

Report for: Cabinet 11 July 2023

Title: 2022-23 Provisional Financial Outturn

Report authorised by: Jon Warlow, Director of Finance

Lead Officer: Frances Palopoli, Head of Corporate Financial Strategy & Monitoring, extn 3896

Ward(s) affected: All

**Report for Key/
Non Key Decision:** Key

1. Describe the issue under consideration

- 1.1 This report sets out the provisional outturn for 2022-23 for the General Fund, HRA, DSG and the Capital Programme compared to budget. It provides explanations of significant under/overspends and also includes proposed transfers to/from reserves, revenue and capital carry forward requests and any budget virements or adjustments.
- 1.2 The Provisional Outturn report provides the opportunity to consider the overall financial performance of the Authority at the end of March 2023 and make decisions on balances and carry forwards of unspent funds. It should be noted that these figures remain provisional until the conclusion of the statutory audit process.
- 1.3 Following two years of an extended deadline for publishing the Statement of Accounts due to the impact of the Covid-19 pandemic, for the 2022/23 financial year Local authorities are required to revert to the timeframe set out in the Accounts and Audit Regulations 2015 (Revised). This requires the Council to publish the 2022/23 unaudited Statement of Accounts by 31 May 2023. The Council is working to publish the draft accounts as quickly as it can.

2022-23 Outturn Position

- 1.4 It is a matter of concern to report that the directorate budgets as a whole have seen a worsening in net spend of £1.7m since Qtr3 with an outturn variance of £16.4m (£14.7m Qtr3). This deterioration over the last quarter is predominately within Adults. The deterioration in the directorate outturn position is at odds with the usual experience where there is an improvement in the budget position in the last quarter. This is concerning as it suggests that the pressures are baked in and will continue into the new financial year. The need to provide additional sums for potentially uncollectable debt has also been a feature across the Council as part of the 2022/23-year end process.
- 1.5 The Council, this time, has been able to apply considerable corporate mitigations so even with this extent of directorates overspend, the overall provisional General Fund revenue outturn is a small the net underspend

- position. While being able to report a balanced budget is as forecast during the year, the level of service pressure to be addressed is greater than previously forecast. This has only been possible with the utilisation of all the corporate contingency budget along with other corporate budget improvements many of which are one-off in nature and cannot be relied upon to continue.
- 1.6 The most significant budget pressure during the year were in the two social care directorates which between them overspent by £16.0m. It must be recognised that inflation has been a key driver in this and has been difficult to address through negotiation with providers who have been faced with increased energy, other running costs as well as pressure on staff pay and recruitment. The step up in demand for support in some areas seen during the Covid pandemic has also not yet abated; this legacy was difficult to accurately forecast when budgets were set and continues to place strain on budgets. It should be noted that Haringey is not alone in seeing this level of overspend pressure at year end; many London boroughs are also highlighting overspends across one or more of Adults or Children's social care and temporary accommodation.
 - 1.7 Coupled with this, c. £9.9m of agreed savings have not been delivered as planned during 2022/23. The majority of this (£8.8m) has either been written out of 2023/24 budgets or re-phased to allow additional time for delivery so should not carry forward into 2023/24 as a pressure.
 - 1.8 Overall, the General Fund closed on budget, and enabled the General Fund balance to be maintained as planned at the opening level of £15.8m. Unearmarked reserves for managing budget risk were also maintained.
 - 1.9 It is expected that a significant amount of the 2022/23 pressures will continue into the new financial year at a level greater than assumed when setting the budget for 2023/24, or indeed as assumed in future years. Inflation levels are not reducing at the pace previously forecast by the Government, increasing interest rates and cost of living pressures are still manifesting along with high demand for care and housing services. This position must be of concern in respect of managing our current year expenditure within available resources. The main areas of concern will subject to thorough review before the Quarter 1 Corporate Financial Monitoring report, including actions to respond to the situation. The updated position will also form the new platform for the work on developing next year's MTFS to ensure the Council's ongoing financial sustainability, given that there will be an increased forecast funding gap from 2024/25.
 - 1.10 The outturn position for the Dedicated Schools Grant (DSG) is an overspend of £3.13m (£2.8m Qtr3) predominately due to the on-going pressures within the High Needs Block (HNB). This deficit will be transferred to the unusable DSG reserve as part of the statutory closure process.
 - 1.11 As part of the high level of deficit on the HNB, intervention support (Safety Valve) was agreed with the DfE to reduce the cumulative DSG deficit, including the deficit for 2022/23, and reach a positive position by 2027/28. To deliver the required improvement over the next five years the Council has developed a DSG Management Plan which is being coproduced with various

stakeholders. The plan has been approved by DfE and as a result financial support of £29.9m is being provided, front loaded with £11.96m in 2022/23 and annually thereafter. As a result of the funding, the cumulative HNB DSG deficit at 31st March 2023 is £11.87m.

- 1.12 The Housing Revenue Account reports an end of year outturn variance of £2.579m. This represents an adverse movement of £2.235m on the position reported in quarter 3. Reduction in dwellings rental income due to high level of void properties and an increase in bad debt provision due to lower than expected rental income collection performance were the main contributors of the adverse variance.
- 1.13 Turning to Capital, the 2022-23 General Fund capital programme outturn was a spend of £91.9m, excluding the Enabling budgets (put in place to provide the capacity to proceed with major property schemes with less certainty on expenditure profiling), which equates to 64% of the approved budget. This is £51.2m less than the spend forecast at Qtr3. The movement between q3 to q4 relates primarily to the Placemaking and Housing programmes (£27.0m). The major contributory schemes are the Future High Street project due to the delays in acquiring property and with the delays caused by the uncertainty of the extent of Reinforced Aerated Autoclave Concrete in the Children's programme.
- 1.14 The HRA spent £142.2m (50%) of its £284.4m revised capital budget compared to a spend last year of £124m. This represents an underspend of 50% against the budgeted sum. The underspend is mainly due to paused and delayed schemes, with both linked to rising cost of material, construction cost and interest levels adversely affecting schemes' viability.

2. Cabinet Member Introduction

- 2.1 I have to report that the Directorate budget position deteriorated from that reported at Quarter 3 and ended at an overspend of £16.4m. Thankfully, the Council this time has been able to draw upon its corporate contingency, along with a number of other mitigations to offset the Directorate overspend, but many of these were one-off or at least cannot be assumed to be available in the new financial year.
- 2.2 This has enabled the Council's reserve balances to be maintained however, colleagues must be under no allusions that the new financial year will be easy.
- 2.3 The drivers of much of the Directorate overspends look set to continue into 2023/24. Of these, the persistently high level of inflation is prime and impacts all areas but, demand for services and increased complexity and acuity do not appear to have abated to pre-pandemic levels. The Council is seeing higher levels of debt as residents and business struggle to cope with increased costs which are not falling at the pace forecast by Government when we were preparing our budgets. Increased interest rates will continue to negatively impact on the financial viability of our planned capital programme, already a feature during 2022/23.

- 2.4 Growth was added to 2023/24 budgets, within the funding possible but, based on the outturn spend discussed in this report, this is unlikely to be sufficient. I would also remind colleagues that we have £17.5m agreed savings to deliver in 2023/24 and any slippage against that target will add additional pressure to the outturn for next year and increase the current MTFS gap.
- 2.5 In summary, we face an extremely challenging year ahead and we must show leadership and continue to work closely with officers to take the appropriate action to mitigate the budgetary pressures as far as possible and focus on realistic and robust financial planning for the next MTFS refresh.

3. Recommendations

- 3.1 Cabinet is recommended to:
- a) Note the provisional revenue and capital outturn for 2022-23 as detailed in the report;
 - b) Approve the capital carry forwards in Appendix 3;
 - c) Approve the appropriations to/from reserves at Appendix 4;
 - d) Approve the budget virements as set out in Appendix 5;
 - e) Note the debt write-offs approved by officers in Quarter 4 2022-23 as set out in Appendix 6;

4. Reasons for decision

- 4.1 A strong financial management framework, including oversight by members and senior management is an essential part of delivering the Council's priorities and statutory duties.
- 4.2 It is necessary at year end to resolve the treatment of related balance sheet accounts, in light of the experience during the year and knowledge of the Council's future position and requirements.

5. Alternative options considered

- 5.1 The Director of Finance, as Section 151 Officer, has a duty to consider and propose decisions in the best interests of the authority's finances and that best support the delivery of the agreed corporate delivery plan outcomes whilst maintaining financial sustainability.
- 5.2 This report of the Director of Finance has addressed these points. Therefore, no other options have been presented.

6. Provisional Revenue Outturn 2022-23

- 6.1. The table below shows the provisional revenue outturn figures for 2022-23. It shows the impact of proposed movements to/from reserves on the final position and the movement from the outturn forecast at Qtr3 (P9).

Table 1 – Revenue Budget Monitoring Provisional Outturn 2022-23

Management Area	Revised 2022/23 Budget	Outturn Before Reserve Transfers	Net Revenue Transfers To / (From) Reserves	Revised Outturn	Revised Outturn to Budget Variance	Q3 Forecast to Budget Variance	Forecast Variance Movement Between Q3 and Outturn
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Children's Services	66,049	71,044	(283)	70,761	4,712	4,317	395
Adults, Health & Communities	114,139	120,753	4,668	125,421	11,281	9,534	1,748
Environment & Resident Experience	22,408	19,177	2,658	21,836	(572)	(456)	(116)
Placemaking & Housing	8,163	7,226	306	7,532	(631)	(148)	(483)
Culture, Strategy & Engagement	14,078	15,555	(152)	15,403	1,325	1,451	(126)
Corporate Budgets - Service	2,809	3,788	(713)	3,075	267	5	261
Directorate Service- Total	227,647	237,543	6,485	244,028	16,381	14,703	1,679
Corporate Budgets - Non Service	35,425	26,648	(5,986)	20,662	(14,762)	(1,889)	(12,874)
General Fund-Directorate Service & Non-Service	263,072	264,191	499	264,690	1,619	12,814	(11,195)
External Finance	(262,924)	(251,714)	(12,876)	(264,590)	(1,666)	0	(1,666)
General Revenue Total	148	12,477	(12,376)	100	(48)	12,814	(12,862)
DSG	-1	-9,391	556	(8,835)	(8,833)	2,800	(11,633)
HRA	0	2,577	0	2,577	2,577	345	2,232
Haringey Total	147	5,662	(11,820)	(6,158)	(6,304)	15,959	(22,263)

- 6.2. The Revised Outturn to Budget Variance column above shows the final outturn by Directorate, after planned reserve movements, and clearly shows where the key budgetary pressures sit. More detailed commentary on these final positions as well as the reasons for significant movements since the last report to Cabinet in March (Qtr3) can be found in Appendix 1.
- 6.3. The revised outturn to Budget variance for the General Fund as a whole, of an underspend of £0.048m has largely been achieved from under-spends in Corporate Budgets (Non-Service) and External Finance. The key factors are:-
- Utilisation of the corporate contingency budgets and unapplied general inflation budget
 - Treasury benefits - Overachievement of interest received and underspend against interest payments
 - NLWA – one month's rebate
 - Windfall one-off payment from the National business rate levy account surplus
 - Review of historic balance sheet items
 - Core grants, including Public Health being above originally set budget due to late notification.
- 6.4. It is clear from this list of mitigations, that many are one-off or cannot be relied upon to be available in 2023/24. As highlighted in paragraph 1.8 above, a significant level of the overspend in 2022/23 must be expected to continue into 2023/24 unless action is taken now to address it.
- 6.5. The majority of the £12.8m net transfer from reserves against the External Finance line is the planned use of the Collection Fund Smoothing reserve to offset business rates income losses manifesting in 2022-23 for which grant was received in 2021/22.
- 6.6. **Outturn MTFs Savings** - The table below shows the overall delivery of agreed 2022-23 savings by Directorate this financial year. It shows 36% net variance against the target figure however (35% Qtr3) however, this

percentage includes £2.7m of overachieved savings without which the delivery would have been a lower 51%.

- 6.7. The Directorates with the largest underachievement are Adults, Health & Communities, Environment & Residence Experience and Cross-Cutting Digital Together programme.

2022/23 Year							
Management Area	2022/23 Savings Target	Projected Full Year savings	Net Variance	Over Achievement	Non Delivery (Amber + Red)	Amber	Red
						Analysis of Non-Delivery	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Children's Services	1,661	2,161	500	1,405	(905)	(905)	0
Adults, Healths & Communities	11,048	7,892	(3,156)	837	(3,993)	(230)	(3,763)
Environment & Resident Experience	3,448	2,269	(1,180)	483	(1,663)	(708)	(955)
Placemaking & Housing	674	574	(100)	0	(100)	(50)	(50)
Culture, Strategy & Engagement	939	322	(617)	0	(617)	0	(617)
Cross-Cutting	2,910	50	(2,860)	0	(2,860)	(2,860)	0
Corporate Budgets	20	0	(20)	0	(20)	0	(20)
TOTAL	20,700	13,268	(7,433)	2,725	(10,158)	(4,753)	(5,405)

7. Dedicated Schools Grant (DSG) Under budget £8.83m (Q3 £2.80m)

- 7.1 The overall DSG closing position on 31 March 2023 is reporting a surplus of £8.83m, due to the following two reasons:
- Safety Valve 1st instalment received during the financial year of £11.96m
 - An in-year deficit of £3.13m
- 7.2 Without Safety Valve funding, the in-year DSG outturn deficit position compared with Qtr3 has reduced by £0.33m. The movement between Q3 and outturn is due to a positive variance of £0.58 on the High Needs Block (HNB) and an overspend of £0.91m on the Early Years (EY) block.
- 7.3 The overspend in EY of £0.91m is due to an over payment of deprivation funding to certain schools in respect of 3 & 4 years in 2022/23. The overspend will be funded by the opening EY reserve balance on 1st April 2022 of £1.23m. After applying the in-year deficit of £0.91m the EY closing balance on 31st March 2023 will leave a surplus of £0.32m.

DSG Reserve Position at Outturn 2022-23

Blocks	Opening DSG at 01/04/22	Budget	Outturn 2022/23	Outturn Variance 2022/23	Safety Valve 2022/23	In Year Movement 2022/23	Closing Balance 2022/23
	£m	£m	£m	£m	£m	£m	£m
Schools Block	.00	-135.05	135.05	.00	.00	.00	.00
Central Block	.00	-2.78	2.78	.00	.00	.00	.00
High Needs Block	21.61	-50.57	52.79	2.22	-11.96	-9.74	11.87
Early Years Block	-1.23	-20.15	21.06	.91	.00	.91	-3.32
Total	20.38	-208.55	211.68	3.13	-11.96	-8.83	11.55

7.4 The main driver for the pressure in the High Needs block remains the increasing number of Education, Health and Care Plans (EHCP) in recent years. In addition, approximately 25% of our children who are looked after have an EHCP. Where we have children who are looked after with an EHCP and who require an out of borough placements e.g. specialist residential, the social and financial cost is higher than in borough.

7.5 The DSG reserve is ringfenced and outside the council's general fund reserves for 2022/23.

7.6 As a result of the high level of deficit on the HNB, intervention support (Safety Valve) was agreed with the DfE to reduce the cumulative deficit and reach a positive position by 2027/28. To deliver the required improvement over the next five years the Council has developed a DSG Management Plan which is being coproduced with various stakeholders. The plan has been approved by DfE and as a result financial support of £29.9m is being provided, front loaded with £11.96m in 2022/23 and annually thereafter. As a result of the funding the cumulative HNB DSG deficit at 31st March 2023 is £11.87m.

8. Collection Fund – Council Tax & Business Rates

8.1 The Council has a statutory obligation to maintain a separate ring-fenced account for the collection of council tax and business rates. The Collection Fund is designed to be self-balancing and therefore an estimate of any accumulated surplus or deficit is made each year and factored into the following year's tax requirement. The actual benefit or burden of any in-year variance is received or borne by taxpayers in the following year.

Council Tax

8.2 The 2022/23 in year council tax collection performance was 96.2% (target 95.8%). The Council tax surplus/deficit is distributed between the Council (79.0%) and it's preceptor the GLA (21.0%) based on respective shares. There is an estimated deficit of £0.14m in 2022/23, which compares to an actual deficit of £1.59m in 2021/22. The latter is recognised in the 2022/23 outturn figures whilst the 2022/23 actual deficit will be recognised in 2023/24.

Business Rates

8.3 The 2022/23 in year business rates collection performance was 95.0% (target 88.0%). Under the Business Rates Retention Scheme the business rates

collected by the Council are distributed so that the Council receives 30%, DLUCH receives 33% and the GLA receives 37%.

- 8.4 There is an estimated deficit of £0.94m in 2022/23, which compares to an actual deficit of £12.17m in 2021/22. The latter is recognised in the 2022/23 outturn figures whilst the 2022/23 actual deficit will be recognised in 2023/24. The majority of this 2022/23 deficit relates to government relief schemes and are covered by the planned draw down from the Collection Fund Smoothing reserve.

9. Capital Programme Outturn

- 9.1 The overall capital budget can and does change from that agreed by Council at its budget setting meeting to the outturn budget. A range of factors contribute to this movement: the incorporation of the previous year's brought forwards into the budget, new grants being received mid-year, and live budgeting which realigns and reprofiles resources in the light of scheme progress.
- 9.2 The approved capital programme is composed of schemes that have varying levels of predictability to their spend profiles. Capital maintenance programmes such as borough roads, street lighting, and the disabled facilities grant works have a rhythm and regularity to them that makes forecasting the outturn accurately a relatively easy process.
- 9.3 Construction schemes are less predictable as they have many individual interdependent components, each of which can be impacted by external factors that can prolong the delivery process beyond that envisaged at the start. There can be extensive stakeholder engagement which can result in amendments to the original concept which in turn can impact on the design and design timescales; sometimes schemes require planning permission that can entail scheme design or delivery changes; the tendering processes may not deliver a contractor on time or an acceptable price due to market conditions; and the actual construction timetable itself is subject to external events such as the weather. There are also significant problems with delays to materials availability across the construction industry.
- 9.4 In addition, there are some schemes within the capital programme that rely on third parties completing tasks or agreeing to actions over which the Council has limited or no control. These budgets are known as Enabling budgets and their spend profile is extremely unpredictable. Table 3 below shows movement in the approved capital programme from the original budget at quarter 1 to the final revised budget at quarter 4.
- 9.5 The final outturn position is also shown, and a variance calculated by comparing the quarter 4 revised budget with the final outturn. Overall, the General Fund capital programme spent (excluding Enabling Budgets) £91.9m of the revised budget of £143.1m or 64% of the revised budget. The Enabling budgets spent £34.4m of the revised budget of £115.8m or 30% of revised budget. The HRA spent £142.2m of the £284.4m revised budget or 50% of revised budget.

Table 2 – 2022-23 Approved Capital Programme Provisional Outturn

Management Area	2022/23 Revised Budget QTR.1	2022/23 Revised Budget QTR.2	2022/23 Revised Budget QTR.3	2022/23 Revised Budget QTR.4	2022/23 Final Outturn	Variance Btw Outturn & Revised Budget QTR.4
	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)
Children's Services	40,193	40,068	38,736	39,771	30,336	(9,435)
Adults, Health & Communities	13,251	14,081	10,152	10,152	7,000	(3,152)
Environment & Resident Experience	33,869	32,968	28,331	28,218	22,116	(6,102)
Placemaking & Housing	62,812	62,812	49,269	48,910	21,912	(26,998)
Culture, Strategy & Engagement	34,855	17,694	18,184	16,079	10,551	(5,527)
Total GF Capital Budget (Excluding Enabling Budgets)	184,980	167,622	144,672	143,129	91,914	(51,215)
Placemaking & Housing (Enabling Budgets only)	127,602	120,302	113,278	115,773	34,384	(81,388)
Housing Revenue Account (HRA)	284,374	284,374	284,374	284,374	142,227	(142,147)
Total Capital Budget =	596,957	572,298	542,324	543,276	268,526	(274,750)

Capital Programme Financing Outturn

- 9.6 Capital expenditure is financed through a variety of sources: grants from central government, grants & contributions from the GLA, contributions from developers (S106 and S278), applying capital receipts, utilising revenue reserves, and borrowing.
- 9.7 In terms of its impact on the Council's resources, undertaking borrowing to finance expenditure impacts the revenue budget when the Council is required to borrow to finance the expenditure and this revenue expenditure is known as the capital financing costs. For the General Fund, capital financing costs are composed to two elements: interest payable on loans and the statutory minimum revenue provision (MRP). The HRA is not required to make an equivalent of MRP but does pay interest.
- 9.8 When setting the capital programme an estimate is made of both elements of the capital financing charge based on the budgeted in-year capital spend, and

budgetary provision is made accordingly. Should the level of budgeted in-year capital spend not be achieved this will impact on the actual level of capital financing costs incurred.

9.9 The General Fund capital programme and the HRA capital programme are funded differently so they have been separated out in the following table.

Table 4 – Source Capital Funding			
Source of Funding	2022/23 Revised Budget (£'000)	2022/23 Actual (£'000)	2022/23 Variance (£'000)
General Fund Funding (Excluding Enabling Budgets)			
External	38,702	22,906	(15,797)
Borrowing - LBH	91,090	64,329	(26,760)
Borrowing - LBH Self-Financing	13,207	4,549	(8,658)
LBH - Capital Receipt	130	130	0
	143,129	91,914	(51,215)
General Fund Funding (Enabling Budgets only)			
External	54,905	13,288	(41,617)
Borrowing - LBH	3,494	41	(3,454)
Borrowing - LBH Self-Financing	57,373	21,055	(36,318)
LBH - Capital Receipt	0	0	0
	115,773	34,384	(81,388)
HRA Funding			
Grants (GLA + Other Grants)	59,999	37,401	(22,598)
Major Repairs Reserves	20,919	21,526	607
Revenue Contributions	8,324	5,965	(2,359)
RTB Capital Receipts	11,231	6,444	(4,787)
Leaseholder Contributions to Major Works	6,502	1,638	(4,864)
S.106 Contributions	1,000	650	(350)
New Homes Sales Receipts	287	0	(287)
Buy Back Contribution	0	2,146	2,146
Borrowing	176,112	66,457	(109,655)
	284,374	142,227	(142,147)
Overall Total (Excl. Enabling Budgets)	427,503	234,141	(193,362)
Overall Total (Incl. Enabling Budget)	543,276	268,525	(274,751)

Flexible Use of Capital Receipts Outturn

9.10 Normally capital receipts generated through the disposal of General Fund

assets can only be used to fund prescribed expenditure, such as new capital expenditure or debt repayment. In 2016 the Government changed the regulations so that councils can use General Fund capital receipts flexibly (this flexibility do not apply to right to buy receipts). This flexibility is allowed if the council has a strategy for their use. The council at its budget setting meeting in February 2020 set a strategy for the flexible use of capital receipts. The following table compares the budgeted position on the flexible use of capital receipts and compares that to the actual position.

Table 5 – Use of Capital Receipts	
	2022/23
	Actual
	(£'000)
Capital receipts brought forward	4,479
Net capital receipts in year	7,705
Total	12,183
Use of capital receipts	(5,584)
Capital receipts carried forward	6,599

The actual use of capital receipts is in line with the budgeted use.

10. Debt Write-Off

- 10.1 All Council debt is considered recoverable, and the Corporate Debt Recovery Team will make every necessary effort to collect charges due to the Council. However, there are some circumstances when it is appropriate to write off a debt once all forms of recovery action have been exhausted.
- 10.2 Appendix 6 summarises the sums (£20.512m) written off in Qtr4. £20.214m has been approved for write off by the Director of Finance under his delegated authority and of this, 95% relates to Parking debts which are high volume, low value. £17.06m of this relates to historic debt still on the legacy parking system when it closed in November. The debt profile is broken down as £ 5.67m 2019, £ 8.08m 2020 and £ 3.31m in 2021. The balance of £2.76m relates to debt generated in the new parking system. All debts have been adequately provided for in the Council's bad debt provisions.
- 10.3 The Lead member for Finance approved the write off of 3 debts over £50,000 as required in the Financial Regulations.
- 10.4 Appendix 4 also provides a summary of the cumulative write offs for the whole of the 2022/23 financial year.

11. Reserves

- 11.1 The Council holds an un-earmarked General Fund reserve. It also has a number of other earmarked reserves, which are set aside to provide contingency against unplanned events, fund one-off planned expenditure and help smooth uneven spend patterns. The Council is required to annually review the adequacy of its reserves which it did in March as part of the 2023-24 Budget and 2023-2028 MTFS report. That report confirmed the maintenance of a General Fund unearmarked reserve of circa £15.8m. As described in Section 1, this has been achieved at the close of 2022-23. It should be noted that due to the fact that the Council currently has three years unaudited accounts (2020/21 – 2022/23) that there is risk that this figure may change when each year is finally signed off by the Council's external auditor.
- 11.2 In 2020/21 the Council created a new Collection Fund Smoothing reserve, largely to appropriately manage the accounting treatment of the Government's expanded retail, hospitality and leisure reliefs as well as some other business rate loss support via the Tax Income Guarantee (TIG).
- 11.3 £12.9m has been drawn down as part of the 22/23 to smooth timings of income receipt and the reserve will be maintained.
- 11.4 Excluding the Collection Fund Smoothing reserve, the movement in the General Fund earmarked reserves has remained relatively constant with an opening balance of £89.4m against a closing balance of £84.8m. Broadly this movement of £3.7m is due to the slightly less than planned drawdown from the Strategic Budget Planning reserve, agreed with the 2022/23 Budget was set.
- 11.5 Members should note, as previously advised, Haringey's reserve balances place us in the lower quartile of London Boroughs.
- 11.6 A summary of the purpose of each reserve along with all the proposed in year movements to/from all reserves and resultant estimated closing position at 31-03-2023 is shown in Appendix 4. These are not expected to change materially however, the reserve position will not be final until the completion of the 2022-23 accounts audit.

12 **Contribution to strategic outcomes**

- 12.1 Adherence to strong and effective financial management will enable the Council to deliver all of its stated objectives and priorities.

13 **Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)**

13.1 **Finance**

As this is a report of the Chief Finance Officer (CFO) report and the implications arising have been highlighted throughout, normally this would be sufficient. However, further comment is required due to the implications of the serious level of overspend across the directorates.

- 13.2 Although the 2023/24 financial planning process sought to be as robust as possible, it is clear from the provisional outturn figures presented in this report

that the underlying pressures were greater than assumed at the time. Some of this is one-off, largely related to non-delivery of savings which have been addressed in the 2023/24 budget build, but a significant amount must be expected to continue into the new financial year.

- 13.3 Furthermore, the impact of inflation persisting significantly above the 2% target and not falling at the rate forecast by Government when the 2023/24 Budget was set, suggests that additional cost pressures are likely to be seen across **all** Directorates, not just the care services. It is also likely that the trend of increasing debt arrears will grow as residents and business also grapple with the additional cost of living. Additionally, there are cost implications of meeting the additional demand for temporary housing and increasing interest rates, as the Bank of England seeks to reduce prevailing inflation rates, will have implications for financing our capital programme.
- 13.4 These matters are far from unique to Haringey. It should be noted that many London boroughs are also seeing this level of overspend highlighting overspends across one or more of Adults or Children's social care and temporary accommodation.
- 13.5 All of these factors paint a concerning financial picture and require that the Council takes urgent appropriate steps. An urgent 2023/24 budget update is being prepared which will include the implications for 2024/25 and the MTFS as a whole. The output of this activity will be discussed in the Qtr1 report along with the actions and mitigations identified to address it. This will include a consideration of the capital programme given its ramifications on the authority's revenue budgets.

13.2 **Strategic Procurement**

Strategic Procurement notes the contents of this report and will continue to work with services to enable cost reductions.

13.3 **Legal**

The Head of Legal & Governance has been consulted in the preparation of this report and makes the following comments.

Pursuant to Section 28 of the Local Government Act 2003, the Council is under a statutory duty to monitor during the financial year its expenditure and income against the budget calculations. If the monitoring establishes that the budgetary situation has deteriorated, the Council must take such action as it considers necessary to deal with the situation.

The Cabinet is responsible for approving virements in excess of certain limits as laid down in the Financial Regulations at Part 4 Section I, and within the Executive's financial management functions at Part 3 Section C, of the Constitution.

13.4 **Equality**

The Council has a public sector equality duty under the Equalities Act (2010) to have due regard to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
- Advance equality of opportunity between people who share those protected characteristics and people who do not
- Foster good relations between people who share those characteristics and people who do not.

The three parts of the duty applies to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.

This report sets out the provisional outturn for 2022-23 for the General Fund, HRA, DSG and the Capital Programme compared to budget. It provides explanations of significant under/overspends and also includes proposed transfers to/from reserves, revenue and capital carry forward requests and any budget virements or adjustments. The recommendations in the report are not anticipated to have a negative impact on any groups with protected characteristics. In addition to this the Councils saving programme is subject to an equality assessment, which acts to mitigate against any potential impacts for those living and working in the Borough.

14 **Use of Appendices**

Appendix 1 – Revenue Directorate Level Outturn

Appendix 2 – HRA Outturn

Appendix 3 – Capital Outturn, Carry Forward Requests and Financing

Appendix 4 – Appropriations to / from Reserves

Appendix 5 - Budget Virements

Appendix 6 – Debt Write-Off

15 **Local Government (Access to Information) Act 1985**

16.1 The following background papers were used in the preparation of this report:

- Budget management papers
- Medium Term Financial Planning Reports

16.2 For access to the background papers or any further information please contact Frances Palopoli– Head of Corporate Financial Strategy & Monitoring.

Directorate Level Outturn 2022/23						Appendix 1
Management Area	Revised 2022/23 Budget Less Depreciation	Outturn Less Depreciation	Net Revenue Transfers To / (From) Reserves	Outturn to Budget Variance(incl reserves)	Q3 Forecast to Budget Variance	Movement in Forecast Variance
CORPORATE BUDGETS - NON SERVICE	35,424,541	26,648,261	-5,986,187	-14,762,468	-1,888,630	-12,873,838
CORPORATE BUDGETS - SERVICE	2,808,615	3,788,054	-712,675	266,764	5,404	261,360
Legal & Governance	2,830,230	3,751,909		921,679	435,400	486,279
Chief Executive	342,901	285,771		-57,130	-50,901	-6,229
Corporate Finance	-364,516	-249,625	-712,675	-597,785	-379,095	-218,689
DIRECTOR OF CULTURE, STRATEGY & ENGAGEMENT	14,078,023	15,554,702	-151,728	1,324,951	1,450,965	-126,014
Strategy & Communication	579,790	601,136	-475,336	-453,990	-123,216	-330,774
Transformation & Improvement	0	-10,484		-10,484	0	-10,484
Human Resources	1,625,735	1,125,502		-500,233	29,485	-529,718
Digital Services	807,584	426,236		-381,348	-107,301	-274,047
Corporate & Customer services	5,974,885	7,095,465	313,608	1,434,188	791,813	642,375
Transformation & Resources	459,044	774,134		315,090	229,521	85,569
Libraries	3,789,786	4,711,630		921,844	617,817	304,027
Culture, Museums & Archives	841,199	831,085	10,000	-114	12,846	-12,960
DIRECTOR OF ENVIRONMENT & RESIDENT EXPERIENCE	22,408,339	19,177,412	2,658,490	-572,437	-456,060	-116,376
Parking & Highways	-1,417,983	-1,990,967	34,701	-538,283	-196,061	-342,222
Community Safety, Waste & Enforcement	18,916,294	16,090,087	2,623,789	-202,418	35,835	-238,253
E&N Management & Support	2,188,677	1,996,547	0	-192,130	-184,312	-7,818
Parks & Leisure	2,541,850	2,728,741	0	186,891	-132,665	319,556
Operational Facilities Management	179,501	353,004	0	173,503	21,143	152,360
DIRECTOR OF ADULT, HEALTH & COMMUNITIES	114,139,272	120,753,041	4,667,647	11,281,416	9,533,643	1,747,773
Director of Adult & Social Services	72,869,530	83,447,845	-46,509	10,531,806	9,469,857	1,061,948
Housing Demand	9,135,798	7,523,247	1,361,311	-251,240	-1	-251,240
Director of Public Health	18,033,970	18,490,349	-456,379	0	0	0
Assistant Director for Commissioning	14,099,974	11,291,600	3,809,224	1,000,850	63,786	937,064
DIRECTOR OF CHILDREN'S SERVICES	66,049,404	71,043,795	-282,796	4,711,595	4,316,955	394,640
Director of Children Services	2,642,107	2,398,169	0	-243,938	-81,891	-162,047
Commissioning	3,694,764	3,365,273	92,792	-236,698	37,621	-274,319
Prevention & Early Intervention	12,529,595	14,867,878	-419,606	1,918,677	1,686,927	231,750
Children & Families	43,809,615	47,440,767	41,118	3,672,270	2,878,850	793,420
Assistant Director for Schools	3,373,323	2,971,707	2,900	-398,716	-204,552	-194,163
PLACEMAKING & HOUSING	8,163,420	7,225,996	306,427	-630,997	-148,175	-482,823
Director of Housing_Regen_Place	322,982	443,823	0	120,841	-8,691	129,532
Capital Projects and Property	-1,106,742	-1,152,574	0	-45,832	245,100	-290,932
Planning_Building Standards & Sustainability	3,468,803	2,761,637	217,000	-490,166	-95,227	-394,940
Regeneration & Economic Development	5,326,597	5,078,546	89,427	-158,624	-237,355	78,731
Housing General Fund	151,780	94,564	0	-57,216	-52,002	-5,214
MANAGEMENT TOTAL	263,071,614	264,191,261	499,178	1,618,825	12,814,102	-11,195,277

Corporate Budgets: Non-Service Under Budget £14.762m (Q3 £1.889m)

The underspend of £1.889m forecast at Qtr3 was from a one-month rebate from the NLWA and forecast savings in Treasury spend and income.

The £12.873m improvement since Qtr 3 is predominantly due to the recognition of the unused corporate contingencies along with an improved position on Treasury budgets because of increased interest income and less borrowing than planned. This improvement has been partially offset by the need to augment bad debt provisions this year as the level of arrears across most debt fields has increased, as residents, businesses and service users have struggled to contend with the impact of high inflation/cost of living crisis.

Corporate Budgets – External Finance Under Budget £1.67m (Q3 Nil variance)

The underspend at the outturn is due to the receipt of a one-off payment from the national business levy account (£0.687m) along with the Public Health grant and other core grants being higher than the budgeted figure (£1.0m). This latter occurred due to late notification of final allocations.

Corporate Budgets – Service

Over Budget £0.267m (Q3 £0.006m)

The Corporate Service budgets are showing an outturn overspend of £0.267m which is an increase of £0.261m on the Q3 projection (£0.006m). The key variances are as follows:

Legal & Governance £0.9m (Q3: £0.4m) broken down as follows:

(i) Legal Services £0.6m – the continued shortfall against the commercial income targets, and the reliance on agency staff and secondments, due to recruitment difficulties, have pushed up the cost of running the service and is the main driver for the adverse movement from Q3. Legal Services is continuing to attempt to recruit permanent staff to manage the cost within existing establishment budgets.

(ii) Coroner’s Service £0.2m – the continued high cost and shortage of pathology, staff changes and technology at the court and the increased cost of body removal are the main factors for the overspend. The cost of the Court is split between five boroughs.

(iii) Registrars £0.1m – the Service fell short of its income target due to lower levels of demand. In response the service has started to review options to promote the service and George Meehan House to increase demand.

Strategic Procurement -£0.6m (Q3: -£0.4m) – the underspend is due to a combination of vacancy savings in Procurement Operations and a strong income performance from the London Construction Programme.

CULTURE, STRATEGY AND ENGAGEMENT

Over budget £1.35m (Q3 £1.45m)

Culture, Strategy & Engagement

Culture, Strategy & Engagement is showing an outturn overspend of £1.354m which represents a small favourable movement of £97k on the Q3 projection (£1.451m). The key variances are as follows:

Benefits Service: £1.1m (Q3: £0.6m) – the service has experienced resilience-based staffing pressures to clear backlogs throughout the year at the same time as receiving a reduced level of DWP grant. The adverse movement at year end is due to a higher volume of HB casework where the Authority has not been able to receive full subsidy support for example in supported accommodation.

Libraries: £0.9m (Q3: 0.6m) – this overspend is due to (i) an income shortfall (£0.5m) mainly due to undelivered MTFs savings for additional income mainly as a result of the required capital works not proceeding during the pandemic; (ii) ongoing staffing pressures to meet operational need (£0.2m); and (iii) premises-related pressures (£0.2m) including higher energy costs. Security costs at Wood Green Library, historic utility bills and lost income from Library Closures contributed to the adverse movement since Q3.

Human Resources: -£0.5m (Q3: £-) – the underspend, and favourable movement since Q3, is the result of a higher than anticipated level of recharge to the HRA.

Strategy & Communications: -£0.4m (Q3: -£0.1m) – the increased underspend compared to Q3 was due to making greater use of flexible capital receipts to fully fund the Corporate Programme Management Office.

Environment & Resident Experience Under budget - £0.572m (Q3 -£0.456m)

Environment & Resident Experience Directorate is reporting an underspend of £0.572 at year-end; an improved position of £0.116m on Q3.

Parking & Highways is reporting an under spend of £0.538m at year-end an improved position of £0.342m on Q3. This is mainly due to an improvement from year-end accounting treatment of Penalty Charge Notice (PCN) debt income of £1.286m and additional highways capital recharges of £0.5m. This has been off-set by reduced parking income due to continued high levels of vandalism to Low Traffic Neighbourhood (LTN) CCTV cameras and a high level of ticket appeals of £0.625m, and increased salary and debt registration costs.

Community Safety, Waste & Enforcement is reporting an under spend of £0.202m at year-end an improved position of £0.238m on Q3. This is mainly due to additional enforcement and regulatory service recharges, partly off-set by increased back-dated agency cost settlement.

Parks & Leisure is reporting an over spend of £0.187m at year-end a worsened position of £0.320m on Q3. This is mainly due to increased running, enforcement and utilities costs, plus reduced recharges.

Operational Facilities Management is reporting an over spend of £0.174m at year-end a worsened position of £0.152m on Q3. This is mainly due to increased staffing cover costs and contractual costs, plus back-dated holiday pay settlement.

CHILDREN'S SERVICES Over budget £4.712m (Q3 £4.317m)

The Children's outturn was £4.7m over budget an increase of £0.4m from Q3. In year pressures remain on placement budgets, with additional pressures on SEND transport costs. The movement between Q3 and outturn was due to legal costs coming in more than forecast and underestimated agency costs, with a further small increase in SEND transport costs. This was partial offset by a reduction in the bad debt provision.

ADULTS, HEALTH AND COMMUNITIES Over budget £11.281 (Q3 £9.534m)

Adult Social Care

The outturn is a £10.5m overspend up by £1m from Q3. There continues to be a significant pressure on the placements budget due to a combination of demand for placements associated with hospital discharges and legacy impact on COVID leading to more complex care needs. Savings targets to deliver a reduction in care placement costs amounts to £4m were not achieved in year. The increase in placement costs has been partially offset by increased income from health of c.£3.0m since Q3 to cover elements of the discharge costs incurred by Haringey. The movement between Q3 and outturn was a continuation of those factors outlined above plus client contributions being less than forecast (£2.9m) and an increase in the bad debt provision (£0.950m) to reflect the increase level of doubtful debts.

Commissioning

Overall, a £1m overspend on budget. The movement between Q3 and outturn of £1m is as a result of the final clarification of the use of grant funding to support the re-settlement of Ukrainians between Connected Communities and other support capacity put in place (£0.6m) plus staffing budget pressures in Adults Commissioning of £0.4m. Funding has been carried forward to 2023/24 to cover the future costs of the Homes for the Ukraine programme (£4.4m).

Public Health

Overall, the outturn was break even.

Housing Demand

The Council increased the budget for Housing demand by £1.3m in 22/23. This coupled with the un-budgeted receipt of £1.3m Winter housing financial support grant plus the Homelessness Prevention grant being maintained at previous years levels has meant that the outturn was a small underspend of £0.251m (£0.0m Qtr3).

Due to the reliance on grants received and concerns about levels of demand on this service, this area remains a concern for the new financial year and onwards.

PLACEMAKING & HOUSING

Under budget -£0.631m (P9 -£0.148m)

A favourable movement of £0.483m since Qtr3.

The position within the directorate has improved by £0.483m through work undertaken by planning to attribute costs to income (CIL admin charges). In Capital & Projects there was a positive movement in the bad debt provision as part of the ongoing active management of the commercial portfolio.

There were a number of other negative movements that impacted the outturn position resulting in the net position reported above.

HOUSING REVENUE ACCOUNT (HRA) - net adverse variance £2.579m (Q3 £0.345m)

The Housing Revenue Account reports an end of year Outturn variance of £2.579m, which is the net figure of the end of financial year HRA surplus of £6.311m compared to a budgeted surplus of £8.889m. This represents an adverse variance of £2.235m on the position reported in quarter 3.

This movement in variance is largely driven by higher than projected rise in energy/utility bills, reduction in rental dwelling income – because of a high level of void properties. In addition to these are increases in disrepair/ compensation costs and increase movement in the bad debt provision due to lower than expected rental income collection performance. Following the transfer of the ALMO Housing services functions from 1st June 2022 a housing improvement plan has been put in place to deliver better outcomes for residents and increased efficiency.

The revenue contribution to capital at year end which is equal to the surplus on the HRA, is therefore lower than budgeted. The difference has been financed by borrowing. This allows the HRA to maintain a working balance of £20m.

HRA BUDGET 2022/23	2022/23 Revised Budget	EOY 2022/23 Actual Spend	EOY 2022/23 Variance	Q3 2022/23 Forecast Variance	Variance Movement EOY Outturn v Q3
	£000's	£000's	£000's	£000's	£000's
Service Charge Income - Hostels	(320)	(462)	(142)	(343)	201
Rent - Hostels	(2,022)	(1,670)	352	333	20
Rent - Dwellings	(86,598)	(84,851)	1,747	418	1,329
Rent - Garages	(744)	(726)	17	14	4
Rent - Commercial	(756)	(672)	84	-	84
CBS - Lease Rental Income	(2,329)	(2,680)	(351)	-	(351)
Income - Heating	(641)	(665)	(24)	(25)	1
Income - Light and Power	(1,065)	(1,039)	26	23	3
Service Charge Income - Leasehold	(7,850)	(7,631)	219	-	219
Serv ChgInc SuppHousg	(1,522)	(1,492)	30	28	2
Service Charge Income - Concierge	(1,812)	(1,362)	450	524	(74)
Grounds Maintenance	(2,290)	(2,237)	53	46	7
Caretaking	(2,015)	(1,962)	53	47	5
Street Sweeping	(2,432)	(2,371)	61	55	6
HRA Income	(112,396)	(109,821)	2,576	1,121	1,454
Supported Housing Central	297	636	340	204	136
Housing Management WG	24	4	(20)	(18)	(2)
Housing Management NT	29	81	52	51	1
Housing Management Hornsey	-	14	14	19	(5)
TA Hostels	257	501	244	304	(61)
Housing Management ST	10	-	(10)	(10)	-
Housing Management BWF	12	8	(4)	-	(4)
Rent Accounts	-	3	3	7	(4)
Accountancy	-	7	7	7	-
Under Occupation	174	54	(120)	(134)	14
Repairs - Central Recharges	2	3	1	-	1
Responsive Repairs - Hostels	395	544	148	249	(101)
Water Rates Payable	32	(2,088)	(2,119)	-	(2,119)
HousMgmtRechg Cent	3,408	3,113	(296)	(526)	230
Other RentCollection	141	139	(2)	-	(2)
Management Special - Nth Tott	-	(1)	(1)	-	(1)
HousMgmtRechg Energy	1,231	2,747	1,516	769	747
Special Services Cleaning	3,516	3,574	58	-	58
Special Services Ground Maint	1,981	1,959	(22)	-	(22)
HRA Pest Control	297	233	(64)	-	(64)
Estate Controlled Parking	148	20	(128)	(108)	(20)
Supporting People Payments	1,898	1,333	(566)	(566)	(0)
Commercial Property - Expenditure	-	16	16	16	(0)
Bad Debt Provision - Dwellings	2,749	4,057	1,308	938	370
Bad Debt Provision - Leaseholders	188	623	435	186	249
Bad Debt Provision - Commercial	-	(28)	(28)	-	(28)
Bad Debt Provisions - Hostels	68	117	49	-	49
HRA- Council Tax	611	817	206	139	67
Housing Delivery Team	-	94	94	-	94
Anti Social Behaviour Service	623	626	3	-	3
Interest Receivable	(251)	(323)	(72)	-	(72)
Corporate democratic Core	613	530	(83)	(83)	(0)
Leasehold Payments	-	(44)	(44)	-	(44)
Landlords Insurance - Tenanted	843	888	45	(461)	506
Landlords - NNDR	141	84	(56)	(57)	1
Landlords Insurance - Leasehold	1,978	1,577	(401)	(401)	0
HfH-Insourcing to LBH	535	488	(47)	-	(47)
Capital Financing Costs	14,861	13,592	(1,269)	(2,427)	1,158
Depreciation - Dwellings	20,919	20,926	7	-	7
ALMO HRA Management Fee	7,908	7,969	61	(54)	116
Community Benefit Society (CBS)	-	53	53	-	53
GF to HRA Recharges	3,330	2,988	(342)	-	(342)
Estate Renewal	1,397	393	(1,004)	-	(1,004)
HIERS/ Regeneration Team	1,333	607	(725)	(833)	107
Operational Dir Housing Serv & Buil	4,062	3,878	(184)	(414)	230
Housing Management	10,034	11,184	1,151	983	168
Property Services	17,715	19,515	1,800	1,443	357
HRA Expenditure	103,507	103,510	4	(777)	780

HRA Net Income Before Contribution To Capital	(8,889)	(6,311)	2,579	345	2,235
Revenue Contribution To Capital	8,889	6,311	(2,579)	(345)	(2,235)
Balance of HRA Account	0	0	0	(0)	(0)

2022/23 - EOY Outturn vs Q3

HRA BUDGET 2022/23	EOY 2022/23 Actual Spend	EOY 2022/23 Variance	Q3 2022/23 Forecast Variance	Variance Movement EOY Outturn v Q3	Variance Movement EOY Outturn v Q3
	£000's	£000's	£000's	£000's	£000's
Housing Revenue Account (HRA) Income TOTAL	(112,396)	(109,821)	2,576	1,121	1,454
Housing Revenue Account (HRA) Expenditure TOTAL	103,507	103,510	4	(777)	780
HRA Net Income Before Contribution To Capital	(8,889)	(6,311)	2,579	345	2,235
Revenue Contribution To Capital	8,889	6,311	(2,579)	(345)	(2,235)
Balance of HRA Account	0	0	0	0	0

Appendix 3 provides a scheme level analysis of the final **Capital** outturn versus the quarter 4 budget position. The appendix also sets out the requested carry forwards from service areas with reasons supporting the request. This is followed by a high-level commentary on each service area.

Of the total GF 2022/23 budget variances of £132.6m, £131.3m has been requested to be carried forward as detailed in Appendix 3.

APPENDIX 3

Scheme Ref. No.	Scheme Name	22/23 Full year Revised Budget (£'000)	22/23 Final Outturn (Draft) (£'000)	22/23 Variance (Underspend) / Overspend (£'000)	22/23 Capital Slippage (C/F) (£'000)	Reason for carry forward request
101	Primary Sch - repairs & maintenance	6,238	5,968	(270)	270	The carry forward is required to fund contractual commitments and allow for additional works in 2023/24
102	Primary Sch - mod & enhance (Inc SEN)	23,884	19,540	(4,344)	4,334	The carry forward is required to fund ongoing contractual commitments on incomplete project work for Building Services , Roofs, Windows and external works at a variety of schools
103	Primary Sch - new places	0	10	10	0	Not required and overspend has been offset from Scheme 102
109	Youth Services	75	0	(75)	75	The carry forward is required to fund contractually committed works and budget will be amalgamated with the Bruce Grove Youth Club under Scheme 411
110	Devolved Sch Capital	1,565	1,565	0	0	This is a grant funded scheme and the funding has been passported to schools.
114	Secondary Sch - mod & enhance (Inc SEN)	3,456	943	(2,513)	2,513	The carry forward is required to fund ongoing contractual commitments on incomplete project work for a range of schools
118	Special Educational Needs Fund (New Provision Fund)	2,403	401	(2,002)	2,002	This is grant funded and carry forward is required to fund works in relation to Safety Valves commencing in 2022/23
121	Pendarren House	1,000	826	(174)	174	The carry forward is required to fund the next stage of the scheme.
123	Wood Green Youth Hub	1,050	1,081	31	0	The overspend is to be funded via the approved contingency
124	In-Borough Residential Care Facility	100	0	(100)	100	The carry forward is required to fund schemes to deliver savings
Children's Services		39,771	30,336	(9,435)	9,468	

The overall Children's Services capital programme continued to deliver on the improvements to primary and secondary school building services such as boiler replacement, roofs, windows, external works etc. Overall spend was £30.3m and there is a variance of £9.4m or 24% of budget which has arisen through delays to programme due to additional unforeseen works, a contractor walking off site, and the need to hold resources in the programme to deal with the potential costs of the RAAC being found in buildings.

Scheme Ref. No.	Scheme Name	22/23 Full year Revised Budget (£'000)	22/23 Final Outturn (Draft) (£'000)	22/23 Variance (Underspend) / Overspend (£'000)	22/23 Capital Slippage (C/F) (£'000)	Reason for carry forward request
201	Aids, Adap's & Assistive Tech -Home Owners (DFG)	3,288	1,885	(1,403)	477	This is a specific grant and has to be used for the stated purposes
207	New Day Opp's Offer	0	31	31	0	The overspend is to be funded via the approved contingency
208	Supported Living Schemes	865	125	(740)	0	The project at 57 White Heart Lane was found not to be viable and the resources are not required.
209	Assistive Technology	798	682	(116)	116	This carry forward request is to cover outstanding contractual commitments and to complete the programme implementation and includes AT equipment (ongoing procurement) as well as Installation of equipment and associated resources and infrastructure requirements.
210	Capitalisation of LA Community Equipment's	0	926	926	0	Spending relates to scheme 201 and has been offset accordingly
211	Community Alarm Service	177	177	0	0	Not required
213	Canning Crescent Assisted Living	1,930	1,071	(859)	859	The carry forward is required to fund contractual commitments in 2023/24
214	Osborne Grove Nursing Home	1,374	429	(945)	945	Carry forward to enable the scheme to proceed to the next stage of the project.
217	Burgoyne Road (Refuge Adaptations)	50	39	(11)	11	This capital budget is required to deliver a new women's refuge which is in design development.
221	Social Care System Implementation	1,670	1,634	(36)	36	The carry forward is required to fund contractual commitments
Adults, Health & Communities		10,152	7,000	(3,152)	2,444	

Adults, Health & Communities capital programme has spent £7m, of which approximately 85% is related to continued spend on aids and adaptations, the delivery of Canning Crescent, the continued development of the Osborne Grove Nursing Home scheme and the implementation of the new adults database software Liquid Logic. There is a variance of £3.2m or 31% of budget.

Scheme Ref. No.	Scheme Name	22/23 Full year Revised Budget (£'000)	22/23 Final Outturn (Draft) (£'000)	22/23 Variance (Underspend) / Overspend (£'000)	22/23 Capital Slippage (C/F) (£'000)	Reason for carry forward request
301	Street Lighting	1,630	1,378	(252)	252	The carry forward is required as there remains a significant problem with delays to materials availability across the industry. It was not therefore possible to complete all of committed essential works within last financial which will be completed in q1 of next financial year.
302	Borough Roads	9,565	9,267	(298)	298	The carry forward is required as there remains a significant problem with delays to materials availability across the industry. It was not therefore possible to complete all of the essential works within last financial which will be completed in q1 of next financial year.
303	Structures (Highways)	460	40	(420)	420	The carry forward is required as there remains a significant problem with delays to materials availability across the industry. It was not therefore possible to complete all of the essential works within last financial which will be completed in q1 of next financial year.
304	Flood Water Management	1,009	497	(512)	512	There have been delays to the project and utility works. There also remains problem with delays to materials availability across the industry, impacting on other committed projects meaning that schemes can not progressed on site despite being committed with contractors, with much work therefore being pushed into next financial year
305	Borough Parking Plan	712	569	(143)	143	Ongoing commitment to complete project - funding required to deliver program
307	CCTV	800	544	(256)	256	This project is part of an ongoing project to roll out community safety cameras across the borough at specifically identified sites, this roll-out spans several financial years. The schedule of works continues to roll out across the remaining 5 sites and is contractually committed.
309	Local Implementation Plan(LIP)	917	1,699	781	0	A higher level of grant has been received to fund the additional expenditure.
310	Developer S106 / S278	250	444	194	0	Developer funding not constrained by years and must be spent for the purposes stated in the agreement.
311	Parks Asset Management:	1,926	1,669	(257)	217	The carry forward relates to equipment's to be purchased but not achieved in 22/23
313	Active Life in Parks:	1,620	607	(1,013)	1,013	The balance is required to support play and sport improvement projects that will be delivered in 2023/24.
314	Parkland Walk Bridges	550	308	(242)	242	This is an ongoing project and the slippage is due to the phasing of the project between years which is due to design development and statutory undertaker engagement.
321	MOPAC - Crime & Disorder Reduction	49	0	(49)	49	The carry forward is required as this is grant funded.
322	Finsbury Park	304	(0)	(304)	0	As there were insufficient resource with the Finsbury Park account, there has been no capital expenditure this year.

Scheme Ref. No.	Scheme Name	22/23 Full year Revised Budget (£'000)	22/23 Final Outturn (Draft) (£'000)	22/23 Variance (Underspend) / Overspend (£'000)	22/23 Capital Slippage (C/F) (£'000)	Reason for carry forward request
323	Parking Strategy	627	474	(153)	153	Ongoing commitment on incomplete project - funding required to deliver program
325	Parks Vehicles	360	0	(360)	360	The carry forward is required into 23/24 to allow for the delivery of new vehicles in 23/24.
328	Street & Greenspace Greening Programme	250	409	159	0	Additional grant funding has been received to fund this expenditure.
329	Park Building Carbon Reduction and Improvement Programme	50	40	(10)	0	The carry forward is requested to deliver the ongoing projects.
331	Updating the boroughs street lighting with energy efficient LED Lamps	640	563	(77)	77	There remains a significant problem with delays to materials availability across the industry. It was not therefore possible to complete all of committed essential works within last financial which will be completed in q1 of 2023/24 financial year.
332	Disabled Bay/Blue Badge	217	122	(95)	95	Ongoing commitment to complete project - funding required to deliver program
333	Waste Management	277	176	(101)	101	Ongoing commitment to complete project - funding required to deliver program
334	Parks Depot Reconfiguration	400	13	(387)	387	Project phasing has moved into 2023/24 to align with work being done by corporate landlord.
336	New River Sports & Fitness	511	152	(359)	359	The carry forward is requested to deliver the ongoing projects.
335	Streetspace Plan	1,462	1,198	(264)	264	Ongoing commitment to complete project - funding required to deliver program
337	OFM Assets	36	0	(36)	6	The carry forward is required for the purchase of Radios towards the end of qtr. 1 2023/24.
338	Road Casualty Reduction	1,600	566	(1,034)	1,034	Resourcing the project has caused delays, some resources and now in place supported by consultants, this has caused some slippage, its hoped much of which can be caught up, although staff and consultant resources also remain a risk. There also remaining a significant and worsening problem with delays to materials availability across the industry, which is impacting on the delivery programmes with our contractors.
339	Wildflower Meadow Planting	80	37	(43)	43	Commitments have been made against this budget including the purchase of machinery to maintain the meadows which wasn't delivered in 22/23.
119	School Streets	1,116	796	(320)	320	The carry forward is required for the next batches of School Streets that are likely to be more expensive to deliver due to their increased complexity.
444	Marsh Lane	800	549	(251)	251	The carry forward is required for the final retention payment
Environment & Resident Experience		28,218	22,116	(6,102)	6,852	

Environment & Resident Experience capital programme spent £22.1m in total. The big areas of spend are: £9.2m works to our highways/Borough Roads, £1.4m Street lighting, £1.7m – Park Asset Management and £1.2m on Streetspace Plan (LTN's). There is a variance of £6.1m, or 22% of budget. The most significant ones are: (i) Active Life in Parks £1m underspend – balance is required to support play and sport improvement projects that will be delivered in 2023/24; and (ii)

Road Casualty Reduction £1m underspend – caused by unanticipated resourcing and logistical delays, which has meant that works will commence on site in 2023/24.

Scheme Ref. No.	Scheme Name	22/23 Full year Revised Budget (£'000)	22/23 Final Outturn (Draft) (£'000)	22/23 Variance (Underspend) / Overspend (£'000)	22/23 Capital Slippage (C/F) (£'000)	Reason for carry forward request
401	Tottenham Hale Green Space	2,021	1,182	(839)	839	Delays to delivery start dates for key work programmes: DLP co-design has been a longer and more in-depth process than envisaged - start on site now scheduled late 23. The Paddock has required extensive remediation works which have led to design and programme changes which are being reconciled currently. Start on site late 23. Cabinet decision are due imminently to appoint contractors.
402	Tottenham Hale Streets	1,895	1,052	(843)	843	A carry forward is require to fund contractual commitments
404	Good Economy Recovery plan	987	158	(829)	829	A carry forward is require to fund contractual commitments
406	Opportunity Investment Fund	491	240	(251)	251	Used for future loan awards in a rolling OIF programme. We have two applications to be finalised to use some of the £251k, and we will also receive future income from loan recipients to be added to this allocation for future awards.
411	Tottenham Heritage Action Zone (HAZ)	973	867	(106)	106	The Council is contractually committed to deliver the HAZ programme by March 2024. All grant funding must be spent and claimed by this date, or it will be lost; a minimum amount of LBH capital funding must also be spend as match funding, in accordance with LBH's funding agreement with HE. All slippage from 22/23 should be carried forward to cover the costs of delivering the programme by March 2024.
415	North Tott Heritage Initiative	360	12	(348)	348	This slippage needs to be carried forward and a request to vire the full amount to scheme 474 will be submitted in 2023/24.
418	Heritage building improvements	267	267	0	0	The scheme has spent to budget.
431	Gourley Triangle Development	1,000	(0)	(1,000)	1,000	The slippage is to cover the costs associated with reviewing the emerging masterplan scheme and the preparation of a planning application.
452	Low Carbon Zones	164	0	(164)	150	The carry forward request is required to continue the programme.
454	HALS Improvement Programme	45	47	2	0	Programme has closed and the additional expenditure will be funded from the contingency
455	Replacement Cloud based IT solutions for Planning, Building Control & Land Charges	393	382	(11)	0	Programme has closed, budget to be added to the approved contingency
457	Future High Street Project	9,190	1,632	(7,558)	7,558	Challenges within the construction sector have impacted on the progress of the overall programme hence the need to accelerate spend of the DLUHC 2022/23 allocation by reprofiling to Gourley Triangle to support land acquisition. The Slippage needs to be carried forward and will be spend in Q1 on the progressing land acquisition.
458	SIP - Northumberland PK BB & Workspace/Biz Support	1,601	76	(1,525)	1,525	A carry forward is require to fund contractual commitments
459	Wood Green Regen Sites	479	308	(172)	172	WG Central was paused to allow for a large engagement programme. Therefore there is an underspend for the year. Wood Green Central and Turnpike Lane project are projected to proceed as planned in 23/24.
465	District Energy Network (DEN)	300	1,330	1,030	(1,030)	The over achievement of the budget will be offset from reducing the future years budget

Scheme Ref. No.	Scheme Name	22/23 Full year Revised Budget (£'000)	22/23 Final Outturn (Draft) (£'000)	22/23 Variance (Underspend) / Overspend (£'000)	22/23 Capital Slippage (C/F) (£'000)	Reason for carry forward request
471	Tailoring Academy Project	15	0	(15)	15	A carry forward is require to fund contractual commitments (grant funded)
473	Enterprising Tottenham High Road (ETHR)	892	310	(582)	582	Slippage to be carried forward to support commitment to deliver Enterprising Tottenham High Road programme.
474	Tottenham High Road Strategy	617	13	(604)	603	Slippage to be carried forward to support delivery of the Strategy for Tottenham High Road.
475	Heart of Tottenham (HOT)	15	16	1	0	The over spend to be met from Scheme 474
478	Wood Green Good Growth Fund	1,940	923	(1,017)	1,017	Projects that are included in this scheme are part funded by the GLA, and therefore this budget line is ringfenced. The underspend is mostly because projects were delayed to start on site, but most of them are now at construction phase, and therefore they are scheduled to spend their full budget in 23/24.
479	54 Muswell Hill Health Centre	100	0	(100)	100	A carry forward is require to fund contractual commitments
480	Wood Green Regen (2)	564	631	67	(67)	Scheme overspend is mostly due to increased construction costs of Café Roj and the Gladstone Avenue Parklet. Both projects have been concluded and the overspend will be offset from future years budget allocation
481	Strategic Investment Pot	199	0	(199)	199	Grant funding to contribute to the costs of future workspace development and fees, which is being scooped out. See SIP 2 scheme 458.
483	Productive Valley Fund (SIP)	2,112	1,233	(879)	879	Eamarked for future PVF loan applications that will be under consideration, with two offers currently under review
4001	Maintenance of Tottenham Green Workshops	486	111	(375)	375	A carry forward is require to fund contractual commitments
4002	Northumberland Park estate area public realm	995	67	(928)	928	A carry forward is require to fund contractual commitments
4005	SME Workspace Intensification	2,150	118	(2,032)	2,032	Budget underspend to be carried forward from 22/23 to cover costs of future workspace development.
4007	Tottenham Hale Decentralised Energy Network (DEN)	1,500	241	(1,259)	1,259	This is a continuing project - the programme has slipped leading to an underspend this FY.
4008	Wood Green Decentralised Energy Network (DEN)	800	102	(698)	698	This is a continuing project - the programme has slipped leading to an underspend this FY
4010	Selby Urban Village Project	820	414	(406)	406	Slippage to be carried forward to support the delivery of the scheme. The Council has secured £20M Levelling-Up funding to support scheme delivery which will unlock the programme. Planning submission is due in later summer, and contractor procurement to due to be completed by Q4 23/24.
4011	Commercial Property Remediation	4,918	207	(4,711)	4,711	A carry forward is require to fund contractual commitments
316	Asset Management of Council Buildings	10,620	9,974	(646)	646	A carry forward is require to fund contractual commitments and necessary service improvements
Placemaking & Housing		48,910	21,912	(26,998)	26,974	

- Placemaking & Housing capital programme (excluding enabling budgets) has spent £21.9m on a range of projects. The largest spend has been under the Corporate Landlord (incl. Accommodation Strategy) at £10m with the rest of the programme spend spread over a large number of projects. There is a variance of £27m, or 55% of budget. This large underspend can be largely attributed to the Future High Street project (£7.6m underspend), due to the delays with anticipated acquisitions: £4.7m – Commercial Property Remediations, £2m - SME Workspace Intensification.
- The enabling budgets capital programme contain a number of enabling budgets that are there to enable the Council to respond rapidly to opportunities. There is a variance of £81.4m, or 70% of budget which is unsurprising given the unpredictable timing of expenditure.

Scheme Ref. No.	Scheme Name	22/23 Full year Revised Budget (£'000)	22/23 Final Outturn (Draft) (£'000)	22/23 Variance (Underspend) / Overspend (£'000)	22/23 Capital Slippage (C/F) (£'000)	Reason for carry forward request
601	Business Imp Programme	65	0	(65)	0	Programme has closed
602	Corporate IT Board	2,650	1,771	(879)	879	This scheme comprises multiple digital initiatives critical for further organisational change. Underspend in year is due to initiatives paused or slowed awaiting new AD, and commitments moving into 23/24.
604	Continuous Improvement	750	1,256	506	(506)	This overspend is attributed to digital transformational, as well as operational capital works and will be offset from future years budget
605	Customer Services (Digital Transformation)	448	0	(448)	448	Scheme 605 has been agreed to be a key funding stream for the Resident Experience Programme in Think Haringey First. Therefore, a carry forward is required to fund contractual commitments and necessary service improvements.
607	Financial Management System Replacement	949	573	(376)	376	Underspend due to programme delays
606	Hornsey Library Refurbishment	0	89	89	0	The overspend is to be funded via the approved contingency
621	Libraries IT and Buildings upgrade	2,605	1,216	(1,390)	1,390	A carry forward is required to meet contractual commitments
623	Wood Green Library	2,000	502	(1,498)	1,498	A carry forward is required to meet contractual commitments
624	Digital Together	250	94	(156)	156	A carry forward is required to fund contractual commitments and necessary service improvements
639	Ways of Working	0	130	130	0	This will be funded from Flexible Use of Capital Receipt (FUCR)
650	Connected Communities	1,258	0	(1,258)	0	The scheme has been superseded by the Localities capital scheme and the funding no longer needed. This is a self-financing scheme so there is no transfer to the contingency.
653	Capital Support for IT Projects	750	666	(84)	84	A carry forward is made to ensure that there are sufficient resources to deliver on the digital agenda
655	Data Centre Move	500	440	(60)	60	A carry forward is require to fund contractual commitments
447	Alexandra Palace - Maintenance	513	464	(49)	0	A carry forward in required and has been transferred to the capital contingency pot
464	Bruce Castle	651	26	(625)	625	All to be carried forward. To be spent with the MEND project
472	JLAC Match Fund	114	114	(0)	0	No capital slippage is required.
330	Civic Centre Works	2,575	3,211	636	(636)	The overachievement will be offset from future years budget
Culture, Strategy & Engagement		16,079	10,551	(5,527)	4,374	

- Culture, Strategy & Engagement budget spent a total of £10.6m. The main areas of spend are Civic Centre capital works of £3.2m, ICT investment £4.3m and £1.3m on the branch libraries upgrade. There is a variance of £5.5m, or 44% and is described in appendix 3.

Scheme Ref. No.	Scheme Name	22/23 Full year Revised Budget (£'000)	22/23 Final Outturn (Draft) (£'000)	22/23 Variance (Underspend) / Overspend (£'000)	22/23 Capital Slippage (C/F) (£'000)	Reason for carry forward request
421	HRW Acquisition	50,908	13,288	(37,620)	37,620	A carry forward is require to fund contractual commitments
429	Site Acq (Tott & Wood Green)	17,494	258	(17,236)	17,236	The request to carry forward is to maintain the Council's ability to make opportunistic acquisitions
430	Wards Corner Development	21,506	16,174	(5,332)	5,332	The Council have implemented the confirmed CPO to acquire the remaining third-party property interests within the Wards Corner site. The slippage to be carried forward will cover the costs of these acquisitions and the costs associated with developing a new council-led delivery approach for the Wards Corner sites as approved by July 2022 Cabinet.
4003	Tottenham Hale Housing Zone Funding	3,997	0	(3,997)	3,997	Carry forward required to fund commitments. To be reviewed in 2023/24.
4006	Acquisition of head leases	4,700	4,623	(77)	0	No capital slippage is required.
509	CPO - Empty Homes	8,673	0	(8,673)	8,673	The carry forward is requested to enable the CPO process to be undertaken should the need arise
512	Wholly Owned Company	5,000	0	(5,000)	5,000	The carry forward is requested so that should the company be established there is budgetary provision to enable that.
699	P6 - Approved Capital Programme Contingency	3,494	41	(3,454)	3,352	A carry forward is required to support the approved contingency in 2023/24
Enabling Budgets		115,773	34,384	(81,388)	81,210	
TOTAL GF CAPITAL PROGRAMME (Excl. Enabling Budgets)		143,129	91,914	(51,215)	50,112	
TOTAL GF CAPITAL PROGRAMME (Incl. Enabling Budgets)		258,902	126,298	(132,603)	131,322	
202	HRA - P2 Aids, Adap's & Assist Tech - Council	1,100	1,061	(39)	39	This carry forward relates to contractual commitments
550	New Homes Acquisition	37,613	27,361	(10,252)	0	No carry forward is required as there is enough provision in the current year's budget to meet the cost of potential acquisitions in the year
551	Existing Home Acquisitions - TA	34,216	18,739	(15,477)	1,250	This carry forward sum represents amount required to meet the contractual commitments relating to properties acquired in 2022/23
552	HRA – P5 Carbon Reduction	7,407	111	(7,296)	7,296	This carry forward relates to estimated cost of delayed carbon reduction/retrofit schemes in 2022/23.
553	HRA – P5 Fire Safety	6,120	7,473	1,353	0	No carry forward is required - overspend
554	Broadwater Farm Project	15,214	7,035	(8,179)	8,179	This carry forward relates to BWF estate blocks refurbishment contractual commitments
590	HRA - P5 Homes for Haringey (HFH)	43,981	46,897	2,916	0	No carry forward is required - overspend
599	New Homes Build Programme	138,723	33,550	(105,173)	0	No carry forward is required as there is enough provision in the current year's budget to meet the cost of new builds in the year
TOTAL HRA CAPITAL PROGRAMME		284,374	142,227	(142,147)	16,764	
OVERALL TOTAL (Excl. Enabling Budgets)		427,503	234,141	(193,362)	66,876	
OVERALL TOTAL (Incl. Enabling Budgets)		543,276	268,526	(274,750)	148,086	

The HRA reports a full year capital spend of £142.2m against a revised budget of £284.4m. The end of year underspend of £142.1m represents a slight improvement in the quarter 3 reported position.

There is underspend in almost all the capital programme strands. These were mainly due to some projects not progressing; and delays in programmes, all linked to rising cost of material and construction cost, making most schemes unviable. The new build programme underspend is largely due to programme delays and increased financial pressures on the programme which is being experienced across the development sector and construction market. Increases in construction costs and poor tender returns has resulted in some schemes having to be retendered, some schemes having to be paused. It is expected that as the economic situation improves, most of these schemes will be progressed.

In what was a difficult year globally, the Council was able to carry on with its capital programme recording the highest level of spend in recent years (£142.2m), in maintaining its existing stock, acquiring new & existing homes, building new homes, and towards redevelopment of BWF estate.

Reserves Table

Appendix 4

SAP GL C	Description	Balance at 31/03/22	Transfer In 2022-22	Transfer Out 2022-23	Balance at 31/03/23
		£'000	£'000	£'000	£'000
72800	General Fund Reserve	(15,754)	(48)	0	(15,802)
	General Fund earmarked reserves:				0
72804	Insurance reserve	(8,248)	0	713	(7,536)
72805	Strategic Budget Planning Reserve	(10,491)	(800)	4,564	(6,727)
72806	Transformation reserve	(10,385)	(153)	2,421	(8,117)
72807	Schools reserve	(12,833)	(1,633)	6,619	(7,846)
72808	Services reserve	(9,273)	(4,315)	2,340	(11,247)
72816	PFI lifecycle reserve	(17,858)	(1,368)	0	(19,225)
72817	Debt repayment reserve	(5,045)	0	0	(5,045)
72819	Accommodation Strategy	(442)	0	442	0
72822	Urban Renewal	(284)	0	284	0
72829	Unspent grants reserve	(6,824)	(8,040)	3,400	(11,463)
72830	Labour market growth resilience reserve	(445)	0	73	(373)
72835	Budget resilience reserve	(7,303)	0	0	(7,303)
72836	Collection Fund Smoothing reserve	(14,576)	(1,223)	14,567	(1,231)
	GF earmarked reserves:	(104,008)	(17,530)	35,424	(86,114)
	Total General Fund Usable Reserves	(119,762)	(17,578)	35,424	(101,916)
72801	Housing Revenue Account	(19,972)	0	210	(19,762)
72838	HCBS Exit reserve	(786)	(210)	0	(996)
	Homes for Haringey	(51)	0	0	(51)
	HRA earmarked reserves				
	Total HRA Usable Reserves	(20,809)	(210)	210	(20,809)
72886	DSG Deficit Balance	20,505	(12,185)	3,230	11,550

Virements for Cabinet Approval

Appendix 5

Transfers from Reserves & Contingencies (2022/23) - for noting

Period	Directorate	Service/AD Area	Rev/ Cap	In year	Next year	Reason for budget changes	Description
12	Adults, Health & Communities	Adults	Revenue	522,000		Transfer from Reserves	Drawdown from Transformation Reserve to fund Adults Transformation Programme

Virements for Approval (2023/24)

2	Environment & Resident Experience	Stronger & Safer Communities	Revenue	255,146		Budget Allocation	Allocation of Home Officer Prevent Grant 2023/24
3	Economy	Housing, Regeneration and Planning	Revenue	855,951	855,951	Budget Realignment	Realignment of staffing budgets following restructure
		Total 2022/23		1,633,097	855,951		

Proposed GF Capital Virements for Quarter Four (2022/23)				
Priority	Scheme Number	Scheme Description	Budget Adjustment (Virement) (£'000)	Scheme Description
Children's Services	110	Devolved Sch Capital	1,055,494	2022/23 additional DFC grant award
Children's Services	110	Devolved Sch Capital	(21,077)	Original 2022/23 DFC grant award budget adjustment
			1,034,417	
Environment & Resident Experience	316	Asset Management of Council Buildings	(1,359,331)	Budget transferred from schemes 316 to scheme 621
Environment & Resident Experience	333	Waste Management	(30,000)	Budget transferred from schemes 333 to scheme 699
Environment & Resident Experience	309	Local Implementation Plan(LIP)	(82,700)	TfL grant award revision
			(1,472,031)	
Culture, Strategy & Engagement	621	Libraries IT and Buildings upgrade	1,359,331	Budget transferred to schemes 621 from scheme 316
Culture, Strategy & Engagement	699	P6 - Approved Capital Programme Contingency	30,000	Budget transferred to schemes 699 from scheme 333
			1,389,331	
		OVERALL TOTAL =	951,717	

Virements for Cabinet Approval - Revenue**Transfers from Reserves & Contingencies (2022/23) - for noting**

Period	Directorate	Service/AD Area	Rev/ Cap	In year	Next year	Reason for budget changes	Description
12	Adults, Health & Communities	Adults	Revenue	522,000		Transfer from Reserves	Drawdown from Transformation Reserve to fund Adults Transformation Programme

Virements for Approval (2023/24)

2	Environment & Resident Experience	Stronger & Safer Communities	Revenue	255,146		Budget Allocation	Allocation of Home Officer Prevent Grant 2023/24
3	Economy	Housing, Regeneration and Planning	Revenue	855,951	855,951	Budget Realignment	Realignment of staffing budgets following restructure

Total	1,633,097	855,951
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Write off Summary Report - Quarter 4

All Council debt is considered recoverable; the Corporate Debt Management Service makes every effort to collect charges due to the Council. However, in some circumstances it is appropriate to write off a debt when all forms of recovery action have been exhausted.

This quarterly report is for information purposes only, which details the debts that were submitted for write off for the Financial Period 1st January 2023 to 31st March 2023 (Q4). These relate to delinquent accounts where all forms of recovery action had been fully exhausted.

Council Debt is written off in line with the instructions set out within the Financial Regulations, following Legal advice, Court instruction or in accordance with the Limitations Act 1980. These sums have all been approved by the Director of Finance under his delegated authority and, where appropriate, the Lead Member for Finance. They have been adequately provided for in the Council's Bad Debt Provisions.

The table below summarises the Q4 write off by service type, value and volume:

Quarter 4 Write Off, Financial Period 1st Jan 2023 - 31st Mar 2023									
Service	Council Tax	NDR (Business Rates)	HBOP (Housing Benefit Overpayments)	HRA Rent	Leaseholder	Commercial Rent	Sundry Debt	Parking	Total
Under £50k	£112,605.31	£72,095.28	£70,426.19	£536,370.09	£6,377.46	£129,058.32	£243,258.80	£19,043,707.09	£20,213,898.54
Volume	229	34	83	131	14	18	63	9566	10138
Over £50k	£0.00	£152,189.89	£0.00	£0.00	£0.00	£0.00	£145,734.34	£0.00	£297,924.23
Volume	0	2	0	0	0	0	1	0	3
Total Value	£112,605.31	£224,285.17	£70,426.19	£536,370.09	£6,377.46	£129,058.32	£388,993.14	£19,043,707.09	£20,511,822.77
Total Volume	229	36	83	131	14	18	64	9566	10141

There were write off submissions from all areas of the Council in Q4 with significant Parking debts that were uncollectable. The category composition of the above write offs is shown below:

Write off reason	Council Tax	NDR	HBOP	HRA Rent	Leaseholder	Commercial Rents	Sundry Debt	Parking
Compassionate Grounds					21%			
Bankruptcy / Company Insolvent	10%	75%	1%			22%	5%	
Debtor Deceased	76%		20%	15%			76%	
Not trace / whereabouts unknown	7%	19%	6%	51%		6%	5%	1%
Statute Barred			63%	34%	79%	6%	6%	
Recommended by Legal						17%	3%	
Petty Amount	7%							
Uneconomic / Unable to Pursue		6%	10%			49%	5%	99%

The cumulative write off totals for 2022-23 are as follows:

Write Off Summary, Financial Year 1st April 2022 - 31st March 2023									
Service	Council Tax	NDR (Business Rates)	HBOP (Housing Benefit Overpayments)	HRA Rent	Leaseholder	Commercial Rent	Sundry Debt	Parking	Total
Under £50k	£187,657.18	£962,068.42	£388,099.21	£1,281,151.89	£59,460.45	£129,058.32	£367,386.19	£19,821,352.09	£23,196,223.55
Volume	506	125	298	434	35	18	96	13722	15234
Over £50k	£0.00	£152,189.89	£0.00	£0.00	£0.00	£0.00	£145,734.34	£0.00	£297,924.23
Volume	0	2	0	0	0	0	1	0	3
Total Value	£187,657.18	£1,114,258.31	£388,099.21	£1,281,151.89	£59,460.45	£129,058.32	£513,120.53	£19,821,352.09	£23,494,147.78
Total Volume	506	127	298	434	35	18	97	13722	15237