022/23 and £44.161m across the medium term after taking the savings proposals into account.
9. Note the anticipated ongoing investment in Adult Social Care and Children's Services required to meet demand pressures.

Reason for Proposals

10. The Council has a statutory duty to approve a balanced budget for 2022/23 in February along with consideration of the finances over the medium term and the Council's reserves and balances. It is essential that there is a clear understanding of the anticipated income and expenditure flows for the

Council, despite the uncertainties, and for proposals for savings to come forward early to ensure full delivery from 1 April 2022 or indeed to also contribute to addressing the financial pressures in 2021/22.

Relevance to the Council Plan

11. The primary purpose of the development of the Budget and Medium Term Financial Plan is to direct resources to deliver the objectives set out in the Council's Corporate Plan:
12. Good homes in well-connected neighbourhoods;
13. Safe, healthy and confident communities;
14. An economy that works for everyone.

Medium Term Financial Strategy

15. Financial Resilience remains at the heart of the approach to delivering the 2022/23 Budget; this is set out in the Medium Term Financial Strategy agreed at Cabinet in July 2021.
16. There has been positive work on creating a more robust and resilient budget. Under resourced pressures have been addressed and unrealistic savings and income targets taken out of the Council's base budget, much of this work being driven through the Council's Budget Pressures Challenge Board.
17. The benefit of this work came through in 2020/21 when there was no repeat of historical service overspends and the Council was able to strengthen its balance sheet, increasing its Risk Reserve and setting resources aside for the ongoing pressures arising from the Pandemic.
18. The work on ensuring estimates are realistic continues through transparent reporting and openness to scrutiny supported by further Pressure Challenge Board sessions as well as robust monitoring of the delivery of agreed savings programmes.
19. The Council's budget gap is driven in the main through increases in demographic pressure and inflationary pressure which are not matched with increases in government funding. Over the last two years, the Council has invested in Children's and Adult Social Care to keep pace with the demographic pressures. This continues in 2022/23, a total of £6.3m general fund budget (£3.524m ASC and £2.790m Children's and Education) is required to meet pressures, net of efficiencies, as reported in this updated position.

Government Funding Announcements

20. There have been a number of announcements and updates on Government Funding across the summer. Of greatest importance is the timing of the Comprehensive Spending Review work which was delayed by the Parliamentary recess in July. The financial envelope for this review is expected in late September with the actual outcome due along with the Office of Budget Responsibility's (OBR) fiscal update on 27 October. Also of note and to be welcomed is that this will be a multi-year settlement covering 2022/23 to 2024/25, the first for three years. Local Government will be able to undertake some forward planning on funding with increased certainty. The economic context in which the review will be undertaken is at least

relatively more positive than earlier in the year. The economic data is improving, GDP (Gross Domestic Product) is rising – up 4.8% at the end of June 2021 on the previous quarter with most economists now of the view that the economy will have recovered to pre pandemic levels by the end of the fourth quarter. There had been speculation of £17bn of public sector cuts and the pressure for this is significantly eased.

21. On 7 September, the Prime Minister launched the Government's white paper on social care: "Build Back Better; Our plan for Social and Health Care. The key recommendation of the Dilnot Review back in 2011 is now progressing with an £86,000 cap placed on care costs, up on the £50,000 which could have been anticipated. There was an overall package of £30bn announced but the vast bulk of this, £25bn over three years, goes to Health to support the backlog on minor procedures, infection control and hospital discharge. The balance of £5.5bn over three years will be allocated to Adult Social Care, primarily to offset the cost of lost income from the increased cap.
22. The initiative is funded by a 1.25% premium on National Insurance which is ring fenced for care and which will collect £12bn nationally. This, of course, has an impact locally with an inflationary pressure on the Council's pay bill of £1.4m and pressure on supplier costs which could be in the order of £2m. It is currently unclear if this will need to be met by the Council or if Government resources will be forthcoming. These costs have been built into the 2022/23 budget.
23. Alongside the Build Back Better announcement Government have said, "We expect demographic and unit cost pressures will be met through Council Tax, social care precept, and long-term efficiencies". This does send a clear indication that the Spending Review in October will set an expectation on Local Authorities to increase Council Tax through the continuation of the Adult Social Care precept. This net pressure is reported as £3.524m as set out in the detail of this report.

Fair Funding

24. It is clear that the Fair Funding Reforms along with the Business Rates Reset and changes to the New Homes Bonus scheme are to be delayed to 2023/24 at the earliest, some four year later than originally planned. There is some speculation that it could be delayed still further beyond the new spending review period.
25. Any further delay to the implementation of the Fair Funding reforms is bad news for Enfield. There are a number of significant inequities built into the existing system which are expected to be resolved, including unwinding of the damping arrangements (equating to a current underfunding of £7m), Council Tax equalisation and proper recognition of public health requirements in the needs element of the formula. The Council will continue to lobby for implementation of the reforms at the earliest possible time.
26. The same applies to the Business Rates Reset and replacement of the New Homes Bonus (NHB) scheme. It is difficult to directly attribute housing growth to this NHB incentive which is an un ring-fenced grant and has been used to fund core services.

Economic Update

27. As well as the improved GDP numbers above the most significant economic news is the rising CPI. The August year on year increase was 3.2% as was widely expected with economic forecasters advising that the increases will continue into the autumn putting pressure on the cost of Council services. The most significant spikes have been in the construction sector over recent months with supply chain challenges possibly caused by both Covid-19 and Brexit and the impact is felt most in the Council's Capital Programme.
28. The inflationary pressures are likely to ease back to the Bank of England's target rate of 2% and hence the Monetary Policy Committee is likely to hold fire on any changes to the base rate. PWLB are, however, influenced by Gilt prices and the inflationary pressures will put some pressure on these over the forthcoming months before returning to current levels early in the new calendar year.

Review of Funding and Spending Assumptions

29. The Council launched its Medium Term Financial Strategy in July 2021 reporting a funding gap of £13.7m in 2022/23 and £42.7m gap across the medium term. Over the summer work has progressed on identifying savings proposals to address this gap and also on reviewing the underlying assumptions, especially in light of the Quarter One Revenue Monitoring and Capital Monitoring which were considered by Cabinet in September. This has now been updated to a budget gap of £52.486m as set out in Table One below.
30. Following the quarter one budget monitoring position, an assessment is being undertaken of the Covid-19 risks in the longer term which was also the subject of a paper to Finance & Performance Scrutiny Panel on 14 September. The pressures are in the order of £5.151m and are discussed later in this report. They are currently included in 2022/23 and will be underwritten from the £10m Covid-19 Reserve created for this purpose at the end of 2020/21 in the absence of any known future Covid-19 Government funding. The Covid-19 adverse financial implications are expected to persist beyond 2022/23 but at this stage remain difficult to accurately predict.
31. Furthermore, there are pressures in a number of areas of welfare support which have historically been met from a mixture of grants and reserves. These are also considered later in this report. In the short term they will continue to be supported from the Council's reserves.

Table One – MTFP Summary

	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	£m	£m	£m	£m	£m	£m
Funding	12.923	(5.319)	(6.357)	(4.477)	(3.021)	(6.251)
Spending	1.281	15.197	15.573	13.804	12.882	58.737
Gap	14.204	9.878	9.216	9.327	9.861	52.486
Savings						
FYE Savings *	1.294	(1.032)	(2.184)	(0.197)	0.000	(2.119)

New Savings Proposals	(4.966)	(0.300)	(0.940)	0.000	0.000	(6.206)
Savings	(3.672)	(1.332)	(3.124)	(0.197)	0.000	(8.325)
Remaining Gap	10.532	8.546	6.092	9.130	9.861	44.161

- *Year one full year effects is a pressure as there are some one off savings that have needed to be reversed out.*

32. Funding Assumptions

33. This is the area of greatest uncertainty and there is little to update on since the Strategy in July. The only change being the reinstatement of the £0.624m Lower Tier Services Grant which had been thought to be a one off in 2021/22 but is ongoing.

34. The current position is set out in Table Two below and the full detail in Appendix One.

Table Two – Funding Assumptions Changes

	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	£m	£m	£m	£m	£m	£m
General Government Grant	0.000	0.000	0.000	0.000	0.000	0.000
Specific Government Grants	1.479	1.258	0.907	0.818	0.736	5.198
Covid-19 Grants	17.546	0.000	0.000	0.000	0.000	17.546
Business Rates	0.000	(1.000)	(1.500)	(1.500)	0.000	(4.000)
Council Tax Collection Rate	(1.290)	(0.667)	(0.685)	0.000	0.000	(2.642)
Council Tax Base	(0.682)	(0.682)	(0.682)	(0.682)	(0.682)	(3.410)
Council Tax rate increases	(2.958)	(3.029)	(3.198)	(3.113)	(3.075)	(15.373)
Council Tax Support (Covid-19 pressure)	(2.399)	(1.199)	(1.199)	0.000	0.000	(4.797)
Collection Fund	(0.700)	0.000	(3.188)	0.000	0.000	(3.888)
Use of Reserves	1.927	0.000	3.188	0.000	0.000	5.115
Total	12.923	(5.319)	(6.357)	(4.477)	(3.021)	(6.251)

35. Grants

36. The Multi Year Settlement announcement will be made as part of the Chancellor's Budget announcement on 27 October with the Local Government Settlement and the full detail to follow in the early weeks of December. An update will be provided in the December Cabinet report as there is insufficient information to even speculate at this stage.

37. There are a number of specific grants expected to reduce in 2022/23 causing pressure on the Council's overall finances and other than the Lower Tier Services Grant of £0.624m the assumptions on these remain unchanged. These include Homelessness Prevention Grant, Rough Sleeping initiative, Housing Benefit Subsidy and New Homes Bonus. This is a fairly prudent position to hold and there is some belief that Homelessness Prevention Grant may hold or even see a small increase.
38. There were two Covid-19 grants awarded for 2021/22 – general support of £10.534m and the Sales Fees & Charges Losses Compensation grant of £0.750m which were clearly announced as one off, and these are reversed out.
39. Local Taxation
40. Local Taxation is similar to the position on general grant it is too early to update assumptions in this area of funding at this point albeit there are positive signs coming through the Quarter One Revenue Monitoring 2021/22 reported to Cabinet in September.
41. Collection Fund
42. The Business Rates and Council Tax assumptions in 2021/22 were fairly prudent and this was in part due to the potential impact of Government announcements made after Council had approved the budget in early March. For Business Rates, assumptions had been made for a reduced take from certain sectors giving rise to an overall reduction of £4m but the subsequent extension of retail and leisure reliefs to the end of the first quarter could give rise to a better outturn position. For Council Tax, the recovery rate was marked down to 96% from a historical collection rate of 98% and the removal of the furlough scheme and timing of the economic recovery was likely to give rise to a significant surge in the cost of Council Tax Support. The extension of the furlough scheme to the end of September will very likely dampen the impact. It is fair to say that there is some expectation of a Collection Fund surplus at the end of 2021/22 which would provide a one off benefit to the Council's finances.
43. Business Rates
44. There was a forecast reduction in Business rates of £4m in 2021/22 with the assumption that there would be no recovery in 2022/23 and the return to the historical levels would take upwards of three years. This assumption is unchanged at this time.
45. In 2018/19 to 2019/20 a London Business Rate Pool operated which resulted in some additional funds to Enfield. However, it has been concluded for 2022/23 not to reconstitute the pan-London pool due to the financial uncertainty that means there cannot be sufficient assurance that the pool would be in surplus.
46. Council Tax
47. There are more elements to the Council Tax assumptions than Business Rates, but it is a somewhat less complex area to forecast. The Plan assumes a year on year increase up to the Government's threshold limit of 2%. The collection rate was reduced to 96% in 2021/22 and brought back to historical rate of 98% incrementally across 2022/23 to 2025/26, the assumed rate for 2022/23 being 97%. Current monitoring would suggest the

rate will recover more strongly than this, but it is too early to change the forecast at this point. Finally, the most difficult element to forecast, Council Tax Support, has put a significant pressure on the overall Council Tax take and there has been an increase in the early part of 2021/22 despite the extension of the furlough scheme. A full assessment will have been made in time for the December report.

48. Use of Reserves
49. The 2021/22 Budget was supported by the one off £1.927m use of the risk reserve and this is reversed out for 2022/23 at this time.
50. There was also £3.188m support per annum for three years from the Collection Fund Smoothing reserve to take up the shortfall on the Government's Collection Fund Loss grant – the Taxation Income Guarantee. The Collection Fund loss at the end of 2020/21 was less than originally forecast and the annual contribution from the Smoothing reserve has been adjusted accordingly.
51. The situation moved on due to the treatment of reliefs and the improving Council Tax performance. It is also important to remember that the opening balance of the Collection Fund Reserve has been inflated by £12.8m of Covid-19 reliefs. Business rate deficits will be offset by the resources received by Central Government for the previously mentioned Covid-19 reliefs and taxation losses and from resources put aside in the Collection Fund Reserve by the Council to smooth out year to year variability on Collection Fund income.
52. Spending Assumptions
53. Spending assumptions are summarised in Table Three below and set out in full detail in Appendix Two.

Table Three – Spending Assumptions

	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	£m	£m	£m	£m	£m	£m
Inflation	7.426	7.461	7.487	7.513	7.513	37.400
Investment	0.788	0.150	0.150	0.150	0.150	1.388
Demography						
Adult Social Care	2.553	2.086	2.086	2.086	2.086	10.897
Children's	0.750	0.750	0.750	0.750	0.750	3.750
SEN Transport	0.630	0.630	0.630	0.630	0.630	3.150
Pressures						
Covid-19 Reversals	(13.894)	0.911	0.000	0.000	0.000	(12.983)
Underlying	1.500	(0.187)	(0.083)	0.274	0.000	1.504
	(12.394)	0.724	(0.083)	0.274	0.000	(11.749)

Capital Financing	1.020	2.643	3.800	1.648	1.000	10.111
Levies	0.508	0.753	0.753	0.753	0.753	3.520
Total	1.281	15.197	15.573	13.804	12.882	58.737

54. Inflation

55. There has been a thorough review of the inflationary pressures on the 2022/23 budget which gives significant upside on the £7.4m outlined in the Strategy in July. Not all of the 2022/21 and 2021/22 provision has been required to be allocated out to services in year freeing up £2m. The review has also assessed the commitments for pay and prices releasing a further £1.4m.

56. However, there are new inflationary pressures arising from the impact of the National Insurance increase to fund the Government's Build Back Better programme. There will be a direct impact on Enfield's pay bill of £1.4m and an estimated pressure of £2m coming through from Suppliers bearing the additional NI cost.

57. Overall, therefore, at £7.426m the inflationary pressure is little changed from the July Strategy.

58. Demography

59. The demographic growth covers provision for ongoing demand in 2022/23 onwards. Any changes to the underlying budget required as a consequence of pressures in 2021/22 are covered below in the pressures section.

60. Adult Social Care

61. There has been an upwards adjustment of £0.467m to the forecast growth in 2022/23 arising from the pressures in 2021/22, this is driven by numbers in both Learning Disabilities and Older People. The forecasts for future years are currently unchanged but are subject to further review.

62. Children's Social Care

63. Forecasts for future growth in support for Children Looked After are unchanged at £0.750m but will continue to be reviewed.

64. SEN Transport

65. A thorough review of SEN Transport costs is underway following the pressures identified in 2021/22. This is covered in the pressures section below but at this stage the future costs are likely to remain in place, the spike predominantly in 2020/21 being assessed as a spike rather than ongoing trend.

66. Investment

67. The current assumptions contain modest investment in a number of services including Social Worker apprenticeships, repairs and maintenance, and the Council's Income & Debt team. There has been investment in the Council's Bulky Waste service during 2021/22 which has been supported through Covid-19 funding. The full impact of this investment is being assessed and will need to be built in to the MTFP. Further detail will be included in the December report, but it is anticipated to be in the order of £0.250m.

68. Capital Financing

69. A comprehensive review has been undertaken following 2020/21 Outturn and the Quarter One Capital Monitoring. There was significant slippage in capital schemes in 2020/21, primarily due to the impact of Covid-19 and these schemes had initially been brought forward into 2021/22. This has had the impact of creating an undeliverable programme of £620m for 2021/22 and the focus in the first quarter has been to reprofile £303m of this into future years. Nevertheless, this has eased the pressure on the Capital Financing budget with only a £1.020m increase now required in 2022/23 albeit still £10.1m across the medium term.

70. This work on the reprofiling of schemes is ongoing alongside the formulation of the new ten year programme for 2022/23 to 2031/32. This will be reflected in the December Cabinet update.

71. Levies

72. Enfield, along with six other North London boroughs are members of the North London Waste Authority (NLWA). Each borough will contribute towards the cost of the NLWA via an annual levy based on the volumes of waste tonnages generated. This cost of the NLWA includes the North London Heat and Power Project. This project is building a new Energy Recovery Facility in Edmonton, replacing the existing facility that has served North London for around 50 years. The estimated cost of building the new facility will significantly increase the Council's annual levy requirement and the MTFP reflects these increases over the life of the plan. The 2022/23 estimate has been adjusted down in line with the NLWA's initial forecasts for next year, with further updates to be reported at the quarterly points during the year.

73. Pressures

74. To clarify presentation the pressures have been split between the reversal of the one off Covid-19 Pressures built into the budget for 2021/22 and underlying pressures on the budget.

75. The Covid-19 pressures were funded from general grant of £10.554m and Sales, Fees & Charges Loss Compensation grant which were one off and have been reversed out. For 2022/23 Covid-19 pressures are still being budgeted for but taken out of the main tables in this report and reported separately below to give greater clarity.

76. There are underlying pressures coming through from the Council's demand led services.

77. There has been a significant growth in the demand for SEN Transport over the past two years with numbers up compared to previous years and the number of single occupancy journeys also up. A full review is underway to reduce the impact, but these currently amount to £1.9m.

78. There is also pressure across Adult Social Care, most notably Learning Disabilities and Older People totalling £1.089m in addition to the reassessment of future demographic need above. There is work in place to mitigate this pressure downwards which may come forward in December. Alongside the Build Back Better announcement Government have said "We expect demographic and unit cost pressures will be met through Council Tax, social care precept, and long-term efficiencies"

79. The pressures currently contain the £2.386m reduction in pressures coming through from the Council's Strategy to reduce Emergency Accommodation and Homelessness in the Borough. Covid-19 has put a significant strain on the delivery of the Strategy and a detailed review of the profiling of costs over the medium term is underway. This is an area of concern and has been subject to a Pressure Challenge Board in early September. This is a major undertaking and an updated position will be brought forward in December, it is likely to put pressure on overall resources.

Early Savings Proposals

80. There has been a review of the future year impact of previously agreed savings as well as the bringing forward of new proposals to address the Council's funding gap. The overall position is set out in Tables Four and Five below and the full detail set out in Appendix Three.

Table Four – Savings Summary

	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	£m	£m	£m	£m	£m	£m
Full Year Effects	1.294*	(1.032)	(2.184)	(0.197)	0.000	(2.119)
New	(4.966)	(0.300)	(0.940)	0.000	0.000	(6.206)
Total	(3.672)	(1.332)	(3.124)	(0.197)	0.000	(8.325)

* 2022/23 includes reversals of one-off savings/income hence why this is a positive figure.

81. Across the summer, the future year savings set out in the Council Budget in March and the MTFs in July have been reviewed and are broadly unchanged.
82. Further new proposals have been formulated amounting to £4.966m in 2022/23 and £6.206m across the medium term financial plan. Work is still underway on a number of other proposals, but these are not ready to be brought forward at this stage.
83. The savings contain a mix of efficiencies, service reduction and income generation and the further analysis is set out below.

Table Five – Savings split between efficiencies/service reduction and income generation.

	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	£m	£m	£m	£m	£m	£m
Efficiencies/ Service Reduction	(3.862)	(1.032)	(1.686)	(0.050)	0.000	(6.630)
Income Generation	0.190*	(0.300)	(1.438)	(0.147)	0.000	(1.695)
Total	(3.672)	(1.332)	(3.124)	(0.197)	0.000	(8.325)

* 2022/23 includes reversals of one-off savings/income hence why this is a positive figure.

Summary of the Impact by Department

84. The table below summarises the impact by department, this clearly shows the investment required across Adult Social Care, Children's and Education net of efficiency savings. These pressures have the most significant impact on the Council's financial position.

Table Six – Net Impact by Department of the Pressures and Savings Proposals

	Corporate	Chief Exec/ Resources	Adult Social Care	Public Health	Children's and Education	Place	Total
	£m	£m	£m	£m	£m	£m	£m
Demography	0.000	0.000	2.553	0.000	0.750	0.630	3.933
Inflation	5.619	0.000	1.565	0.000	0.000	0.242	7.426
Investment	0.000	0.378	0.130	0.000	0.130	0.150	0.788
Capital Financing	1.020	0.000	0.000	0.000	0.000	0.000	1.020
Pressures	0.908	0.254	1.089	0.000	2.490	(0.347)	4.394
Homelessness Demand Pressure	0.000	0.000	0.000	0.000	0.000	(2.386)	(2.386)
Covid-19 Reversals	(11.489)	(1.466)	0.000	0.000	0.000	(0.939)	(13.894)
Sub-total Pressures	(3.942)	(0.834)	5.337	0.000	3.370	(2.650)	1.281
Full Year savings	0.500	(1.010)	(0.100)	0.000	0.000	1.904	1.294
New Savings	0.000	(0.930)	(1.713)	(0.300)	(0.580)	(1.443)	(4.966)
Sub-total Savings	0.500	(1.940)	(1.813)	(0.300)	(0.580)	0.461	(3.672)
Net Change in Resources	(3.442)	(2.774)	3.524	(0.300)	2.790	(2.189)	(2.391)

Covid-19 Pressures

85. An initial assessment has been made of Covid-19 pressures persisting beyond the current financial year and impacting on 2022/23 and beyond. This has been based on the Quarter One Revenue Monitoring and has been reported through to the Finance & Performance Scrutiny Panel on 13 September. In 2021/22 there are pressures of £32.6m and these are all covered by a number of separate grant schemes.
86. However, whilst some of these pressures persist there has been clear guidance from Government that no further funding is available. These are currently forecast to be £5.151m and are set out in Appendix 4.
87. It is anticipated that the pressure in 2022/23 will be predominantly due to a surge in demand for services and the resulting workforce pressures that this creates. The surge results from both an increase in need for support, the ending of temporary arrangements such as the NHS hospital discharge

programme and the recovery from the backlog of casework that has built up during periods of lockdown.

88. Alongside additional demand, the pandemic continues to have an impact on the Council's ability to collect income from sales, fees and charges. The 2021/22 Quarter 1 monitor reflected the improvement in income levels compared to 2020/21 but it is likely that this impact will continue to be felt into 2022/23 and beyond.

Other Pressures to be met from Reserves

89. There are a number of welfare support activities that are not fully incorporated into the Council's overall budget but funded directly through reserves. For transparency and also due to reduction in Government Grant and the consequential pressure, these are now set out below.

Table Seven – Welfare Provision met from Reserves

	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	£m	£m	£m	£m	£m	£m
Discretionary Housing Payments	1.300	0.000	0.000	0.000	0.000	1.300
Emergency Support Scheme	0.207	0.000	0.000	0.000	0.000	0.207
Council Tax Hardship Payments	0.450	0.000	0.000	0.000	0.000	0.450
	1.957	0.000	0.000	0.000	0.000	1.957

90. The Emergency Support Scheme and Council Tax Hardship payments have been met from reserves for a number of years. The Discretionary Housing Payments is an emerging pressure though with Government Grant having been reduced in 2021/22 to an estimated £2.3m from £2.97m in 2020/21 at a time of growing demand giving a gap of £1.3m between need and grant. The Council is lobbying through London Councils for improved support in this area.

Reserves and Financial Resilience

91. Core to the Council's Financial Strategy has been establishing financial resilience. As well as ensuring there are robust budgets and realistic savings there has been a need to strengthen reserves. These are now on a firmer footing to cover the numerous unforeseen pressures that exist in the uncertain environment in which the Council operates. All of these reserves are under continuous review and reported through to Cabinet in the Quarterly Revenue Monitoring Report.
92. The Risk Reserve strengthened at the end of 2020/21 with the only call on it being £1.927m to balance the 2021/22 budget. There are no calls on it at the current time but give the size of the current budget gap there may need to consider similar for 2022/23.

93. Collection Fund Equalisation. Council Tax and Business Rates are an area of both pressure and uncertainty for the Council with in excess of £250m going through the Collection Fund annually. At present, the shortfall in Government funding to meet the deficit arising in 2020/21 due to Covid-19 is being met from this reserve, the opening balance being artificially high due to the regulatory accounting treatment for the Council's £12.8m share of the discretionary reliefs.
94. The key movement in Service Specific reserves is the support for welfare of £1.957m outlined above.
95. There have been planned reductions in the Capital Financing Reserve for a number of years as the budget is increased over time to match the capital financing growth driven through the Capital Programme. This need has not come through as early as initially anticipated due to some slippage in the Capital Programme and the persistence of low interest rates. Further work is being undertaken in this area to reflect the rolling forward of the ten year Capital Programme and it is likely that the calls on the reserve will be less than set out below.
96. General Fund Balance is at policy level and this is likely to remain the position but there will be a review undertaken across the autumn.

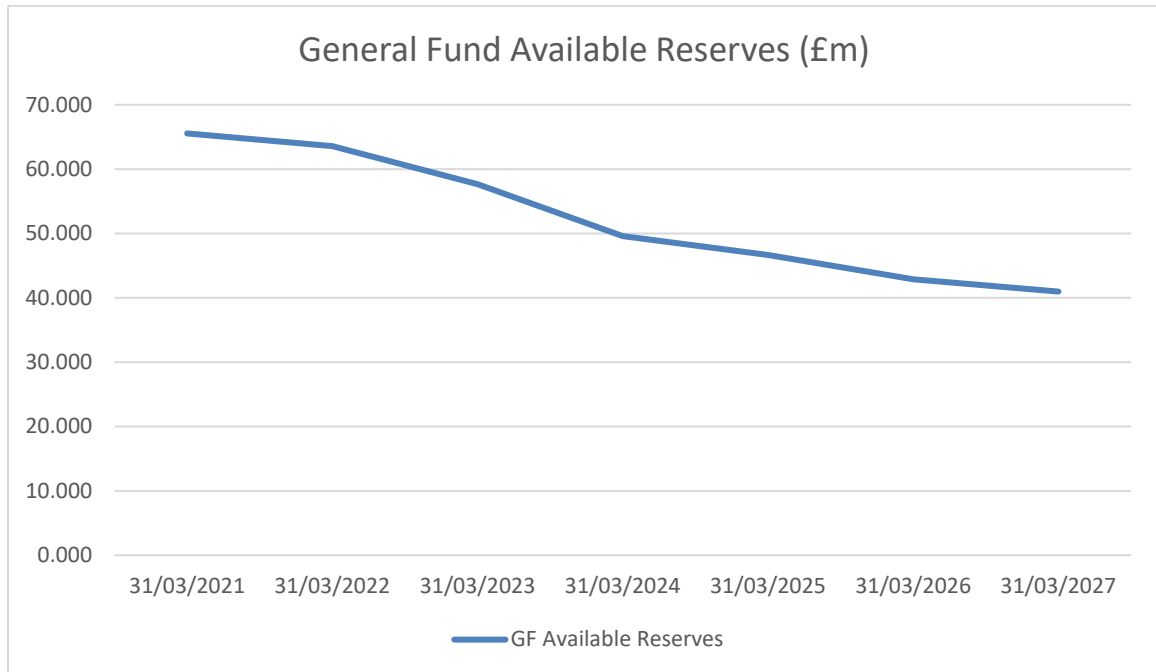
Table Eight – Summary of Forecast Reserves across the Medium Term

Reserve balances at:	31/03/22	31/03/23	31/03/24	31/03/25	31/03/26	31/03/27
	£m	£m	£m	£m	£m	£m
Risk Reserve	(18.855)	(18.855)	(18.846)	(18.855)	(18.855)	(18.855)
Covid-19 Reserve	(10.000)	(4.849)	(4.849)	(4.849)	(4.849)	(4.849)
Balance Sheet Management	(3.040)	(3.040)	(3.040)	(3.040)	(3.040)	(3.040)
Collection Fund Equalisation Reserve	(18.577)	(8.526)	(7.785)	(7.785)	(7.785)	(7.785)
Housing Benefit Smoothing Reserve	(5.276)	(5.276)	(5.276)	(5.276)	(5.276)	(5.276)
Adult Social Care Smoothing Reserve	(2.297)	(1.297)	(0.556)	(0.556)	(0.556)	(0.556)
NLWA Reserve	(1.349)	(1.349)	(1.349)	(1.349)	(1.349)	(1.349)
Subtotal MTFP Smoothing Reserves	(40.539)	(24.337)	(22.855)	(22.855)	(22.855)	(22.855)
Capital Financing	(23.732)	(17.833)	(9.789)	(6.823)	(3.030)	(1.146)

Service Specific	(10.949)	(8.722)	(8.109)	(8.234)	(8.359)	(8.484)
Property	(1.811)	(1.561)	(1.311)	(1.061)	(1.061)	(1.061)
Grants & Other Contributions	(9.375)	(8.146)	(8.046)	(8.071)	(8.096)	(8.121)
Sub total GF Usable Reserves	(105.261)	(79.454)	(68.965)	(65.899)	(62.256)	(60.522)
Insurance	(7.022)	(7.022)	(7.022)	(7.022)	(7.022)	(7.022)
General Fund Balance	(13.949)	(13.949)	(13.949)	(13.949)	(13.949)	(13.949)
GF Earmarked Reserves	(126.232)	(100.425)	(89.936)	(86.870)	(83.227)	(81.493)
HRA Earmarked Reserves	(37.807)	(28.622)	(24.919)	(24.905)	(30.366)	(25.063)
Schools	0.242	0.242	0.242	0.242	0.242	0.242
Total	(163.797)	(128.805)	(114.613)	(111.533)	(113.351)	(106.314)

97. Available General Fund reserves are the total reserves less those for the HRA, schools, Insurance, Capital financing and grants & other contributions. The chart below shows how the available reserve balances will diminish over the life of the MTFP.

Chart One – Available Reserves



Safeguarding Implications

98. None arising from this report. There are service reductions across all services including Adult Social Care and Children's Social Care. Officers are working through these to ensure there is no impact on the Council's safeguarding duties for vulnerable adults and children in the Borough. There are inherent risks in demand in these services which may be compounded by the pandemic for which the Council holds a revenue contingency and reserves.

Public Health Implications

99. The Council's core business is to maintain and enhance the wellbeing of the community; austerity and the financial climate is severely challenging its ability to do this. The MTFP outlines how the Council aims to meet its financial demands whilst minimising the effect of these pressures on the community. However, it is difficult to envisage how continuous cuts to the Council's budget will not impact upon its ability to support and maintain community wellbeing.

Equalities Impact of the Proposal

100. Local authorities have a responsibility to meet the Public Sector Duty of the Equality Act 2010. The Act gives people the right not to be treated less favourably because of any of the protected characteristics. It is important to consider the needs of the diverse groups with protected characteristics when designing and delivering services or budgets so people can get fairer opportunities and equal access to services.
101. The Council aims to serve the whole borough fairly, tackle inequality and protect vulnerable people. The Council will promote equality of access and opportunity for those in our communities from the protected characteristic groups or those disadvantaged through socio-economic conditions.
102. The Council undertakes Equality Impact Assessment (EqIAs) to help make sure we do not discriminate against service users, residents and staff, and that we promote equality where possible.
103. An Equality Impact Assessment will be completed for individual budget/savings proposals. These assessments will evaluate how the proposal will impact on people of all protected characteristics and will identify alternative action or mitigating action where any adverse impact is identified. This will include consultation and engagement with affected people and organisations as appropriate.
104. The 2022/23 Budget engagement will look to identify the potential impacts on the wider community of the Council's proposals to address the budget shortfall. To enable this, all voluntary and community sector organisations will be asked to share their views and the engagement activities will be accessible. To ensure communities from across the borough are able to participate, the Council will produce an easy read version of a questionnaire for those with learning difficulties, details of the engagement activities will be hosted online enabling the text to be translated, listened to and enlarged, and assistance will be offered to those who feel they may otherwise have issues in participating.
105. Participants will be able to submit their views about individual savings items and the overall proposed approach by the Council. Equalities monitoring

questions will be asked to enable this data to be cross-referenced with the opinions expressed by participants.

Environmental and Climate Change Considerations

106. This report sets out savings which also have positive environmental impact such as Street Lighting LED generating greater energy savings than anticipated, use of electric vehicles in ASC reducing costs and print cost reductions.

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

107. The Council faces an enormous financial challenge and it is essential that the opportunity is taken to progress savings at the earliest possible time. Delaying the decision will impact on the delivery of those savings and also impact on work to further close the financial gap.

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

108. The report has sought to identify as many of the financial risks facing the Council at this time and where possible to also quantify them. Identification is naturally one of the key steps in managing risk and this will be supplemented by regular review, there will be further reports to Cabinet in December 2021 and February 2022.

Financial Implications

109. As set out in the body of the report.

Legal Implications

110. The Council has various legal and fiduciary duties in relation to the budget. The Council is required by the Local Government Finance Act 1992 to make specific estimates of gross revenue expenditure and anticipated income leading to the setting of the overall budget and council tax. The Local Government Act 2003 entitles local authorities to borrow and invest as long as their capital spending plans are affordable, prudent and sustainable. The 2003 Act requires the Chief Finance Officer to report to Council as part of the budget process on the robustness of the estimates of borrowing, investment and spending and the adequacy of the proposed financial reserves taking into account the affordability, prudence, sustainability, value for money, stewardship of assets, service objectives and practicality requirements as provided by CIPFA's Prudential Code of Capital Finance in Local Authorities concerning borrowing and investment.

111. Members are obliged to take into account all relevant considerations and disregard all irrelevant considerations in seeking to ensure that the Council acts lawfully in adopting a budget and setting council tax. The Council must set and maintain a balanced budget and must take steps to deal with any projected overspends and identify savings or other measures to bring budget pressures under control. Members should note that where a service is provided pursuant to a statutory duty, the Council cannot fail to discharge its duty properly.

112. Members have a fiduciary duty to the Council Taxpayer for whom they effectively act as trustee of the Council's resources and to ensure proper custodianship of the Council's resources.

113. This report provides a clear and concise view of the position at present, of future sustainability and the decisions that need to be made for the recommended actions outlined herein with a view to meeting the Council's legal and fiduciary obligations.

Workforce Implications

114. Any proposal that is likely to impact on posts or changes and potential closure of services, will require the Council to conduct a meaningful and timely consultation with trade unions and staff. This will include consideration of alternative proposals put forward as part of the consultation process. The Council's HR policies and procedures for restructures should be followed. Any consideration for staff structural changes should ensure there is a resilient workforce to deliver on-going service requirements. Therefore, consideration of workforce planning should be included in the process.

115. Where redundancies are necessary the appropriate HR policies and procedures should be followed. Redeployment options must be considered.

116. It is important that services engage with HR at the earliest opportunity.

Property Implications

117. There are no new specific property implications that arise from the proposals to this report. However, given the nature of what the report covers, there are a number of projects and activities mentioned that will have property implications as they come forward. These will be addressed as appropriate to the detail of each within their separate covering reports.

Other Implications

118. None

Options Considered

119. None, the Council is statutorily required to set a balanced budget and this report is a step towards this.

Conclusions

120. As set out in this report, a number of savings have been proposed as a step towards the final budget report to Council in February 2022. The Government announcement at the end of October 2021 will inform the funding estimates. Savings plans and income generation options will continue to be explored with a view to presenting a final budget in December 2021. Alongside this, ongoing estimation of Covid-19 pressures will continue. The Council is in a more financially resilient position with strengthened reserves, however, identification of savings continues to be challenging.

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Date of report 1 October 2021

Appendices

Appendix 1 – Funding Assumptions

Appendix 2 – Spending Assumptions

Appendix 3a – FYE Savings

Appendix 3b – New Savings and Income Generation Proposals

Appendix 4 – Medium Term Covid-19 Pressures

Background Papers

Medium Term Financial Strategy – Cabinet July 2021

Funding Assumptions in the Medium Term Financial Plan 2022/23 - 2026/27**Appendix 1**

Funding Item	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	£000	£000	£000	£000	£000	£000
General Government Grant	0	0	0	0	0	0
Specific Government Grants	12,763	1,258	907	818	736	16,482
Business Rates	0	(1,000)	(1,500)	(1,500)	0	(4,000)
Council Tax Collection Rate	(1,290)	(667)	(685)	0	0	(2,642)
Council Tax Base	(682)	(682)	(682)	(682)	(682)	(3,410)
Council Tax rate increases	(2,958)	(3,029)	(3,198)	(3,113)	(3,075)	(15,373)
Council Tax Support (Covid-19 pressure)	3,863	(1,199)	(1,199)			1,465
Collection Fund	(700)		(3,188)			(3,888)
Use of Reserves	1,927		3,188			5,115
Total	12,923	(5,319)	(6,357)	(4,477)	(3,021)	(6,251)

Spending Assumptions in the Medium Term Financial Plan 2022/23 - 2026/27

Appendix 2

Ref. No.	Dept	Directorate	Description	Category	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Total £000
Pay Awards and Inflation										
General inflation	Corporate	Corporate	General inflation (split out some more specific items - street lighting etc.)	Inflation	725	3,000	3,000	3,000	3,000	12,725
NI increase to pay for Social Care	Corporate	Corporate	NI increase to pay for Social Care - estimate of additional LBE staffing costs	Inflation	1,413					1,413
Impact of 1.25% NI increase on suppliers	Corporate	Corporate	Impact of 1.25% NI increase on suppliers	Inflation	2,000					2,000
Inflation Review	Corporate	Corporate	Inflation – reviewed including unallocated £2.0m in the base	Inflation	(2,026)					-2,026
Pay Awards	Corporate	Corporate	Pay Awards (work out true 2% cost and offset against inflation so net nil impact)	Inflation	3,187	2,576	2,602	2,628	2,628	13,621
Customer Experience & Change 1	Corporate	Corporate	Inflation specifically for IT contracts	Inflation	320	320	320	320	320	1,600
Highways inflation	Place	Place	Highways Ground Maintenance Contract Inflation (one off increase)	Inflation	47	0	0	0	0	47
Street Lighting Inflation	Place	Place	Street Lighting energy price increase, market proposal is 27.49% increase for 25 months (ending in March 23)	Inflation	184					184
Water Inflation	Place	Place	Water Price Increases (estimated 2% inflation)	Inflation	11					11
Gas & Electricity Inflation	Place	Place	Gas and Electricity Price Increases	Inflation						0
ASC_P1_1920	People ASC	ASC/PH	Customer Pathway Contract Inflation ASC	Inflation	814	814	814	814	814	4,070
ASC_P2_1920	People ASC	ASC/PH	Learning Disabilities Contract Inflation ASC	Inflation	584	584	584	584	584	2,920
ASC_P3_1920	People ASC	ASC/PH	Mental Health Contract Inflation ASC	Inflation	167	167	167	167	167	835
Total Pay Awards and Inflation					7,426	7,461	7,487	7,513	7,513	37,400
Demographic Pressures										
ASC Demographic Pressure	People ASC	ASC/PH	Adult Social Care Demographic Pressures estimated July 2019 (and updated Sept 2020 & Sept 2021)	Demography	2,553	2,086	2,086	2,086	2,086	10,897
CSC Demographic Pressure	People C&F	Children's/ Education	Further Children's Social Care Demography	Demography	750	750	750	750	750	3,750
Home To School Transport/SEN Transport	Place	Place	Home To School Transport Pressures (ongoing annual demand pressures impact of £530k) + other current pressures	Demography	630	630	630	630	630	3,150
Total Demographic Pressures					3,933	3,466	3,466	3,466	3,466	17,797
Investment / Capital Financing										
Capital Financing	Corporate	Corporate	Net position on Capital Financing estimates	Capital Financing	1,020	2,643	3,800	1,648	1,000	10,111
Social Work Apprenticeships - ASC	People ASC	ASC/PH	Social Work Apprenticeships (new)	Investment	130					130
Social Work Apprenticeships - CSC	People C&F	Children's/ Education	Social Work Apprenticeships (new)	Investment	130					130
R&M Budget	Place	Place	Repairs and Maintenance budget shortfall (non-capital planned works)	Investment	150	150	150	150	150	750
Income & Debt Team	Resources	CEX/ Resources	Investment in Income & Debt Team to address growth in complexity and level of demand and to support the drive to improve debt collection rates	Investment	378					378
Total Investment / Capital Financing					1,808	2,793	3,950	1,798	1,150	11,499

Spending Assumptions in the Medium Term Financial Plan 2022/23 - 2026/27

Appendix 2

Ref. No.	Dept	Directorate	Description	Category	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Total £000
North London Waste Authority										
NLWA	Corporate	Corporate	North London Waste Authority (NLWA) - new waste facility	NLWA	508	753	753	753	753	3,520
Total NLWA					508	753	753	753	753	3,520
Covid-19 Reversals										
Unquantified Covid-19 pressures	Corporate	Corporate	Unquantified Covid-19 pressures	Covid-19 Reversal	(4,404)					(4,404)
Unquantified Covid-19 lost income ongoing	Corporate	Corporate	Unquantified Covid-19 lost income ongoing	Covid-19 Reversal	(2,023)	(674)				(2,697)
Covid-19 Contingency	Corporate	Corporate	Covid-19 Pressures Contingency	Covid-19 Reversal	(4,183)					(4,183)
Welfare Support/Hardship	Resources	Resources	Welfare Support/Hardship	Covid-19 Reversal	(1,466)					(1,466)
			Concessionary Travel costs will reduce significantly due to fewer journeys being made as a result of COVID-19 restrictions and changes to lifestyles							(233)
Concessionary Fares	Corporate	Corporate		Covid-19 Reversal	(1,818)	1,585				(233)
					(13,894)	911	0	0	0	(12,983)
Pressures										
Morson Road Rent	Place	Place	Morson Road Depot Rent Review	Pressure	0	266	89	0		355
Local Plan (Plan Making)	Place	Place	Local Plan (Plan Making)	Pressure	(300)					(300)
Culture Pressure	Place	Place	Cultural Services Development	Pressure	(47)	(32)	(32)	(31)		(142)
Homelessness demand pressure	Place	Place	Homelessness demand pressure (£0.939m already in Unquantified Covid)	Pressure	(2,386)	(921)	(140)	305		(3,142)
			The insurance market is hardening particularly for business interruption and professional indemnity policies and an increase in premiums (estimated @ 15%) is anticipated	Pressure						150
Insurance Premiums	Corporate	Corporate		Pressure	150					
Support for Schools - Financial Difficulty work - NEW FOR 2022/23	People	Children's/ Education	Growth of £30k - £50k (averaged at £40k for now)	Pressure	40					40
			Joint Service for Disabled Children - increased demand and complexity of cases. Care provided in community settings is less costly than in residential placements.	Pressure						500
Joint Service for Disabled Children	People C&F	Children's/ Education		Pressure	500					
Translation & Interpreting for C&F	People C&F	Children's/ Education	Translation & Interpreting	Pressure	50					50
Discretionary Housing Payments	Resources	Resources	Discretionary Housing Payments	Pressure (Reserve funded)	1,300					1,300
Discretionary Housing Payments Reserve funding	Resources	Resources	DHP Funded from Reserve	Use of Reserves	(1,300)					(1,300)
Emergency Support Scheme	Resources	Resources	Emergency Support Scheme	Pressure (Reserve funded)	207					207
Emergency Support Scheme Reserve funding	Resources	Resources	Emergency Support Scheme Funded from Reserve	Use of Reserves	(207)					(207)
Council Tax Support Hardship Payments	Resources	Resources	Council Tax Support Hardship Payments	Pressure (Reserve funded)	450					450
Council Tax Support Hardship Payments Reserve funding	Resources	Resources	Funded from Reserve	Use of Reserves	(450)					(450)
Growth in IT procured in service areas	Resources	Resources	Growth in IT procured in individual service areas across the council	Pressure	254					254
Fly Tipping	Place	Place	Fly Tipping Pressure (likely to be HRA pressure)	Pressure	TBC					0
Car Park Pay & Display	Place	Place	Car Park Pay & Display under pressure	Pressure		500				500
Homelessness Savings Review	Place	Place	Homelessness Savings Review	Pressure	TBC					0
Planning Budget	Place	Place	Planning Budget to be reviewed	Pressure	TBC					0

Spending Assumptions in the Medium Term Financial Plan 2022/23 - 2026/27

Appendix 2

Ref. No.	Dept	Directorate	Description	Category	2022/23	2023/24	2024/25	2025/26	2026/27	Total
					£000	£000	£000	£000	£000	£000
SEN Transport	People C&F	Children's/ Education	SEN Transport Pressure	Pressure	1,900					1,900
Corporate Unachieved Savings	Corporate	Corporate	Tail end spend & Procurement cards unachieved savings written out	Pressure	250					250
Base pressures across Learning Disabilities	People ASC	ASC/PH	Base pressures across Learning Disabilities	Pressure	440					440
Base pressures across Older People/Physical Disabilities	People ASC	ASC/PH	Base pressures across Older People/Physical Disabilities	Pressure	649					649
Total Pressures					1,500	(187)	(83)	274	0	1,504
Overall Pressures in the MTFP 2022/23 - 2026/27					1,281	15,197	15,573	13,804	12,882	58,737

FYE Savings in the Medium Term Financial Plan 2022/23 - 2026/27

Appendix 3A

Ref	Proposal Summary	Saving Category	Dept	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Total £000
CORP 20-21 S01	Utilisation of council tax balances; £2,000k in 2020/21 reducing to £500k in 2021/22 and then £0 in 2022/23	Efficiencies/ Service Reduction	Corporate	500					500
RES 20-21 S02	Update of financial systems	Efficiencies/ Service Reduction	Resources		0	(250)			(250)
RES 20-21 S04	Payroll Service expansion to schools	Income	Resources			(50)	(50)		(100)
RES 20-21 S05	Staff savings from implementation of a vendor payment portal	Efficiencies/ Service Reduction	Resources			(200)			(200)
RES 20-21 S06	Single view of the customer debt	Efficiencies/ Service Reduction	Resources			(50)			(50)
RES 20-21 S15	Reducing cost of maintaining staff laptops and devices	Efficiencies/ Service Reduction	Resources	(60)					(60)
RES 20-21 S16	Procurement saving resulting from replacing our digital customer platform	Efficiencies/ Service Reduction	Resources	(400)	(400)				(800)
RES 20-21 S17	Application Rationalisation - ongoing reduction of other applications	Efficiencies/ Service Reduction	Resources	(200)					(200)
RES 20-21 S19	Automation of routine processes including the exploration of Artificial Intelligence	Efficiencies/ Service Reduction	Resources	(50)					(50)
RESOURCES 21-22 S01	Staffing efficiencies within Resources Department	Efficiencies/ Service Reduction	Resources	(250)					(250)
RESOURCES 21-22 S02	Customer Operations	Efficiencies/ Service Reduction	Resources	(50)	(50)	(50)	(50)		(200)
PEOPLE 20-21 S05	Increased income through fees and charges for chargeable Adult Social Care Services	Income	People ASC	(100)	(100)	(100)			(300)
ASC1	Reardon Court – Extra Care	Income	People ASC	0	(113)	(377)			(490)
PLACE 20-21 S01A	Increase in fee income in the planning service	Income	Place	(20)					(20)
PLACE 20-21 S01D	Building Control Plan Drawing Service	Income	Place	(20)					(20)
PLACE 20-21 S02B	Montagu Industrial Estate Redevelopment	Efficiencies/ Service Reduction	Place		(300)	(900)			(1,200)
PLACE 20-21 S02G	Reardon Court Development Rental Income	Income	Place		0	0			0
PLACE 20-21 S03	Crematorium Development	Income	Place	0		0			0
PLACE 20-21 S05A	Meridian Water Meanwhile use income	Income	Place	86	0	(81)			5
PLACE 20-21 S05B	Meridian Water Non-Residential Rental Income	Income	Place			(97)	(97)		(194)
PLACE 20-21 S10	Inflation uplift on external clients and receipts income	Income	Place	(180)	(180)	(180)			(540)
PLACE 20-21 S11	Homelessness Service Review	Efficiencies/ Service Reduction	Place	(125)	(125)				(250)
PLACE 20-21 S12	Southgate Cemetery - Mausoleum and Vaulted graves sales	Income	Place	46	(10)	10			46
PLACE 20-21 S17	Reprofiled Holly Hill Bunding Income	Income	Place	600					600
ENV6	Edmonton Cemetery Expansion - sales of mausolea and vaulted graves	Income	Place	(6)					(6)
ENV7	Additional Traffic & Transportation income from recharges to capital	Income	Place	25					25
ENV12	Cemeteries Mausoleum and Vaulted graves sales - Southgate Cemetery	Income	Place	(31)					(31)
HPR5	Temporary Accommodation - Future Years	Efficiencies/ Service Reduction	Place	839	256	141			1,236
HPR7	Market Rentals for Council Properties	Income	Place	(10)	(10)				(20)
PLACE 21-22 S13	Economic Development Team	Efficiencies/ Service Reduction	Place	300					300
PLACE 21-22 S20	Bunding Income (one off in 2021/22)	Income	Place	400					400
				1,294	(1,032)	(2,184)	(197)	0	(2,119)

Early Savings Proposals 2022/23 - 2026/27 (October Cabinet)

Appendix 3B

Ref	Description of saving	Category	Dept	2022/23	2023/24	2024/25	2025/26	2026/27	Total
				£000	£000	£000	£000	£000	£000
CEX 22-23 S01	Corporate Strategy service restructure	Efficiency	CEX	(100)					(100)
CEX 22-23 S02	Enfield Strategic Partnership review of reserves	Efficiency	CEX	(100)	100				0
CEX 22-23 S03	Digitalisation/ decentralisation of MEQ & Complaints Team responsibilities	Efficiency	CEX	(150)					(150)
CEX 22-23 S04	Legal team capitalisation	Efficiency	CEX	(50)					(50)
CEX 22-23 S05	Audit Team budget review	Efficiency	CEX	(50)					(50)
PEOPLE 22-23 S01	Better Care Fund - Substitution	Efficiency	People ASC	(300)					(300)
PEOPLE 22-23 S02	Review of Adult Placement Service, Outreach & Enablement	Efficiency	People ASC	(260)					(260)
PEOPLE 22-23 S03	Strength based Programme - Reduced long term demand	Demand Management	People ASC	(200)					(200)
PEOPLE 22-23 S04	Disabled Facilities Grant - Substitution	Efficiency	People ASC	(200)					(200)
PEOPLE 22-23 S05	Care Purchasing demand, transition and Continuing Health Care	Efficiency	People ASC	(683)					(683)
PEOPLE 22-23 S06	Print costs/Home working	Efficiency	People ASC	(35)					(35)
PEOPLE 22-23 S07	Reduced fuel costs move to electric vehicles	Efficiency	People ASC	(35)					(35)
PEOPLE 22-23 S08	Public Health	Efficiency	People Public Health	(300)					(300)
PEOPLE 22-23 S09	Review of alternative funding streams for Education services	Service Reduction	People C&F	(80)					(80)
PEOPLE 22-23 S10	Service Efficiencies	Service Reduction	People C&F	(300)					(300)
PEOPLE 22-23 S11	Enhanced Pension Costs	Efficiency	People Education	(200)					(200)
PLACE 22-23 S01	Corporate Maintenance Facilities Management Operational Efficiency (Security, Cleaning, Staffing)	Efficiency	Place	(100)					(100)
PLACE 22-23 S02	Economic Development - income and grants	Income	Place	(100)					(100)
PLACE 22-23 S03	New Burial Ground	Income	Place			(940)			(940)
PLACE 22-23 S04	Fleet Centralisation	Efficiency	Place	(50)					(50)
PLACE 22-23 S05	Litter Enforcement Contract Income	Income	Place	(50)					(50)
PLACE 22-23 S06	Commercial waste	Income	Place	(100)					(100)
PLACE 22-23 S07	Recycling Improvements	Efficiency	Place	(68)					(68)
PLACE 22-23 S08	Garden Waste Income	Income	Place	(150)					(150)
PLACE 22-23 S09	Parks Operations Efficiencies	Efficiency	Place	(50)					(50)
PLACE 22-23 S10	Review of recharging of Place back office costs	Efficiency	Place	(500)					(500)
PLACE 22-23 S11	Energy Savings generated from the Salix investment on Corporate buildings	Efficiency	Place	(75)					(75)
PLACE 22-23 S12	Streetlighting additional saving	Efficiency	Place	(100)					(100)
PLACE 22-23 S13	Traffic Order Income	Income	Place	(100)					(100)
RESOURCES 22-23 S01	Out of hours service: review existing service users, reduce service and reduce costs	Service Reduction	Resources	(30)					(30)
RESOURCES 22-23 S02	Council Tax Review Scheme – improves collection fund position (currently working on estimates e.g. reduction of single person discounts)	Efficiency	Resources		(300)				(300)
RESOURCES 22-23 S03	Internal enforcement (Business Case March 2021, go live April 22)	Efficiency	Resources	(300)	(100)				(400)
RESOURCES 22-23 S04	Care Charges (for Adult Social Care) service redesign	Income	Resources	(100)					(100)
RESOURCES 22-23 S05	Exchequer Service Pension recharge	Efficiency	Resources	(50)					(50)
				(4,966)	(300)	(940)	0	0	(6,206)

Medium Term Covid-19 Pressures

Appendix 4

Description of Pressure	Category	Dept	2022/23	2023/24	2024/25	2025/26	2026/27	Total
			£000	£000	£000	£000	£000	£000
One off pressures across Learning Disabilities	Covid Pressure	People ASC	400	(400)				0
One off pressures – Older People/Physical Disabilities	Covid Pressure	People ASC	500	(500)				0
ASC workforce pressures	Covid Pressure	People ASC	215	(215)				0
ASC: Additional long term care purchasing costs as a result of cancelation of routine operations, hip, knee etc	Covid Pressure	People ASC	250	(250)				0
ASC: Learning Disability Service – Placement breakdown	Covid Pressure	People ASC	100	(100)				0
ASC: Hospital Discharge	Covid Pressure	People ASC	300	(300)				0
Children’s Social Workers (fixed term posts)	Covid Pressure	People C&F	620	(620)				0
Children’s Social Workers (agency staff)	Covid Pressure	People C&F	401	(401)				0
Children’s short breaks & block bookings	Covid Pressure	People C&F	130	(130)				0
Education workforce pressures	Covid Pressure	People Education	40	(40)				0
People: Miscellaneous costs	Covid Pressure	People	15	(15)				0
Additional Legal Support for Children & Families	Covid Pressure	People C&F	200	(200)				0
Resources workforce pressures	Covid Pressure	Resources	600	(600)				0
CEX workforce pressures	Covid Pressure	CEX	20	(20)				0
CEX: Comms, project work	Covid Pressure	CEX	60	(60)				0
Loss of Sales, Fees & Charges (Place)	Covid Pressure	Place	500	(500)				0
Loss of Sales, Fees & Charges (Resources)	Covid Pressure	Resources	800	(800)				0
			5,151	(5,151)	0	0	0	0