

London Borough of Enfield

Cabinet

8th December 2021

Subject: Revenue Monitoring 2021/22: Quarter 2 (Sept. 2021)

Cabinet Member: Cllr. Maguire

Executive Director: Fay Hammond

Key Decision: 5338

Purpose of Report

1. This Report sets out the Council's revenue budget monitoring position based on information to the end of September 2021. The report sets out the position 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 budget forecast including the impact of Covid-19, Government support and the Council's response is an adverse variance of £0.465m, compared to the balance position reported in quarter 1. It should be noted that this does require the use of the £3.0m corporate contingency. Executive Directors continue to work with Cabinet Members to robustly manage the underlying budget position and implement savings, whilst managing, mitigating and minimising the Covid-19 financial impact. The impact of Covid-19 on expenditure and loss of income is expected to be fully funded from Government grants in 2021/22 but these pressures are expected to continue into 2022/23 and will be addressed through the MTFP. This is set out in Appendix B; the report is set out as follows:
 - i. Paragraphs 31 to 93 provide the underlying position in the General Fund as at Quarter 2 after the flexible use of capital receipts are of £1.8m are applied.
 - ii. Paragraphs 94 to 128 provides an update on the Covid-19 financial impact of £36.9m. It should be noted that this figure is the gross expenditure regardless of funding received. This includes for example the NHS hospital discharge expenditure, Infection control grant, new grants allocated this year and balances carried forward from 2020/21. The Government's response in terms of additional funding is highlighted in paragraph 22 to 23.
3. The impact of Covid-19 continues to be assessed by forecasting the additional expenditure, loss of income and impact on the savings

programme, the total forecast is £36.9m. This includes expenditure incurred within Adult Social Care relating to hospital discharge programme and is funded via the NHS.

4. The forecasted position includes £36.9m of Government funding. This has been in the form of £10.5m support grant which has supplemented the Council's response. At the same time the Government has extended the support to help manage the loss of sales and fees and charges income for the first quarter of the year. Alongside the £10.5m support grant, the Government has made further specific ring-fenced funding available and these total £17.8m.
5. The budget includes a contingency of £3.0m which was set to manage unforeseen circumstances and given the latest forecast position will be required to maintain a balanced position with the current forecasts. Executive Directors continue to work to manage the current position and reduce any pressures in order to minimise the call on the corporate contingency. The Pressure Challenge Boards will review the most significant pressure areas in order to provide corporate challenge as well as generating additional options to mitigate the pressures not only for this financial year but for future years also.
6. The Quarter 2 forecast is an adverse position of £0.465 with departmental pressures met with the corporate contingency and the financial impact of Covid-19 expected to be sufficiently funded by Government grants. This forecast does still require the planned use of reserves of £1.927m to support the overall budget as set out in the Budget Report 2021/22.
7. The Dedicated Schools Grant is forecasting an outturn position of a deficit of £5.608m. With the £8.049m deficit brought forward from 2020/21, the cumulative forecast deficit at year end is £13.657m and will be the first call on the 2021/22 grant allocation and therefore reduce the funding available for next year's allocation.
8. The report provides an update on the 2021/22 forecast position for the level of reserves.
9. 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 and these could persist beyond 2021/22 and continue into 2022/23 and indeed beyond. These are all under continuous review and there is a strong likelihood that £3m to £4m will need to be built into the Medium Term Plan initially as a one off but potentially as ongoing cost.
10. Enfield Council is actively seeking to assist families from Afghanistan to settle in the UK. An Afghanistan Resettlement programme has been proposed to support families with accommodation and support. This will come with Government funding and it is anticipated that services such as Housing and Social Care will be providing much needed support.

Proposals

11. Cabinet is recommended to;

12. Note the £0.465m adverse position on the General Fund after the use of £3m contingency and £5.6m overspend in the Dedicated Schools Grant (DSG) forecasted revenue outturn position for 2021/22.
13. Note the Covid-19 impact of £36.9m which is expected to be funded by Government grants.
14. Note the progress made on the journey to setting a robust and resilient budget.
15. Request Executive Directors continue to work with Cabinet Members to robustly manage the underlying budget position and implement savings, whilst managing, mitigating and minimising the Covid-19 financial impact.
16. It is recommended that Cabinet Members note the forecast level of reserves and implications for 2021/22 and challenging financial position over the life of the MTFP.

Reason for Proposals

17. To ensure that members are aware of the forecast 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 being taken and proposed to manage the financial position for 2021/22.

Relevance to the Council's Corporate Plan

18. 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 2021/22. 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

19. On the 2nd March 2021, the 2021/22 budget was set by Council. New savings of £7.7m and new income generation plans of £1.9m were agreed for 2021/22. Savings and income proposals agreed from previous years to be delivered in 2021/22 totalled £3.4m. As part of the aim to continue to place the budget in a more resilient position, in 2021/22 £29.4m of growth was included to reflect the demographic, inflationary, investment and capital financing needs.
20. The Council continues to respond to the Covid-19 crisis ensuring that the community is supported as effectively as possible in very challenging circumstances. This continues to have a financial impact but as experienced in 2020/21 and reported in the outturn, the forecast impact of £36.9m is expected to be funded by government grants.
21. The forecasted position includes £36.9m of Government funding. This has been in the form of £10.5m support grant which has supplemented the Council's response. At the same time the Government has extended the

support to help manage the loss of sales and fees and charges income for the first quarter of the year. Alongside the £10.5m support grant, the Government has made further specific ring-fenced funding available and these total £17.8m.

22. This other funding includes the Contain Outbreak Management Fund, NHS discharge programme funding from the NHS, infection control, Local Support grant, Community Testing programme and Practical Support grant.
23. The Collection Fund deficit of £16.6m is forecast to be offset by the use of the Collection Fund Equalisation Reserve, as the ongoing pressure of £5.5m will be spread over 3 years. The majority of the impact will be funded by the Taxation Income Guarantee and the COVID Relief Grants provided by Central Government.
24. The forecast for Q2 is a £0.465m adverse position, however given the currently forecasted position the £3.0m use of corporate contingency is required and work will continue to minimise and mitigate forecasted pressures in order to reduce the call on the contingency.
25. The 2021/22 budget relied on a one-off use of reserves of £1.927m from the Reserves. The forecast as at Quarter 2 means that this will still be needed to draw down from reserve as planned.
26. The £36.9m 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 forecast positions. These pressures are covered in paragraphs 94 to 128 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 now reported gross.
27. This means that as at the Quarter 2 position the £10m specific Covid-19 earmarked reserve can remain on the balance sheet, which maintains the Council reserves and strengthens the Council's ability to manage the longer term effects of the pandemic moving into 2022/23.
28. The risk is that the Covid-19 pressures persist beyond 2021/22 and continue into 2022/23 and indeed beyond. These are all under continuous review and further updates will be provided in the Quarter 3 report, however there is a strong likelihood that £3m to £4m will need to be built into the Medium Term Plan initially as a one off but potentially as ongoing cost.
29. Enfield Council is actively seeking to assist families from Afghanistan to settle in the UK. An Afghanistan Resettlement programme has been proposed to support families with accommodation and support. This will come with Government funding and it is anticipated that services such as Housing and Social Care will be providing much needed support.
30. This report also provides information on the main budget variances and their causes that are affecting the Council across all departments that are not as a result of Covid-19 and these are covered in paragraphs 31 to 93. Although a full budget monitor is carried out each month, variations 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)

forecast outturn for 2021/22, 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 a monitor of reserves and balances, which are set out in detail in [Appendix L](#). Use of capital receipts to fund transformation expenditure is summarised in [Appendix H](#).

Main Considerations for the Council

31. **General Fund Quarter 2 Forecast Outturn**
32. Each of the departments has generated a list of the key variances which are contributing to the projected outturn figures and are not resulting from the pandemic. Cabinet Members and Executive Directors are expected to manage their budgets in year and contain any forecast adverse variance by implementing offsetting savings measures. All Executive Directors reporting adverse variance are working on mitigating actions for the current year and where pressures are ongoing these are also being worked up as part of the Medium Term Financial Plan (MTFP).
33. The forecast budget position is set out in Table 1 below. It provides a comparison between the latest budget and the forecast position. This is the total forecast position for the Council, including the effects of Covid-19.
34. Table 2 sets out the Covid-19 associated pressures the Council is experiencing by department.
35. The main movement in the forecast is seen in the Children's and Families services. This is a result of children with complex needs requiring additional support and 27 children being placed in external child care placements, including residential care, during this quarter.

36. Table 1: General Fund Quarter 2 Projected Departmental Outturn Variances 2021/22

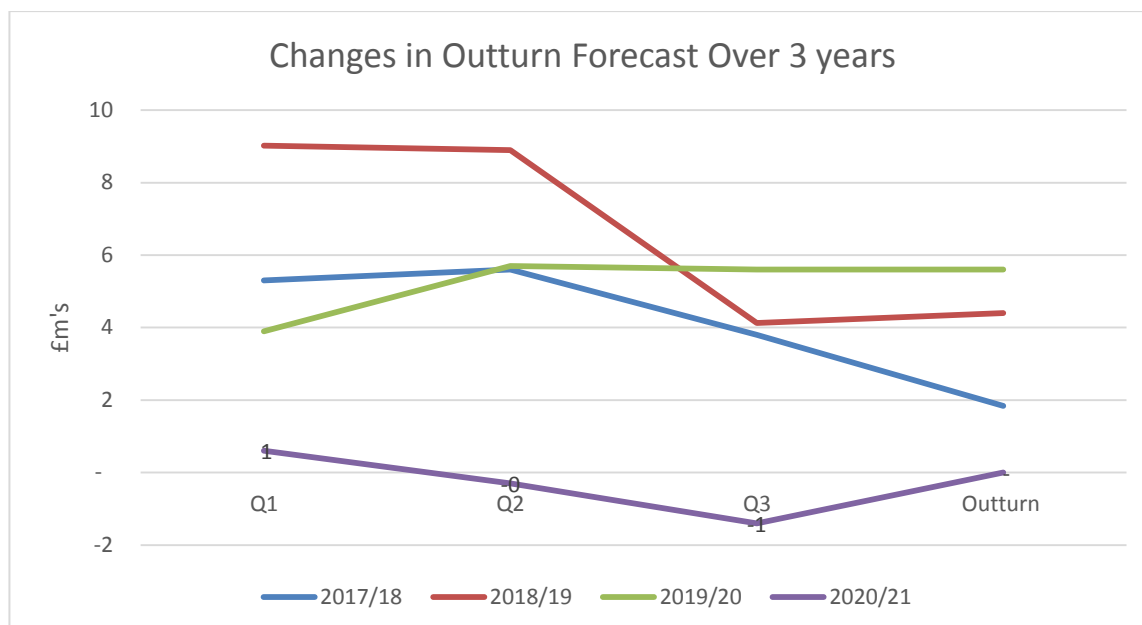
Department	Net Budget	Total Gross Forecast Outturn Variance	Flexible use of Capital Receipts	Total Net Forecast Variance incl. Covid-19 & In Year Savings	Net Variance excl. Covid-19 & In year savings		Covid-19 Total Impact (see Table 2)	Covid-19 Funding / Collection Fund
Chief Exec	11.955	0.121	(0.066)	0.055	0.055		0.694	(0.694)
People	127.330	2.914	(0.481)	2.433	2.433		11.178	(11.178)
Place	29.915	0.271	(0.188)	0.083	0.083		15.017	(15.017)
Resources	26.163	2.370	(1.141)	1.229	1.229		5.979	(5.979)
Service Net Costs	195.363	5.676	(1.876)	3.800	3.800		32.868	(32.868)
Corporate Expenses	64.435	(0.335)	0.000	(0.335)	(0.335)		4.024	(4.024)
Bad Debt Provisions	0.791	0.000	0.000	0.000	0.000		0.000	0.000
Contingency	3.000	(3.000)	0.000	(3.000)	(3.000)		0.000	0.000
Net Expenditure	263.589	2.341	(1.876)	0.465	0.465		36.892	(36.892)
Expenditure financed by:								
Business Rates	(94.241)	0.000	0.000	0.000	0.000		0.000	0.000
Council Tax	(133.108)	0.000	0.000	0.000	0.000		0.000	0.000
Other non-ring-fenced Government Grants	(31.125)	0.000	0.000	0.000	0.000		0.000	0.000
Reserves	(5.115)	0.000	0.000	0.000	0.000		0.000	0.000
General Fund Financing	0.000	2.341	(1.876)	0.465	0.465		36.892	(36.892)

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	11.955	0.694	0.000	0.000	0.694
People	127.330	11.178	0.000	0.000	11.178
Place	29.915	9.265	3.852	1.900	15.017
Resources	26.163	5.077	0.902	0.000	5.979
Service Net Costs	195.363	26.214	4.754	1.900	32.868
Corporate Expenses	64.435	4.024	0.000	0.000	4.024
Bad Debt Provisions	0.791	0.000	0.000	0.000	0.000
Contingency	3.000	0.000	0.000	0.000	0.000
Net Expenditure	263.589	30.238	4.754	1.900	36.892
Expenditure financed by:					0.000
Business Rates	(94.241)	0.000	0.000	0.000	0.000
Council Tax	(133.108)	0.000	0.000	0.000	0.000
Other non-ring-fenced Government Grants	(31.125)	0.000	0.000		0.000
Reserves	(5.115)	0.000	0.000	0.000	0.000
General Fund Corporate Financing	0.000	30.238	4.754	1.900	36.892

Budgets shown in Tables 1 and 2 are controllable departmental budgets excluding capital and asset impairment charges, which are not directly controlled by departments.

37. Management actions are ongoing to continue 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 with the first two sessions beginning focused on Homelessness and SEN Transport. The purpose of the sessions is to identify any further solutions to reduce the overspend in 2021/22 but also to identify whether there will be an ongoing pressure that will need to be considered in the 2022/23 budget setting process.
38. There has been a trend of improvements in budget setting and monitoring at Enfield Council over the past four years to improve the robustness and resilience of the council's finances. As a result of strong financial management and financial leadership, there has been less variation in forecast outturn between quarters in year and these are more accurate forecasts of actual outturn. The outturn position for 2020/21 was a balanced position whilst 2019/20 was an overspend of £5.6m and this was after the flexibility of applying £2.7m of capital receipts had been applied.
39. The above tables show that, had the Covid-19 crisis not occurred, the Council would be continuing that journey of increasing the robustness and resilience of its financial management and forecasting.
40. Chart 1: Trends in outturn forecasting since 2017/18



41. This report provides further information on the budget 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](#).
42. **Departmental Monitoring Information – Budget Pressures and Mitigating Actions (net variance, excluding Covid-19)**
 43. **Chief Executive’s** ([Appendix C](#))
 44. The Chief Executive’s department continues to forecast a minor variance, £0.055m at quarter 2 compared to £0.042m as at quarter 1, against a budget of £11.95m.
 45. **Use of Capital Receipts:**
 46. The flexible use of capital receipts forecast is the planned Communications role as detailed in the 2021/22 Budget Report and Invest to Save items put forward as part of the Medium Term Financial Strategy to achieve future savings as detailed in Appendix H.
 47. Further details of the Chief Executive department’s outturn variations are provided in [Appendix C](#).
 48. **People** ([Appendix D](#))
 49. The department’s forecast outturn is a £2.4m adverse variance against the budget of £127.3m. This is a £0.9m increase on the quarter 1 forecasts. The main variations are as follows:
 50. **Adult Social Care (ASC)**
 51. Adult Social Care services are forecasting an adverse variance of £1.57m which remains predominantly in community based services for Older People.
 52. Key assumptions within the forecast are based on projected activity and year to year trends. However, with the continuation of the effects of Covid-19 being felt, makes trend analysis extremely difficult in year. Additional provider costs due to Covid-19, demographic and inflationary pressures mean the projected outturn, whilst containing an element of risk, may be subject to change in the run up to Winter.
 53. The adverse position is also because of expected additional income that has been agreed through the MTFP is now looking unlikely to be achieved due to the Norfolk judgement and how this impact on the Council’s charging policy. The judgment in the *Norfolk* case found that there was an unjustified difference in treatment between, on the one hand, the severely disabled and, on the other hand, everyone else receiving council services covered by the Charging Policy. Local councils must consider the ruling and examine their own policies in light of the ruling.

54. Public Health

55. The Public Health grant is a £17.53m ring fenced grant that can only be used for public health functions. Just as in quarter 1, a neutral position is currently being forecast.
56. The £17.53m reflects a 1.4% increase in the grant form 2020/21, however, 0.7% of this is for PrEP (pre-exposure prophylaxis) a medicine to prevent people getting HIV. The inflationary increase is therefore 0.7%. Over 85% of spend in Public Health is for services contracted to the NHS, for which a pay increase of 3% nationally has been offered (but not accepted) without additional funding. There is also a risk that demand led sexual health services post pandemic could also result in additional pressures. Whilst this year's pressures can be absorbed this year by one off savings, the risk is without additional funding for these pressures will cause an overspend in future years.

57. Education, Children's and Families

58. There are only a few General Fund services in Education with a net budget of £4.7m. The cost of former employees on enhanced pension is forecast to be £0.2m favourable variance at the year end and supports its inclusion as a saving for the 2022/23 MTFP. In year exit costs resulting from restructures are creating an in year pressure of £0.25m, hence the overall minor variance being reported of £0.04m.
59. Children's and Families services are forecasting an adverse variance of £0.8m, an increase of £0.6m on quarter 1. There are variances reported across the service, the forecast is based on projected activity and year to year trends, with the continuation of the effects of Covid-19 being felt trend analysis is extremely difficult in year. Management action is being taken to address the variances including reviewing regularly high cost placements however, additional costs due to Covid-19, demographic and inflationary pressures mean the projected outturn may be subject to further change.
60. The Children in Need services continue to report a £0.181m adverse variance and this is predominantly forecast in the Child Protection and Assessment teams where there are unprecedented levels of vacancies being covered by temporary staff. The service is taking steps to improve recruitment and retention of directly employed staff to minimise the adverse variances by matching incentives offered by other local boroughs and increasing the number social work apprenticeships.
61. The main variances are due to a rise in the number of child protection referrals resulting in increasing numbers of children subject to child protection plans and more children coming into local authority care. Delays in the Family Court system are resulting in children being looked after for unusually long periods of time which creates pressures on the external care placement and in-house fostering allowances budget, however it has a positive impact on the special guardianship allowances. Other notable variances are a £0.423m favourable variance in former unaccompanied asylum-seeking children from maximising benefits for care leavers and clients moving to their own accommodation, favourable variance of £0.88m in adoption allowances and a £0.277m pressure in support costs for looked after children.

62. External child care placements have seen an increase of 27 new children placed in agency fostering, residential, semi-independent placements and mother and baby residential placements primarily due to acute parental mental health and domestic abuse issues. The level of complexity of need for some of the young people has meant that they have needed to go into high cost residential placements. The semi-independent budget remains under significant pressure as young people who are very challenging are having to be placed outside of the borough (for their own safety) which is leading to placement's being spot purchased outside of the tender framework.
63. The £0.327m overspend in the Joint Service for Disabled Children is predominantly due to an increased demand in overnight breaks to avoid family breakdown. Some children and young people with complex needs require intensive support including, for some, 24/7 care at home.
64. The edge of care service has been very successful in working with young people who are facing family breakdown by preventing 80% of young people referred to the service from coming into care. The social work domestic abuse team provides wrap around services to families and is successfully supporting parents to recognise, respond and reduce risks and keeping children safely at home with their families.
65. **Use of Capital Receipts:**
66. The planned use of capital receipts includes the £0.2m for the Break the Cycle initiative as per the Budget Report and two further invest to save schemes to achieve savings in future years and contribute to the MTFP, these being investment in a Specialist outreach service and investment in the transition into Adult Services from Residential schools.
67. **Place** ([Appendix E](#))
68. The Place department is reporting a forecast £0.083m variance against a net budget of £29.9m. The overall budget remains largely in balance, however the notable pressures that were reported in quarter 1 in Homelessness and Passenger Transport remain areas of risk. The Homelessness and Passenger Transport variances were the focus of the two planned Pressure Challenge Boards that were held to review the current actions plans and explore further options to reduce or mitigate these pressures. The outcomes of which continue to be worked through.
69. An adverse variance continues to be forecasted in Passenger Transport Service which is reporting a £1.9m. This is a demand lead service and a key demographic item in the MTFP and the services is experiencing an increase in overall numbers and a more specific issue of an increase in the number of journeys required for single occupants and a case review of these single occupancy routes to be undertaken. The quarter 2 forecast has been updated for the latest pupil intake and reflects further additions in March 2022.
70. The pressure in Culture service was partly addressed through the MTFP for 2021/22 and the service has continued to seek options for savings and

ways to mitigate the pressure. The forecast pressure has reduced as at quarter 2 and is now £0.130m, compared to £0.450m in quarter 1. This has been achieved through underspends in the Dugdale budget and delays in restructuring.

71. The Homelessness Service continues to manage challenging demand pressures and the underlying forecast variation to budget remains at £1.2m. This is due to the number of tenants in Emergency Accommodation (EA) at the start of the year being far higher than anticipated when the budgets were produced, the expectation was that there should be circa 2,750 tenants at the beginning of April 2021 however there were actually 3,442. It should be noted that even though the number of tenants has reduced over the first quarter this means the cost of accommodation to the service is much higher than originally budgeted for. A plan has been formulated which will see 100 exits from EA each and every month from July 2021 onwards to bring the numbers down significantly throughout 2021/22 on top of the circa 200 families (net) which have already been moved out of Emergency Accommodation this financial year. The numbers of exits have been closer to 40 and it the forecast for Bad Debt Provision has been increased based on the latest data. However, even when taking account of that the service is still on course for a £4.4m overspend at the end of 2021/22, though £3.6m is currently being attributed to impact of Covid-19.
72. The variance in Parking Enforcement is forecast to be £1.9m, as a result of putting in place traffic enforcement and parking control measures. The parking account is a ring-fenced account which is governed by Section 55 of the Road Traffic Regulations Act which specifies the use of any income in excess of the parking operational costs; this will be utilised to contribute towards the £10.250m of concessionary travel costs incurred.
73. Meanwhile use income from Meridian Water is forecast to be a £0.4m favourable variance.
74. Development management are forecasting a £0.500m variance which is predominantly because of a shortfall in the Pre-Planning Applications (PPA) income and the service is working to recover this position.
75. There are a number of smaller positive variances across the department that are all helping to mitigate the pressures and these are noted in Appendix E.
76. **Use of Capital Receipts:**
77. The planned use of capital receipts included £0.180m to establish Millfield House and theatre as an independent cultural venue which is no longer proceeding. Two invest to save initiatives are included, with a new Commercial manager being created in Planning and a scheme being implemented to improve the recycling rates from flats. Whilst a further £0.050m has been incurred in the mobilisation and implementation of the waste changes.
78. Further details are provided in [Appendix E](#).
79. **Resources (Appendix F)**

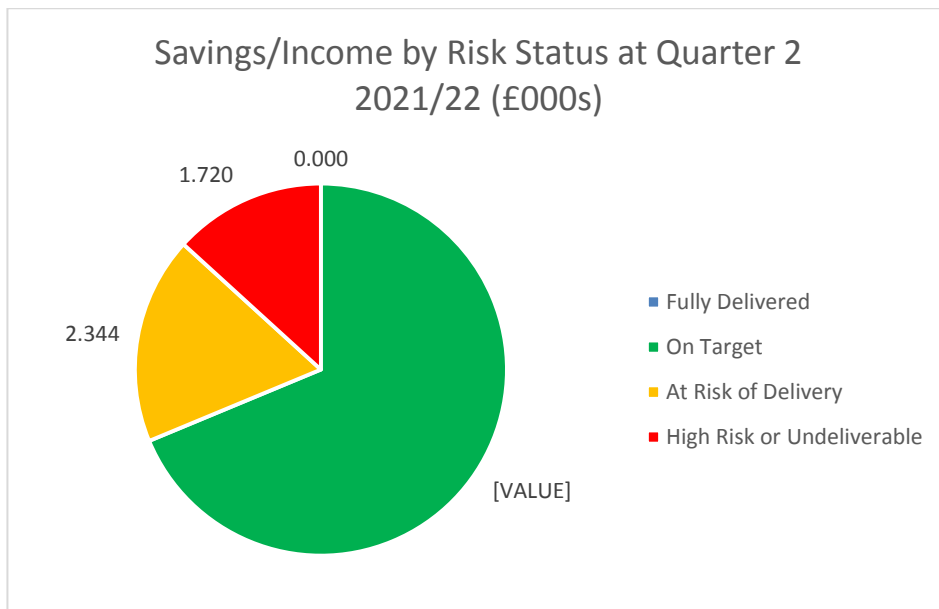
80. The Resources Department is reporting a net variance of £1.2m after the application of capital receipts against a net budget of £26.2m. This represents an improved position on the £1.6m forecast at quarter 1.
81. Digital services have experienced challenges in recruitment which has meant a greater reliance on temporary staff which cost more than if the service could permanently recruit and this has driven up the forecast in quarter 2. Additional resources have also been required in the security service which reflects the increase risk of cyber threats.
82. An overspend of £0.9m is forecast which is predominantly due to the need for dual running costs of the CRM/CMS system until the existing system is decommissioned at the end of the financial year and further additional security related expenditure on applications, compliancy and testing. Circa £0.160m relates to inflationary pressure on contracts and new spend on statutory or critical items.
83. Exchequer Services are reporting a favourable variance of £0.1m achieved further savings in staffing, operational costs and recharges to the pension fund.
84. The Financial Assessment service are reporting a £0.1m adverse variance which is mainly due to automation related savings that are now unlikely to be achieved this financial year as other IT related schemes require prioritisation.
85. The Customer Operations team are forecasting a positive £0.2m variance as a result of vacancies in the Customer Service team.
86. The Income Collection team are experiencing increased customer demand requiring additional resources to manage the workload, as well as additional resource put into support Housing Benefit sign up to assist in increasing emergency accommodation client income, alongside savings associated with the payment programme that are unlikely to be delivered this year are all contributing to a £0.24m adverse variance.
87. **Use of Capital Receipts:**
88. As per the Budget Report, investment in Digital services was agreed with a current forecast of £0.297m to develop business cases for new projects as part of the portfolio's pipeline.
89. The forecast net cost of the Transformation Team is by its nature transformation project costs and are planned as described in the Budget Report 2021/22 to be funded by the flexible use of capital receipts.
90. Further details of Resources outturn variations are provided in [Appendix F](#).
91. **Corporate**
92. Other than the £3m corporate contingency and concessionary fares underspend of £0.335m, all other corporate budgets are reporting a neutral position. This includes the budget for 2021/22 pay awards where final decision remains pending. Financial modelling of possible scenarios is currently being undertaken and further updates will be provided in the Quarter 2 report.

93. Concessionary fares are projecting a spend of £9.875m, based on London Councils revised settlement agreement which is a reduction of £0.335m from their original projection. Following a remodelling exercise of expected travel usage and journey lengths and completing negotiations with the transport operators, London Councils have revised the settlement agreement resulting in an in-year improved position.
94. **Covid-19 Impact (Appendix G)**
95. **Chief Executive's: net Resources budget is £11.9m; the total estimated additional costs of £0.7m (5.8%)**
96. The focus of Covid-19 impact has shifted in the Chief Executive's department from loss of income to expenditure in 2021/22. The more notable areas are additional legal cover required to deal with the increase in Children's social care cases and the additional cost incurred related to the recent elections. Though it should be noted that this was partly covered by the Local Elections grant.
97. **People: Adult Social Care (ASC) and Public Health – net budget is £82.9m; the total estimated additional costs of £5.5m (Gross i.e. includes NHS Hospital discharge costs), £4.1m (Net) 4.9%**
98. The impact on Adult Social Care (ASC) continues to be additional cost. The current forecasted impact directly in the department is £1.012m. The most significant cost pressures are judged to be additional staffing costs of £0.2m for additional staffing across ASC services.
99. Additional costs of £0.4m are anticipated resulting from the cancelation of routine operations e.g. hips, knees and the long term impact this may have a care cost. Placement breakdowns in Learning Disability services are also forecast to cost an additional £0.4m.
100. Outside safe areas in care facilities are also planned at a cost of £0.2m to be funded from the Contain Outbreak Management Fund grant.
101. The NHS Hospital discharge programme has been extended and is now forecast to cost a further £1.4m though this is recovered from the additional Government funding that has been allocated to the NHS.
102. There has further tranches of the Infection Control grant and the Rapid testing grant totalling £2.9m which has been passported on to care providers in line with the grant conditions.
103. **People: Education – net budget is £4.7m; the total estimated additional costs are £0.168m (3.5%)**
104. Additional support staff resources are required in the SEND team to manage and deal with the backlog of cases resulting from the pandemic. In order to support Covid-19 recovery in the boroughs Schools, a pilot of after school provision for supervised independent study is taking place in four of the borough's secondary schools, costing circa £48k.

105. **People: Children's & Families – net budget is £44.3m; the total estimated additional costs of £1.9m (4.3%)**
106. The most significant costs forecast relate to the need for additional staffing resources, with £0.980m for addition staff predominantly source via agencies and a further £0.4m required to recruit and retain social workers. 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 continues as does the need for PPE. Delays in final hearings due to backlogs at Courts are causing a further £01.50m pressure. Various items are to be funded from the Contain Outbreak Management Fund and include increase in short breaks and outside safe areas to increase contact facilities.
107. **Place – net budget is £29.9m; the total estimated additional costs of £15m gross (50.2%)**
108. Strategic Property Services are forecasting a £0.2m loss of income due to Covid-19 from areas such staff car parking fees and filming income.
109. The forecast net loss of income for Culture Services continues to be £0.2m.
110. £0.3m of expenditure will funded by the Welcome Back Grant/Reopening the High Street Safely grant. Whilst the new Additional Restrictions Grant is £2.9m and expected to be fully distributed by the end of this year.
111. Temporary additional resources of £0.1m have been required in the Planning service to implement workload recovery and backlog management plan in response to the pandemic.
112. Loss of income of £0.9m is expected in Traffic and Transport services, Commercial waste, Passenger Transport, Regulatory Services, waste services, leisure services and parks activities and engagement.
113. The most substantial loss of income continues to be experienced in the decline in Parking income, the restrictions and National Lockdowns has meant less travel undertaken and less use of car parks, resulting in a forecast loss of £2.2m.
114. Operational services such as Waste, Cemeteries and Parks have all had to incur additional expenditure during the pandemic at a cost of £0.9m.
115. The Community Testing programme is forecast to cost in the region of £2m, which will be fully funded by government grant. Continuation of the Covid-19 Marshalls will cost £0.5m, Contact tracing officers £0.3m and compliance officers £0.1m will all be funded from the Contain Outbreak Management Fund.
116. The estimated Covid-19 related cost in the Housing is £3.6m, of which £1.7m is the continuation of the housing and support to protect rough sleepers, with £1.9m the impact of Covid-19 on the services ability to deliver the savings programme.

117. **Resources: net Resources budget is £26.163m; the total estimated additional costs of £5.9m (22.5%)**
118. The most significant impacts identified in Resources services relate to additional costs. £0.46m relates to additional IT requirements, £0.5m additional demand in Financial assessments and £0.75m in income collection. Additional expenditure also continues to be incurred to meet the demand in Customer operations which is being funded from the grant to support the clinically extremely vulnerable.
119. The increase in the number of discretionary housing payments resulting from Covid-19 is still to be determined and will be included in future reports.
120. There is an estimated loss of income across services in the department of £0.9m with the most significant being in catering which continues from last year though not at the same extent. The recovery of Court costs has seen an improvement and is forecast to be within budget for 2021/22 and therefore no longer a Covid-19 related pressure.
121. The forecast also includes expenditure of £1.8m that will be funded via the Winter Grant/Local Support scheme, self isolation payments of £0.6m which are also funded from a specific government grant and £0.6m for the Practical Support for those self isolating.
122. **Corporate**
123. In 2020/21 a contribution to the London provision of coroners and mortuary services cost an additional £1.4m. There has not been a further call in 2021/22 and the provision has been removed to reflect this and unspent funds from 2020/21 have been returned which will support the Council Covid-19 resources for 2021/22.
124. An estimate for Personal Protective Equipment has been included at £0.3m for use across all Council services excluding Adult Social Care where this is recorded separately for the purposes of the MHCLG return.
125. There is still a contingency held for unknown Covid-19 impacts which will be continued to be reviewed and where possible carried forward into 2022/23 to help manage longer term Covid-19 impact.
126. **Collection Fund**
127. The Collection Fund deficit is forecast to be offset by the use of the Collection Fund Equalisation Reserve, as the ongoing pressure will be spread over 3 years. The majority of the impact will be funded by the Taxation Income Guarantee and the COVID Relief Grants provided by Central Government.
128. Further details of Covid-19 variances are provided in [Appendix G](#).
129. **Flexible Use of Capital Receipts ([Appendix H](#))**

130. 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.
131. 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.
132. 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.
133. The Budget Report 2021/22 set out the plan for use of capital receipts this financial year. However, since the Budget report several new Invest to Save schemes have been approved and reflected in this report. The total forecasted call on capital receipts as at Quarter 1 is £1.826m as described in [Appendix H](#).
134. **Achievement of Savings ([Appendix I](#) and [Appendix J](#))**
135. 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
136. The savings include those that are new for 2021/22 plus the full year effect of previous decisions.
137. Of the £13m departmental savings, £8.9m is expected to be fully delivered at this stage.
138. However, £2.3m and £1.7m are amber or red risk status. These risk ratings are reflected in the forecast outturns for each department and predominantly relate to pressures and delays caused by the pandemic.
139. Chart 2: Savings/Income Risk Status 2021/22



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

141. Dedicated Schools Grant (DSG) (Appendix K)

142. For 2021/22 Enfield received a total Dedicated Schools Grant allocation of £373.187m (as at December 2020) and the funding is allocated across four blocks; £283.399m for the Schools Block, £2.537m for the Central Schools Services Block, £26.553m for Early Years and £60.697m for the High Needs Block.

143. In 2020/21 there was a bought forward DSG deficit of £4.482m but due to ongoing High Needs pressures there was a net in year overspend of £3.567m resulting in a cumulative outturn deficit of £8.049m which was bought forward to 2021/22.

144. There continues to be cost pressures in supporting and providing suitable placements for SEN pupils but wherever possible pupils are now 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.

145. At the end of Quarter 2, there is a projected in year overspend of £5.608m, which includes the estimated Early Years clawback for 2020/21. The projected outturn position for 2021/22 is a deficit of £13.657m. The main pressures are within the High Needs Block and relate to the development of additional in borough provision, an increase of the number of pupils with Education, Health and Care plans (EHCPs) in mainstream schools and the development of early intervention strategies. Whilst quarter 2 has seen increased forecasts in out of borough placements.

146. 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 the outcomes have been delayed due to other pressures during the Covid-19 pandemic.

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

148. The table below summarises the changes between the balances reported in the outturn report and what is the provisional final outturn, as well as providing the forecast position for 2021/22 based on quarter 1:

	2020/21 Outturn Report Balance £m	2020/21 Provisional Final Outturn Balance £m	2021/22 Forecast based on Q2 £m
Risk Reserve	(20.527)	(21.006)	(18.937)
Covid-19 Risk Reserve 2021/22	(10.000)	(10.000)	(10.000)
Covid-19 Reserve 2020/21	0.000	(0.433)	0.000
Balance Sheet Management	(2.000)	(3.040)	(3.040)
MTFP Smoothing Reserves	(25.155)	(39.008)	(27.499)
Service Specific Reserves	(11.161)	(11.161)	(11.375)
Property	(2.101)	(2.101)	(1.511)
Useable Reserves Sub total	(70.218)	(86.749)	(72.362)
Capital Financing Reserves	(23.428)	(23.428)	(23.307)
S31 Reliefs Grant	(16.554)	0.000	0.000
Grants & Other Contributions	(15.130)	(15.242)	(9.468)
Insurance	(7.021)	(7.022)	(7.022)
General Fund Balance	(13.950)	(13.950)	(13.950)
Total Reserves & Balances	(145.400)	(146.390)	(126.108)

149. 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.

150. The Risk reserve had significantly reduced over the past few years but an in year review of earmarked reserves and the final outturn position has meant that the Council has been able to replenish the risk reserve. The balance is forecast to be £19.4m at year end reflecting that the Budget was set on using £1.927m of the reserve to balance 2021/22. Given the ongoing financial uncertainty created by the pandemic and specific Covid-19 reserve was created and the balance remains at £10m.

151. The General Fund Balances are forecast to be held at £13.950m (on a net budget of £263m, i.e. 5.3%; 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 new risks and uncertainty brought about by Covid-19.

152. The £39m Smoothing Reserves relating to Council Tax (£133m) /Business Rates (£94m) and Housing Benefits (£260m claim per year) are currently forecast to be required over the course of 2021/22 with a year end forecast of £27.5m.
153. The £23m of Capital and Minimum Revenue Provision reserves are committed for the next five years to smooth any increased budget requirement.
154. Whilst the overall total has broadly remained the same since the publication of the Outturn report, it is worth noting a key change in the presentation of the S31 Reliefs Grant. This was shown separately in the Outturn Report, however, the balance itself is in the Collection Fund Equalisation Reserve which is one of the smoothing reserves referred to above.

155. Medium Term Financial Impact

156. 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 Emergency 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.
157. 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.

158. 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 and the recent MTFP 2022/23 to 2026/27 Early Saving Proposals report (KD5337) that went to Cabinet on the 13th October 2021.

159. Safeguarding Implications

160. 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.

161. Public Health Implications

162. 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.
163. 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.

164. Equalities Impact of the Proposal

165. 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.
166. Financial reporting and planning are important in ensuring resources are used to deliver equitable services to all members of the community.

167. Environmental and Climate Change Considerations

168. None in the context of this report.

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

170. None in the context of this report.

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

172. The budget risks during 2021/22 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 2021/22.

173. Financial Implications

174. 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.

175. Legal Implications

176. 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.

177. Workforce Implications

178. None in the context of this report.

179. Property Implications

180. None in the context of this report.

181. Other Implications

182. None in the context of this report.

183. Options Considered

184. Not relevant in the context of this report.

185. Conclusions

186. Despite the balanced position achieved in the 2020/21 outturn, the Council has not lost sight of the fact that it continues to face its most significant financial challenge and the work undertaken in previous years to create a robust and sustainable budget has at least put the Council in a strong position. Whilst the position for Quarter 1 identifies some significant pressures Executive Directors and services are working to reduce these pressures through reviews and other corporate initiatives such as Pressures Challenge Boards looking at the most significant pressure areas. The Covid-19 impact continues to be monitored and it is expected that the government funding will be sufficient to meet the Covid-19 impact, although there is of course the continued uncertainty around the impact of the pandemic and the adverse impact on the additional costs and income losses currently forecast. The risk is that this will persist into 2022/23 and beyond and there is a strong likelihood that an initial £3m to £4m will need to be built into the Medium Term Financial Plan as a one off but potentially as ongoing cost.

187. 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 156% between January 2020 and June 2021 (from 7,285 to 18,675). And although the Council has been able to bolster its reserves in 2020/21, when 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.

Report Author: Matt Bowmer
Director of Finance
matt.bowmer@enfield.gov.uk
Date of report: 31st October 2021

Appendices

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

[Appendix B: Forecasted Financial Position as at Quarter 1](#)

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

[Appendix D: People Variances](#)

[Appendix E: Place Variances](#)

[Appendix F: Resources Variances](#)

[Appendix G: Covid-19 Variances](#)

[Appendix H: Flexible Use of Capital Receipts](#)

[Appendix I: Achievement of Savings](#)

[Appendix J: Savings & Income Monitor](#)

[Appendix K: Designated Schools' Grant Variances](#)

[Appendix L: Reserves and Balances](#)

[Appendix M: Contain Outbreak Management Fund](#)

Background Papers

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






- Revenue Outturn 2020/21 – KD5325
- Initial Assessment Report of the Financial Impact of Covid-19
- 2021/22 Budget & Medium Term Financial Plan 2021-22 to 2025-26 - KD5213
- Medium Term Financial Plan 2022/23 to 2026/27 and Early Savings Proposals (KD5337)
- Revenue Monitoring 2021/22: Quarter 1 (June 2021) – KD5334

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
Income & Expenditure Position – General Fund year end forecast variances		The Quarter 2 forecast outturn is an adverse £0.5m variance and this does rely on the corporate contingency of £3m and management will continue to work to reduce and mitigate the pressures to reduce the call on the contingency.
Progress to Achieving Savings MTFP (current year)		Savings monitoring has identified a total of £1.7m considered a high risk rated/ undeliverable and a further £2.3m that are at risk of delivery. These are reflected in the reported overspend for Quarter 1 2021/22.
Income & Expenditure Position – DSG		The DSG forecast is a £5.6m overspend at year-end outturn against budget. Therefore, the cumulative deficit is forecast to be £13.6m and will be the first call on the 2022/23 grant allocation.
Cash Investments; Borrowing & Cash Flow		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.
Balance Sheet - General Fund balances year end projections		The outturn for General Fund balances is in line with expectations set out in the Council's Medium Term Financial Plan.

Appendix B**Forecasted Financial Position as at Quarter 2**

	£m	£m
Covid-19 impact (2021/22)	36.892	
Covid-19 impact (2022/23)*	0.340	
Covid-19 HRA Impact (2021/22)	0.458	
		37.690
Funding		
Covid-19 Support Grant 2021/22	10.534	
Covid-19 Support Grant c/f 2020/21	4.287	
Sales, Fees & Charges support (estimate)	1.582	
Contain Outbreak Management 2021/22	2.718	
Contain Outbreak Management c/f 2020/21	3.960	
Test, Track & Trace c/f 2020/21	1.195	
Community Testing Programme	2.147	
CEV grant c/f 2020/21	0.274	
Reopening High Street Safely/Welcome Back	0.262	
ARG	2.944	
Infection Control Tranche 1 and 2	2.870	
NHS Hospital Discharge funding	1.400	
Substance Misuse	0.271	
Local Elections Grant	0.104	
Self Isolation Payment admin	0.608	
Winter Grant scheme/Local Support Grant	1.861	
Practical Support Grant	0.668	
Total Funding		37.690
Gap After Funding		0.000

* These are projects started in 2021/22 which will continue into 2022/23.

Appendix C

Chief Executive	Gross Forecast Variance (£m)	Flexible Use of Capital Receipts (£m)	Net Forecast Variance Q2 (£m)	Net Forecast Variance Q1 (£m)
Strategy, Partnership, Engagement and Consultation Gross variance relates to Invest to save project to be funded via the flexible use of capital receipts and further posts being held vacant following the implementation of a restructure.	(0.125)	(0.025)	(0.150)	0.000
Communications Gross variance relates to Invest to save project to be funded via the flexible use of capital receipts and part year reduction in costs relating to maternity leave.	0.016	(0.041)	(0.025)	0.000
Electoral Services The variance is due to spend on the bi-election in May and July, plus unclaimable expenditure incurred on the GLA elections.	0.330	0.000	0.330	0.000
Other variances	(0.100)	0.000	(0.100)	0.042
Chief Executive Total	0.121	(0.066)	0.055	0.042

[Return to Chief Executive Narrative](#)

Appendix D

People	Gross Forecast Variance (£m)	Flexible Use of Capital Receipts (£m)	Net Forecast Variance Q1 (£m)	Net Forecast Variance Q1 (£m)
Adult Social Care				
Strategy & Resources 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. With an increasing number of dols year on year, there is risk costs may increase with more activity.	0.000	0.000	0.000	0.000
Mental Health The service is currently projecting a zero variance.	0.000	0.000	0.000	0.000
Learning Disabilities This service includes the in house day services. The service is projecting a slight overspend position as a result of managing demand led services. Savings will continue to be made in year however, demand for services continues to rise as a result of demographics, particularly complex and expensive transition cases.	0.322	(0.200)	0.122	0.134
Older People and Physical Disabilities (the Customer Pathway) This service includes the in house residential and nursing home. The service is currently projecting an overspend, in demand	1.448	0.000	1.448	1.400

People	Gross Forecast Variance (£m)	Flexible Use of Capital Receipts (£m)	Net Forecast Variance Q1 (£m)	Net Forecast Variance Q1 (£m)
particularly with community based services. There has been an increase in demand, following a lower number of clients last year due to Covid-19.				
Other Minor variances	0.000	0.000	0.000	0.000
Adult Social Care Sub Total	1.770	(0.200)	1.570	1.534
<p>Public Health Grant</p> <p>The Departmental forecast also includes the ring fenced Public Health Grant. The Public Health grant in 2021/22 is £17.53m, this reflects an increase in the grant of grant of 1.4%, however, 0.7% of this is for PrEP (pre-exposure prophylaxis) a medicine people to prevent getting HIV. The inflation increase is therefore 0.7%. Over 85% of spend in Public Health is for services contracted to the NHS, for which a pay increase of 3% nationally has been offered (but no accepted) without additional funding. There is also a risk that demand led sexual health services post pandemic could also result in additional pressures. Whilst this year's pressures can be absorbed this year by one off savings, the risk is without additional funding for these pressures will cause an overspend in future years.</p>	0.000	0.000	0.000	0.000
Public Health Sub Total	1.734	(0.200)	1.534	1.534
Adult Social Care & Public Health	1.734	(0.200)	1.534	1.534

People	Gross Forecast Variance (£m)	Flexible Use of Capital Receipts (£m)	Net Forecast Variance Q1 (£m)	Net Forecast Variance Q1 (£m)
Education				
Enhanced Pension costs These are the cost of former employees on enhanced pension and forecasted variance is £0.210m.	(0.230)	0.000	(0.230)	(0.210)
Exit costs from restructure in Education services	0.256	0.000	0.256	0.000
Other variances	0.016	0.000	0.016	(0.009)
Education Sub Total	0.042	0.000	0.042	(0.219)
Children and Families				
Children In Need This is predominantly because of a £0.181m adverse variance forecast in the Child Protection and Vulnerable children team due to temporary staff needed to cover maternity and sickness.	0.179	0.000	0.179	0.163
Looked After Children The main variances relate to the impact of Court delays, where this creates pressure on in house fostering allowances budget whilst has a positive impact on the Special Guardianship allowances, with a net impact of £0.099m. A £0.423m favourable variance in former unaccompanied asylum seeking children from maximising benefits for care leavers and	0.385	(0.200)	0.185	(0.120)

People	Gross Forecast Variance (£m)	Flexible Use of Capital Receipts (£m)	Net Forecast Variance Q1 (£m)	Net Forecast Variance Q1 (£m)
<p>clients moving to their own accommodation.</p> <p>Adoption allowances are forecast to be £0.088m underspent and a complex care case is creating a £0.277m pressure on the support cost budget.</p> <p>External child care placements forecast cost pressures of £0.264m across Agency Fostering, Residential and Semi-independent categories. 27 new children placed into the External Care Purchasing cost codes of which 21 are still in care. The complexity of these young people has meant that some of these have needed to go into high cost residential placements. The semi-independent budget remains significantly overspent as young people who are very challenging are having to be placed outside of the borough (due to their own safety) which is leading to placement's being spot purchased outside of the tender framework.</p>				
<p>Young People & Community Safety</p> <p>The service is forecasting a neutral position as at quarter 2.</p>	0.000	0.000	0.000	(0.061)
<p>Joint Service for Disabled Children</p> <p>The overspend is predominantly due to an increased demand in overnight breaks, commissioning and increase in Direct Payments rate.</p>	0.442	(0.081)	0.361	0.181
<p>Other Variances</p> <p>Though the cost of translation costs and the Safeguarding and</p>	0.096	0.000	0.096	0.056

People	Gross Forecast Variance (£m)	Flexible Use of Capital Receipts (£m)	Net Forecast Variance Q1 (£m)	Net Forecast Variance Q1 (£m)
quality assurance team.is a £0.106m overspend, this is mitigated by favourable variance in the centre of excellence.				
Children's and Families Services Sub Total	1.102	(0.281)	0.821	0.219
People Department Total		(0.481)		1.534

[Return to People Narrative](#)

Appendix E

Place	Gross Forecast Variance (£m)	Flexible Use of Capital Receipts (£m)	Net Forecast Variance Q1 (£m)	Net Forecast Variance Q1 (£m)
<p>Planning</p> <p>Shortfall of £0.435m in Pre Planning Application and Building Control income and additional cost incurred in planning appeals . This is partly offset by favourable variance in reported in Land charges income.</p>	0.730	(0.070)	0.660	(0.075)
<p>Highways</p> <p>The £0.166m variance is due a saving proposal still to be delivered, along with essential safety works undertaken.</p>	0.166	0.000	0.166	0.100
<p>Street Lighting</p> <p>This is a result of an accrued saving from April 2019 to June 2021.</p>	(0.290)	0.000	(0.290)	0.000
<p>Traffic & Transportation</p> <p>The forecast variance is due to additional Traffic Order income.</p>	(0.343)	0.000	(0.343)	(0.270)
<p>Climate Action Team</p> <p>Favourable variances due to vacant posts and operational budgets.</p>	(0.075)	0.000	(0.075)	(0.050)
<p>Parking Services</p> <p>The forecasted variance is a result of putting in place additional traffic enforcement and parking control measures.</p>	(1.917)	0.000	(1.917)	(1.982)

Place	Gross Forecast Variance (£m)	Flexible Use of Capital Receipts (£m)	Net Forecast Variance Q1 (£m)	Net Forecast Variance Q1 (£m)
Regulatory Services	(0.213)	0.000	(0.213)	(0.083)
Health & Safety team Due to underspends in salary costs	(0.090)	0.000	(0.090)	(0.070)
Cemeteries Positive outturn is forecast resulting from improved burial sales.	(0.150)	0.000	(0.150)	(0.100)
Waste Services The variance reported on the underlying budget is due to increased take up of the garden waste service. The flexible use of capital receipts is to fund an invest to save scheme to improve recycling rates in flats.	(0.046)	(0.118)	(0.164)	(0.028)
Commercial Waste The underlying positive forecast is due to surpluses in the schedule 2 and housing trade waste services.	(0.118)	0.000	(0.118)	(0.132)
Street Scene The £0.095m relates to early retirement exit costs.	0.095	0.000	0.095	0.000
Parks Operations/Activities & Engagement This is due to forecasted improved income from allotments and concessions.	(0.049)	0.000	(0.049)	(0.125)

Place	Gross Forecast Variance (£m)	Flexible Use of Capital Receipts (£m)	Net Forecast Variance Q1 (£m)	Net Forecast Variance Q1 (£m)
Fleet Services Salary and operational underspends	(0.095)	0.000	(0.095)	0.000
Passenger Transport Service The projected over spend is mainly due:- 1) Increase in numbers - up to 1,114 in June 2021 (from 839 in 2019/20 32% and 1,002 in 20/21 11%). 2) Increased number of single occupancy routes from 77 in 2019/20 to 103 in 21/22, with an average cost of about £25k per annum. E.g. There are 3 routes costing £40k-£43k each, another 23 routes costing between £30k-£40k, another 53 routes costing between £20k-£30k and 24 routes costing between £4k-£20k. Some of the reasons are: 1) Schooling available for more complex cases 2) Behavioural issues getting worse as they get older	1.971	0.000	1.971	1.934
Strategic Property Services Additional security at the Sloemans Farm site and reduction in Claverings Estate income is offset by underspends in salary costs and other income surpluses.	(0.033)	0.000	(0.033)	(0.313)

Place	Gross Forecast Variance (£m)	Flexible Use of Capital Receipts (£m)	Net Forecast Variance Q1 (£m)	Net Forecast Variance Q1 (£m)
<p>Culture Services</p> <p>An overspend is currently forecast and the service is working on options to achieve savings and ways to mitigate the pressure and this is a reduction on previous quarter resulting for positive variances in the Dugdale budget and delays in restricting.</p>	0.130	0.000	0.130	0.450
<p>Meridian Water</p> <p>Forecasting additional meanwhile use income.</p>	(0.401)	0.000	(0.401)	(0.500)
<p>Housing</p> <p>Homelessness - £4.8m overspend. This is due to the number of tenants in EA at the start of the year being far higher than anticipated when the budgets were produced, the expectation was that there should be circa 2,750 tenants at the beginning of April 2021 however there were actually 3,442. Despite the numbers reducing throughout Q1, this does mean the cost of accommodation to the service is much higher than originally budgeted for. A plan has been formulated which will see 100 exits from EA each and every month from July '21 onwards to bring the numbers down significantly throughout 2021/22 on top of the C.200 families (net) which have already been moved out of EA this financial year. However, even when taking account of that the service is still on course for a £3.5m overspend at the end of 2021/22.</p>	1.200	0.000	1.200	1.200

Place	Gross Forecast Variance (£m)	Flexible Use of Capital Receipts (£m)	Net Forecast Variance Q1 (£m)	Net Forecast Variance Q1 (£m)
Other variances	(0.138)	0.000	(0.138)	(0.043)
Place Department Total	0.271	(0.188)	0.083	(0.087)

[Return to Place Narrative](#)

Appendix F

Resources	Gross Forecast Variance (£m)	Flexible Use of Capital Receipts (£m)	Net Forecast Variance Q2 (£m)	Net Forecast Variance Q1 (£m)
<p>Digital Services</p> <p>The service has experienced challenges in recruitment which has meant a greater reliance on temporary staff which cost more than if the service could permanently recruit and this has driven up the forecast in quarter 2. Additional resources have also been required in the security service which reflects the increase risk of cyber threats.</p> <p>An overspend of £0.9m is forecast which is predominantly due to the need for dual running costs of the CRM/CMS system until the existing system is decommissioned at the end of the financial year and further additional security related expenditure on applications, compliancy and testing. Circa £0.160m relates to inflationary pressure on annual contracts and new spend on statutory or critical items.</p>	1.254	(0.297)	0.958	0.754
<p>Customer Experience</p> <p>Exchequer Services are reporting a favourable variance of £0.1m achieved further savings in staffing, operational costs and recharges to the pension fund.</p> <p>The Financial Assessment service are reporting a £0.1m adverse variance which is mainly due to automation related savings that are now unlikely to be achieved this financial year.</p>	(0.033)	0.000	(0.033)	0.621

<p>The Income Collection team are experiencing increased customer demand requiring additional resources to manage the workload, as well as additional resource put into support Housing Benefit sign up to assist in increasing emergency accommodation client income, alongside savings associated with the payment programme that are unlikely to be delivered this year are all contributing to a £0.24m adverse variance.</p> <p>Vacancies in the Customer Service team are contributing to a forecast £0.2m underspend. Whilst strong income generation in the visa verification service is leading to a favourable forecast of £0.05m in the libraries service.</p>				
<p>Transformation</p> <p>The forecast overspend is transformation project costs and are planned as described in the Budget Report 2021/22 to be funded by the Flexible use of capital receipts.</p>	0.844	(0.844)	0.000	0.000
<p>Other variances</p>	0.365	0.000	0.365	0.212
<p>Resources Department Total</p>	2.369	(1.140)	1.229	1.587

[Return to Resources Narrative](#)

Appendix G

Covid-19 Impact	Additional Expenditure	Loss of income	Impact on Savings
	£m	£m	£m
Chief Executive			
CEX: Life After Loss Project with CAB	0.070	0.000	0.000
CEX: Additional legal to cover C&F case work (2 lawyers and a paralegal)	0.255	0.000	0.000
CEX: Communications Officer	0.030	0.000	0.000
CEX: Communications & Marketing	0.104	0.000	0.000
CEX: Additional Elections cost	0.191	0.000	0.000
CEX: Emergency Planning	0.044	0.000	0.000
Chief Executive Total	0.694	0.000	0.000
People			
Adult Social Care			
ASC: Additional Social Workers/agency staff-MH	0.058	0.000	0.000
ASC: Additional Social Workers/agency staff-OP/PD Social workers and OTs	0.030	0.000	0.000

ASC: Additional Social Workers/agency staff-Enablement staff DTA	0.040	0.000	0.000
ASC: Additional Social Workers/agency staff-LD	0.045	0.000	0.000
Specialist nursing care to providers LD/MH	0.050	0.000	0.000
Additional payments to carers to cover self isolating	0.010	0.000	0.000
ASC: Expenditure on P-cards: food, supplies, care of pets, transport.	0.030	0.000	0.000
ASC: Additional long term care purchasing costs as a result of cancelation of routine operations, hip, knee etc	0.400	0.000	0.000
ASC: Learning Disability Service – Placement breakdown	0.350	0.000	0.000
ASC: Hospital Discharge	1.400	0.000	0.000
ASC: Infection Control/Rapid Testing	1.426	0.000	0.000
ASC: Infection Control/Rapid Testing	0.179	0.000	0.000
ASC: Infection Control/Rapid Testing	0.050	0.000	0.000
ASC: Infection Control/Rapid Testing-2	0.478	0.000	0.000
ASC: Infection Control/Rapid Testing-2	0.533	0.000	0.000
ASC: Infection Control/Rapid Testing-2	0.205	0.000	0.000

ASC: Outside Safe areas	0.200	0.000	0.000
Public Health			
Public Health: Community Food Co-ordinator	0.028	0.000	0.000
Public Health: Vaccination Bus	0.300	0.000	0.000
Public Health: Rough Sleeping Drug and Alcohol Treatment Grant	0.271	0.000	0.000
Public Health: Outreach support for rough sleepers, people living in encampments, Gypsy Roma and Traveller community.	0.075	0.000	0.000
Public Health: Testing	1.350	0.000	0.000
Public Health: Vaccination deployment	0.700	0.000	0.000
Public Health: Surge Testing	0.723	0.000	0.000
Public Health Consultant & Health Protection Practitioner	0.130	0.000	0.000
Health & Adult Social Care Total	9.061	0.000	0.000
Children's & Families			
C&F: Care placements, support packages into homes to safeguard children particularly but not exclusively children with SEND and/or severe emotional and mental health needs	0.036	0.000	0.000
C&F: Additional staffing resources	1.343	0.000	0.000
C&F: Block booking placements	0.060	0.000	0.000
C&F: PPE for Children's Services (including Leaving care)	0.030	0.000	0.000
C&F: Other Children's related expenditure.	0.005	0.000	0.000

C&F: Increased support for care leavers, increased allowances and cost of accommodation.	0.015	0.000	0.000
C&F: Increased in Short Breaks (JSDC)	0.100	0.000	0.000
C&F: Play equipment (JSDC)	0.025	0.000	0.000
C&F: Our voice parent forum (JSDC)	0.010	0.000	0.000
C&F: Additional home care for children with complex medical needs (JSDC)	0.030	0.000	0.000
C&F: Outside safe areas to increase contact facilities	0.068	0.000	0.000
C&F: Youth Services	0.027	0.000	0.000
C&F: Delays in final hearings due to backlog at Courts	0.152	0.000	0.000
C&F: Covid-19 Reward Payments (JSDC)	0.003	0.000	0.000
C&F: Configuration of laptops provided by the DfE for care leavers	0.016	0.000	0.000
C&F: Youth Participation Consultation & Engagement Recovery Project	0.028	0.000	0.000
Children's & Families Total	1.948	0.000	0.000
Education			
Education: SEND support staff	0.120	0.000	0.000
Education: pilot after-school provision for supervised independent study at four Enfield secondary schools	0.048	0.000	0.000
Education Total	0.168	0.000	0.000

People Total	11.178	0.000	0.000
Place			
Housing: Emergency bed spaces for rough sleepers	1.900	0.000	0.000
Continuation of housing and support to protect rough sleepers from Covid-19	1.700	0.000	0.000
ARG Grant	2.944	0.000	0.000
Welcome back fund (Phase 2)	0.262	0.000	0.000
Vehicles (Waste, Street Scene and Parks, PTS Services additional costs due to Covid-19)	0.084	0.000	0.000
Fleet Staffing Covid Costs	0.115	0.000	0.000
Covid Marshals	0.487	0.000	0.000
PPE Waste, Street Scene and Parks, PTS Services additional costs due to Covid	0.021	0.000	0.000
Env & Ops: EHOs for outbreak control and implicated premises	0.063	0.000	0.000
Env & Ops: Covid-19 Compliance Officers	0.055	0.000	0.000
Env & Ops: Locally Supported contact tracing	0.264	0.000	0.000
Env & Ops: Reopening Barrowell Green	0.054	0.000	0.000

Community Mass Testing Programme and Mobile testing units	2.147	0.000	0.000
Env & Ops: Vaccination Centre	0.003	0.000	0.000
Parks Signs and Comms	0.004	0.000	0.000
Parks Operations Additional Staffing	0.113	0.000	0.000
NRSWA Signs and Comms	0.037	0.000	0.000
Street Scene Additional Staffing	0.132	0.000	0.000
Waste Op Additional Staffing	0.449	0.000	0.000
Env & Ops: Bulky Waste	0.150	0.000	0.000
Env & Ops: Mortuary and funerals (Haringey shared service)	0.030	0.000	0.000
Property: Additional cleaning, hand sanitisers and materials in council buildings (FM)	0.020	0.000	0.000
Strategic Planning & Design, CIL, S106 loss of income	0.000	0.160	0.000
Loss of income from advertising on Highways	0.000	0.060	0.000
Reduction in TFL funding	0.000	0.253	0.000
Pay and display and parking enforcement income	0.000	2.182	0.000
Regulatory services e.g. trading standards, licencing, enviro crime etc	0.000	0.063	0.000

Waste services income	0.000	0.064	0.000
Loss in Commercial waste income	0.000	0.033	0.000
Parks activities such as sports pitches and events	0.000	0.044	0.000
Loss of income from Fusion contract	0.000	0.352	0.000
Passenger Transport income	0.000	0.066	0.000
Income from filming, staff car parking fees and rents	0.000	0.183	0.000
Community halls and youth service	0.000	0.182	0.000
Culture services	0.000	0.200	0.000
Meanwhile use from Meridian Water	0.000	0.060	0.000
Place Total	11.164	3.852	0.000
Resources			
Winter Grant	1.861	0.000	0.000
Practical Support for those Self Isolating	0.668	0.000	0.000
Customer Experience: Financial Assessments staff overtime	0.174	0.000	0.000
Customer Experience: Civica on Demand Extra staff - Benefits	0.240	0.000	0.000
Customer Experience: Additional Financial assessment staff	0.086	0.000	0.000
Customer Experience: Additional Resources in Income & Debt service post COVID recovery	0.342	0.000	0.000

Customer Experience: Inc & Debt staff time	0.023	0.000	0.000
Customer Experience: Inc & Debt agency staff	0.055	0.000	0.000
Customer Experience: Inc & Debt Civica on Demand	0.336	0.000	0.000
Digital: Overtime	0.025	0.000	0.000
Digital: H&S equipment such as cleaners, storage, safe disposal, collection of equipment	0.005	0.000	0.000
Digital: Changes to 4th floor/Basement layout	0.015	0.000	0.000
Digital: Additional remote working devices	0.250	0.000	0.000
Digital: Adjustments to allow people with Disability to work remotely	0.020	0.000	0.000
Digital: Increased correspondence with customers to improve collection rates impacted by Covid-19	0.150	0.000	0.000
Customer Experience: Community Hub Lead	0.045	0.000	0.000
Customer Experience: Customer Services additional agency staff	0.176	0.000	0.000
Self Isolations Payments	0.608	0.000	0.000
Schools Catering service income	0.000	0.426	0.000
Music Service	0.000	0.000	0.000

Libraries service income	0.000	0.230	0.000
Other Resources services loss of income e.g. recharges	0.000	0.247	0.000
Resources Total	5.077	0.903	0.000
Corporate			
Corporate: Share of increase mortuary and coroners' provision across London.	0.000	0.000	0.000
Corporate: Personal Protective Equipment across all Council services	0.300	0.000	0.000
Corporate: Communications with residents, banners, posters and guidance	0.030	0.000	0.000
Other miscellaneous costs	0.100	0.000	0.000
Corporate: COVID-19 Pressures Contingency	3.124	0.000	0.000
Corporate: Support for vulnerable groups and targeted community interventions - Housing	0.220	0.000	0.000
COMF: Prevention etc	0.250	0.000	0.000
Corporate Total	4.023	0.000	0.000
Covid-19 Total	32.137	4.755	0.000

[Return to Covid-19 Narrative](#)

Use of Capital Receipts in 2021/22

Appendix H

2021/22 Cost of Transformation Initiatives	£m	Planned Savings and Demand Reductions
People		
Children's & Families	0.200	Investment in year 1 of the "Break the Cycle" initiative within Children's and Families services.
Children's & Families	0.081	Specialist Outreach Service
Adult Social Care	0.200	Smooth and cost effective transition back into Enfield adult service from Residential schools
Chief Executive		
Communications	0.041	Reflects transfer of Communications post from the Transformation team to the Communications team.
Corporate Strategy	0.025	Digital Development Programme (Digital Infrastructure & Inclusion)
Resources		
Digital Services IT		
Digital Services	0.297	To develop business cases for new projects as part of the Portfolio's pipeline. This will start in 2020/21 with £60k forecast, however, if there are any delays to recruitment then this will carry forward to 2021/22.
Transformation	0.844	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 other resources, as required for each individual project. This includes delivery of new operating models, structures, processes and culture

2021/22 Cost of Transformation Initiatives	£m	Planned Savings and Demand Reductions
		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.
Place		
Planning	0.070	Planning Commercial and Customer Manager
Waste	0.068	Recycling Improvements in Flats
Total to be funded from the Flexible Use of Capital Receipts 2021/22	1.826	

[Return to Capital Receipts Narrative](#)

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	0.000	2.485	0.440	(1.500)	1.425
New 2020/21	0.800	3.485	2.113	0.850	0.000	7.248
Savings Total	0.800	3.485	4.598	1.290	(1.500)	8.673

Income by Department	CEx	People	Place	Resources	Corporate	Grand Total
	£m	£m	£m	£m	£m	£m
FYE	0.050	0.100	1.659	0.140	0.000	1.949
New 2020/21	0.000	0.120	2.255	0.000	0.000	2.375
Income Total	0.050	0.220	3.914	1.430	0.000	5.614

Total Savings & Income by Department	CEx	People	Place	Resources	Corporate	Grand Total
	£m	£m	£m	£m	£m	£m
FYE	0.050	0.100	4.144	0.580	(1.500)	3.374
New 2020/21	0.800	3.605	4.368	0.850	0.000	9.623
Total	0.850	3.705	8.512	1.430	(1.500)	12.997

Total Savings & Income by Department by Risk Status	CEx	People	Place	Resources	Corporate	Grand Total
	£m	£m	£m	£m	£m	£m
Blue	0.000	0.720	1.363	(0.600)	(1.500)	(0.017)
Green	0.850	2.166	4.184	1.750	0.000	8.950
Amber	0.000	0.599	1.465	0.280	0.000	2.344
Red	0.000	0.220	1.500	0.000	0.000	1.720
Total	0.850	3.705	8.512	1.430	(1.500)	12.997

[Return to Achievement of Savings Narrative](#)

Savings & Income Monitor

Department	Directorate	FYE/New 2020/21	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2021/22 £'000
CEX	CEX	Full Year Effects	Income	Improve our registration offer to local residents	1.5	(50)
CEX	CEX	New Savings/Income Proposals	Saving	Staff Restructures	3.5	(800)

Department	Directorate	FYE/New 2020/21	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2021/22 £'000
People	ASC	New Savings/Income Proposals	Savings	Recommissioning & Procurement	0.0	(190)
People	ASC	New Savings/Income Proposals	Savings	Independence & Wellbeing Senior Management Restructure – Staffing	0.0	(180)
People	ASC	New Savings/Income Proposals	Savings	Learning Disabilities Care Purchasing	0.0	(325)
People	ASC	New Savings/Income Proposals	Savings	Reduced cost of DOLs (Deprivation of Liberty Safeguards)	0.0	(25)

Department	Directorate	FYE/New 2020/21	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2021/22 £'000
People	ASC	New Savings/Income Proposals	Savings	Use of Technology	1.5	(40)
People	C&F	New Savings/Income Proposals	Savings	Review of threshold in financial assessment of new Special Guardians	1.5	(80)
People	Education	New Savings/Income Proposals	Savings	Reduction in the Children Centre Service – Service Reduction	1.5	(50)
People	Education	New Savings/Income Proposals	Savings	Career Service Restructure – Service Reduction	1.5	(46)
People	Education	New Savings/Income Proposals	Savings	DSG Substitution - no impact on services	2.5	(100)
People	Public Health	New Savings/Income Proposals	Savings	Staff Reductions in the Commissioning Team and the Smoking Cessation Team – Service Reduction	2.5	(100)
People	ASC	New Savings/Income Proposals	Savings	Staff Reduction – Service Reduction	3.5	(750)
People	C&F	New Savings/Income Proposals	Savings	Care Leavers commissioning and benefit maximisation - Efficiency	3.5	(500)
People	C&F	New Savings/Income Proposals	Savings	Service Restructure – Service Reduction (excluding frontline staff)	3.5	(500)

Department	Directorate	FYE/New 2020/21	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2021/22 £'000
People	C&F	New Savings/Income Proposals	Savings	Children in Care – reduction	5.0	(210)
People	ASC	New Savings/Income Proposals	Savings	Maximise use of block contracts and in-house services	7.0	(389)
People	ASC	Full Year Effects	Income	Increased income through fees and charges for chargeable Adult Social Care Services	10.0	(100)
People	ASC	New Savings/Income Proposals	Income	Additional income	10.0	(120)

Department	Directorate	FYE/New 2020/21	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2021/22 £'000
Place		Full Year Effects	Saving	Rationalisation of property estate	0.0	(640)
Place		New Savings/Income Proposals	Saving	Bring forward operational property consolidation	0.0	(390)
Place		Full Year Effects	Income	Reprofiled Holly Hill Bunding Income	0.0	600
Place		Full Year Effects	Saving	Parking Contract Renewal	0.0	(35)
Place		Full Year Effects	Saving	Additional LED street light savings	0.0	(260)

Department	Directorate	FYE/New 2020/21	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2021/22 £'000
Place		Full Year Effects	Income	Waste Savings - Place element of the £2.5m over 2 years	0.0	(700)
Place		New Savings/Income Proposals	Income	Additional income from Green Waste collection as demand for service has exceeded initial projections	0.0	(250)
Place		New Savings/Income Proposals	Saving	Morson Road rent review	0.0	(200)
Place		Full Year Effects	Income	Southgate Cemetery - Mausoleum and Vaulted graves sales	0.0	149
Place		Full Year Effects	Income	Edmonton Cemetery Expansion - sales of mausolea and vaulted graves	0.0	(6)
Place		New Savings/Income Proposals	Saving	Close canteen	0.0	(18)
Place		Full Year Effects	Income	Meridian Water Meanwhile use income	0.0	387
Place		New Savings/Income Proposals	Saving	Further review of property portfolio	1.5	(80)
Place		Full Year Effects	Saving	Insource Cleaning Contract ongoing efficiencies	1.5	(50)
Place		Full Year Effects	Income	Cemeteries Mausoleum and Vaulted graves sales - Southgate Cemetery	1.5	(60)
Place		New Savings/Income Proposals	Income	Traffic Orders	2.5	(125)

Department	Directorate	FYE/New 2020/21	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2021/22 £'000
Place		New Savings/Income Proposals	Income	Parking charges	2.5	(100)
Place		Full Year Effects	Income	Genotin Road Car Park Redevelopment	2.5	(1,579)
Place		New Savings/Income Proposals	Income	Whitewebbs Lease income	2.5	(100)
Place		Full Year Effects	Income	Inflation uplift on external clients and receipts income	2.5	(180)
Place		New Savings/Income Proposals	Income	Planning Income - Expanding Services	2.5	(100)
Place		New Savings/Income Proposals	Saving	Review of property portfolio	3.0	(50)
Place		Full Year Effects	Income	Building Control Plan Drawing Service	3.0	(30)
Place		New Savings/Income Proposals	Income	Bunding Income (one off in 2021/22)	3.5	(400)
Place		New Savings/Income Proposals	Income	Economic Development Team	3.5	(400)
Place		New Savings/Income Proposals	Saving	Facilities Management Review	3.5	(400)

Department	Directorate	FYE/New 2020/21	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2021/22 £'000
Place		New Savings/Income Proposals	Income	Additional Income due to 5% increase in Fees & Charges	3.5	(280)
Place		New Savings/Income Proposals	Income & Saving	Reduction in highways service	3.5	(250)
Place		Full Year Effects	Income	Market Rentals for Council Properties	4.5	(20)
Place		Full Year Effects	Income	Sub-stations rent reviews	4.5	(50)
Place		New Savings/Income Proposals	Saving	CMFM reduction in agency staff	5.0	(125)
Place		New Savings/Income Proposals	Saving	Reduction in Highways Services	5.0	(100)
Place		New Savings/Income Proposals	Income	Enforcement efficiencies	5.0	(200)
Place		Full Year Effects	Income	Increase in fee income in the planning service	5.0	(170)
Place		New Savings/Income Proposals	Income	Planning - expand services	5.0	(150)
Place		New Savings/Income Proposals	Saving	Reduce building maintenance	7.0	(500)

Department	Directorate	FYE/New 2020/21	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2021/22 £'000
Place		New Savings/Income Proposals	Income	Review of Parking Permit Charges	7.5	(150)
Place		Full Year Effects	Saving	Temporary Accommodation - Future Years	15.0	(1,500)

Department	Directorate	FYE/New 2020/21	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2021/22 £'000
Resources		Full Year Effects	Saving	Procurement saving resulting from replacing our digital customer platform	0.0	600
Resources		Full Year Effects	Saving	Payments Programme - new system allowing efficiencies in Exchequer	1.5	(60)
Resources		Full Year Effects	Saving	Application Rationalisation - ongoing reduction of other applications	2.5	(200)
Resources		Full Year Effects	Saving	Rationalisation of telephony contracts	2.5	(200)
Resources		Full Year Effects	Income	Digital support to the UK immigration and visa verification service	2.5	(140)
Resources		New Savings/Income Proposals	Saving	Catering Service efficiencies	2.5	(200)
Resources		Full Year Effects	Saving	Reducing costs associated with data storage	3.5	(300)
Resources		New Savings/Income	Saving	Staffing efficiencies within Resources Department	3.5	(650)

Department	Directorate	FYE/New 2020/21	Savings or Income	Title and Short Description	Risk Score	Budget Impact 2021/22 £'000
		Proposals				
Resources		Full Year Effects	Saving	On line forms and ability to upload information required to go into back office systems for revenues and benefits	5.0	(120)
Resources		Full Year Effects	Saving	Greater automation to reduce staff resources in administering DWP notifications	5.0	(60)
Resources		Full Year Effects	Saving	Customer Service Centre demand reduction and channel shift	5.0	(100)

[Return to Achievement of Savings Narrative](#)

Dedicated Schools Grant	Forecast Variance Q1 (£m)
Early Years	1.330
High Needs Block The main pressures are within the High Needs Block and relate to the development of additional in borough provision, an increase of the number of pupils with Education, Health and Care plans (EHCPs) in mainstream schools and the development of early intervention strategies.	4.745
Other variances	(0.466)
DSG Total	5.610

[Return to DSG Narrative](#)

Appendix L

Reserves	Balances Reported in Outturn Report £m	Provisional Outturn 31 March 2021 £m	Forecast Transfers 2021/22 £m	Forecast Balance 31 March 2022 £m
General Fund				
Risk Reserve	(20.527)	(21.006)	2.069	(18.937)
Covid-19 Reserve 2020/21	0.000	(0.433)	0.433	0.000
Covid-19 Reserve 2021/22+	(10.000)	(10.000)	0.000	(10.000)
Balance Sheet Management	(2.000)	(3.040)	0.000	(3.040)
Collection Fund Equalisation EM reserve	(10.542)	(24.396)	5.819	(18.577)
Housing Benefit Smoothing Reserve	(9.566)	(9.566)	4.290	(5.276)
Adult Social Care Smoothing Reserve	(3.697)	(3.697)	1.400	(2.297)
North London Waste Authority Reserve	(1.349)	(1.349)	0.000	(1.349)
Medium Term Financial Planning Smoothing Reserves	(25.155)	(39.008)	11.509	(27.499)
MRP Equalisation	(17.138)	(18.765)	0.121	(18.644)
Interest Rate Fluctuations	(4.663)	(4.663)	0.000	(4.663)
Capital Financing Reserves	(21.801)	(23.428)	0.121	(23.307)
Service Specific Reserves	(11.161)	(11.161)	(0.214)	(11.375)
Property	(2.101)	(2.101)	0.590	(1.511)
S31 Relief Grant	\$(16.554)	0.000	0.000	0.000
Covid-19 Grant	(4.288)	(4.288)	4.288	0.000
Other Grant Reserves	(10.842)	(10.954)	1.486	(9.468)
Grants & Other Contributions	(15.130)	(15.242)	5.774	(9.468)

General Fund Usable Reserves Sub Total	(124.429)	(125.419)	20.282	(105.137)
Insurance	(7.021)	(7.022)	0.000	(7.022)
General Fund Balance	(13.950)	(13.950)	0.000	(13.950)
Total General Fund Reserves and Balances	(145.400)	(146.390)	20.282	(126.108)
HRA				
HRA Repairs Fund	(6.174)	(15.045)	(11.996)	(27.040)
HRA Insurance	(0.323)	(0.323)	0.000	(0.323)
Total HRA Reserves	(6.497)	(15.428)	0.000	(15.428)
HRA Balance	(4.623)	(9.943)	(0.500)	(10.443)
Total HRA Reserves and Balances	(11.120)	(25.311)	0.000	(37.806)
Schools				
Schools' Balance	0.241	0.242	0.000	0.242
Dedicated Schools' Grant	^8.069	0.000	0.000	0.000
Total Schools' Reserves and Balances	8.310	0.242	0.000	0.242

The S31 reliefs were shown as a separate item in the Outturn report. The balance is in the Collection Fund equalisation Reserve balance for the final outturn.

^ The dedicated Schools Grant deficit balance is no longer reported in the Earmarked reserves and as per accounting regulations is shown as an unusable balance in the Council Statement of Accounts.

[Return to Reserves Narrative](#)

MHCLG Category	Expenditure Breakdown	£m's
Support for vulnerable groups and targeted community interventions	Continuation of housing and support to protect rough sleepers from Covid-19	1.700
	Corporate: Support for vulnerable groups and targeted community interventions	0.220
	Housing: Emergency bed spaces for rough sleepers	0.961
	Public Health: Outreach support for rough sleepers, people living in encampments, Gypsy Roma and Traveller community.	0.075
Testing	Public Health: Surge Testing	0.724
	Public Health: Testing	1.350
Vaccine deployment	Public Health: Vaccination deployment	0.700
	Public Health: Vaccination Bus	0.300
	Vaccination Centre	0.003
Compliance and Enforcement: COVID-19 Secure Marshals or equivalents (including overtime)	Env & Ops: Covid-19 Marshalls	0.487
Compliance and Enforcement: Environmental Health Officers (EHOs) (including overtime)	Env & Ops: EHOs for outbreak control and implicated premises	0.063
Compliance and Enforcement: other activities and staff	CEX: Communications & Marketing	0.104
	CEX: Communications Officer	0.030
	Env & Ops: Covid-19 compliance officers	0.055
	Env & Ops: Locally Supported contact tracing	0.264
Other	C&F: Increased in Short Breaks (JSDC)	0.100
	C&F: Our voice parent forum (JSDC)	0.010
	C&F: Outside safe areas to increase contact facilities	0.068
	C&F: Play equipment (JSDC)	0.025
	COMF Other	0.130
Other: Prevention, management of local outbreaks and data intelligence, surveillance and communications.	ASC: Outside Safe areas	0.200
	C&F: Covid-19 Reward Payments (JSDC)	0.005
	COMF: Prevention etc	0.250
	PPE Waste, Street Scene and Parks, PTS Services additional costs due to Covid-19.	0.021
Total		7.784