

Report for: Cabinet – 10 September 2019

Title: Quarter 1 (Period 3) Budget Monitoring for 2019/20

Report

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Ward(s) Affected: N/A

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

1. Introduction

- 1.1 This budget monitoring report covers the position at Quarter 1 (Period 3) of the 2019/20 financial year including General Fund (GF) Revenue, Capital, Housing Revenue Account (HRA) and Dedicated Schools Grant (DSG) budgets. The report focuses on significant budget variances including those arising as a result of the forecast non-achievement of Cabinet approved MTFs savings.
- 1.2 The 2019/20 Budget/Medium Term Financial Strategy (MTFS) 2019/20-2023/24 report agreed by Cabinet and subsequently Full Council in February 2019 took actions to de-risk the base budget position. This mainly focussed on addressing the budget pressures in the two People related services. When including new grants, additional council funding and write off of some previous savings proposals, an additional £7m for Adults and £7.6m for Children's was built in before application of the newly proposed budget reduction proposals.
- 1.3 These actions were intended to provide greater confidence of managing within the agreed budget as well as delivering agreed budget reduction proposals.
- 1.4 The GF revenue forecast presented now still forecasts a budget pressure of £5.2m but compared to the same period in 2018/19 which was forecasting £13.4m, demonstrates that this approach has had the intended impact.

2. Cabinet Member Introduction

- 2.1 I am pleased to be able to report an improved budgetary position at Quarter 1 this financial year compared to the same period in 2018/19. This, I believe, is as a direct consequence of the actions we took in the lead up to February this year in de-risking the base budgets and providing greater confidence that officers could manage within their agreed budgets. The forecast delivery of the agreed savings is also testament to this with 91.9% on target to deliver with the remainder being flagged as slippage in timeframe rather than not achievable.
- 2.2 We are also progressing with our Live Budgeting agenda which looks to work more agilely and enable us to take advantage of opportunities that arise and react to changes outside our control. This has the advantage of improving multi-year capital programming and supports more accurate budgeting for MRP and interest costs both in-year and for the MTFs period.

2.3 The financial pressure on the Dedicated Schools Budgets, predominately in the High Needs Block, has not abated and, despite a concerted effort to contain this, the year end forecast is a significant overspend. It should be recognised that this is a national issue and is one of the more significant budget pressures facing the entire local government sector. Much lobbying for adequate central Government funding has already happened but the issue must continue to be highlighted.

3. **Recommendations**

Cabinet is recommended to:

- 3.1. Note the forecast revenue outturn for the General Fund (GF), including savings pressures, of **£5.2m overspend** (£13.4m Qtr1 18/19) (Section 6, Table 1, and Appendix 1).
- 3.2. Note the net HRA forecast of **£0.2m underspend** (Section 6, Table 2, and Appendix 2).
- 3.3. Note the net DSG forecast of **£1.8m overspend**, the actions being taken to seek to address this and the potential implications for the GF (Section 7 and Table 3).
- 3.4. Note the forecast budget savings position in 2019/20 which indicates that 8.1% (£1.1m) will not be achieved. (Section 8, Table 4 and Appendix 3). This is incorporated into the GF budget pressure in recommendation 3.1.
- 3.5. Approve the proposed budget adjustments, virements and rephasing to the capital programme as set out in table 5 and Appendix 4 and note the forecast expenditure of £208.45 in 2019/20 which equates to 75.5% of the revised capital budget (Section 9, Table 5 and Appendix 4).
- 3.6. To approve the revenue budget virements as set out in Appendix 5.

4. **Reason 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.

5. **Alternative Options Considered**

- 5.1 The report of the management of the Council's financial resources is a key part of the role of the Director of Finance (Section 151 Officer) in helping members to exercise their role and no other options have therefore been considered.

6. **Revenue Outturn**

- 6.1. The Council's Quarter 1 finance position (including HRA and DSG) is a projected overspend of £6.83m for the year. The General Fund element is £5.2m which includes any non-delivery of savings as planned.
- 6.2. This represents a more robust assessment of the Council's budget position than was able to be provided in the Period 2 high level review included in the 9 July Finance report.

6.3. Table 1 below sets out full year projections at priority level. A detailed analysis at directorate level is attached in Appendix 1.

Table 1 – Revenue Budget Monitoring Forecast for Quarter 1 2019/20

Priority	Revised 2019/20 Budget	Base Budget Pressures	2019/20 Savings Challenges	Q1 Forecast Outturn	Q1 Forecast to Budget Variance
	£'000	£'000	£'000	£'000	£'000
Housing	19,591	0	0	19,591	0
People - Children's & Schools	60,527	(246)	0	60,281	(246)
People - Adults & Public Health	92,268	3,577	0	95,845	3,577
Place	29,102	563	800	30,465	1,363
Economy	5,081	(16)	0	5,065	(16)
Your Council	34,613	277	290	35,180	567
General Fund Total (before funding & DSG)	241,182	4,155	1,090	246,427	5,245
DSG	0	1,791	0	1,791	1,791
External Finance	(241,182)	0	0	(241,182)	0
General Fund Total	0	5,946	1,090	7,036	7,036
HRA	0	(208)	0	(208)	(208)
Haringey Total	0	5,738	1,090	6,828	6,828

Brief explanations of the forecast variances for each priority are outlined below. These variances include the impact of the forecast non-delivery of MTFs savings which are further discussed in section 8.

PEOPLE : CHILDREN'S & SCHOOLS
£0.246m

Underspend

6.4. The budget for Children's & Schools is £60.5m and at the end of Quarter 1 a small underspend of £0.246m is being forecast.

6.5. This is a significant change compared to the same period last year when the service was forecasting a £4.5m overspend which reached £7.1m at year end even after applying £2m of resilience reserve. This underlines the impact that re-balancing the Children's budget for 2019/20 has had coupled with a clear operational strategy.

6.6. This is a net position and the areas with material variances are detailed below.

6.7. There is an underspend of £0.18m in the Director's Budget as a result of Transformation Funding being released for programme management support to deliver the Invest to Save Programme. There are also other smaller underspends of £0.04m.

- 6.8. There is a £0.1m pressure in Prevention and Early Intervention arising from challenges in generating income through the three Children's Centres managed by the service. It is particularly challenging to generate income through the childcare offer in order to cover the significant running costs, as a significant proportion of the income generated is from the free entitlement which is far less compared to fee paying parents. Actions being taken to address this include additional income generation through opening rooms for under 2's and reviewing contracts for catering.
- 6.9. The Schools and Learning budget is forecasting an underspend of £0.1m as a result of improved income.
- 6.10. Overall the £1.6m savings are on track to be delivered with any risk of slippage being mitigated. The Invest to Save proposals approved by Cabinet in July will be added to the savings tracker for the Qtr2 report.

PEOPLE : ADULTS & PUBLIC HEALTH

Overspend £3.58m

- 6.11. Adults & Public Health is forecasting to spend £95.8m against an approved budget of £92.27m resulting in a projected overspend of £3.58m at Quarter 1.
- 6.12. **Care packages (£2.7m overspend)** account for the majority of the forecast overspend. It is expected that the demand pressures for care packages will be maintained at £2.7m. This is based upon the assumptions at this stage that the agreed savings plans for £3.1m will be made in full. The key areas of pressure reporting an overspend are as follows:
- Adults Placements £1.7m.
 - Learning Disabilities Placements £0.6m.
 - Mental Health Placements £0.4m.

Whilst these pressures are reported, the Services have mitigation plans in place which are designed to drive down demand numbers and unit costs. It should also be noted that the allocation of growth for London Living Wage (LLW) provided as part of the 2019/20 budget is currently forecast as unspent as these costs have not yet materialised; should they do so, it could push the care package overspend up to £4.2m.

- 6.13. **Osborne Grove Nursing Home (0.15m overspend)**. Whilst additional funding of £0.3m was allocated to the service in this financial year, delays in consultation regarding the review of the staffing structure, have caused a forecast overspend of £0.15m.
- 6.14. **Commissioning (£0.4m overspend)**. Reported pressures on the Commissioning budget are being explored to ensure all relevant income has been assigned to the budget and plans are being developed to reduce these pressures in-year.
- 6.15. **Public Health (£0.3m overspend)**. The Public Health Budget is currently forecasting an overspend of £0.3m as a result of service charges being higher than anticipated when

this year's budget was set. However, we will endeavour to deliver in year mitigations to eliminate the current deficit position, which will be reported upon in subsequent budget monitor reports.

PLACE

Overspend £1.36m

6.16. The service is forecasting a £1.36m overspend at Quarter 1. The main variance is the £800k pressure on decanting Alexander house. The other variances are highlighted below. Mitigating strategies are in place to address these and will continue to be developed.

- There is an overall overspend in Commissioning & Client of £260k, which is mainly due to Waste Services reporting a £281k overspend. This is largely relating to the under achieved income on chargeable waste services: bulk refuse container £100k; green waste £200k; and bulky household waste £200k. These are being partly off-set by over achieved income from schools traded services as well as contractor and efficiency savings.
- Community Safety & Enforcement are reporting a £377k overspend, arising from the costs of TUPE'd staff within the CCTV team. A review is currently being undertaken to mitigate this and additional TMO licensing of £50k is partly off-setting the overspend. Reduced income in pest control particularly regarding block treatments, marketing techniques, are amongst the mitigation strategies to try and increase income.
- There is a small underspend of £61k in the Bruce Castle budget due to staffing vacancies with a further £13k of minor underspends in the Archives and Arts development.

ECONOMY £16k

Underspend

6.17. Economy is reporting a small underspend of £16k in Quarter 1. This variance is mainly attributable to lease renewals within Strategic property. There are a few risks / opportunities currently being monitored closely in order to mitigate against potential overspends that may arise as a result of not achieving the income targets.

6.18. **Strategic Property:** A more detailed exercise is being carried out on the backlog of lease renewals and rent reviews and we anticipate that at we will be able to give a more realistic position in the next report.

6.19. **Planning:** Risks of a potential loss of pre-app and application income (due to market, Brexit and loss of confidence in Haringey). However, this might be mitigated over the year if the Council house-building programme accelerates.

HOUSING (General Fund)**Breakeven**

6.20. The Housing General Fund budget position is breakeven however, this is a net position with an £1.189m overspend in the temporary accommodation (TA) / homelessness services due to increased costs of procuring emergency accommodation. The activities and budgets in this area are being closely monitored in order to bring down these costs. TA reduction initiatives, such as the CBS, will have a positive impact in reducing these costs. The full £1.189m overspend is currently being offset by Flexible Housing Support Grant.

HOUSING (HRA)**Underspend £0.2m**

6.21. The HRA budget is projecting an underspend of £208k for the year ending March 2020. The HRA outturn summary is set out in Table 2 below.

Table 2 – HRA Budget Forecast (Quarter 1)

HRA Budget (2019/20)	2019/20 Revised Budget	Q1 Forecast Outturn	Q1 Forecast to Budget Variance
	£'000	£'000	£'000
Managed Services Income	-98,533	-99,058	-525
Managed Services Expenditure	7,259	7,576	317
Retained Services Expenditure	74,913	74,913	0
Surplus HRA Services (within retained)	16,361	16,361	0
Balance of HRA Account	0	-208	-208

6.22. The current underspend position is a result of better than anticipated HRA income and is due to improved voids rate and less than expected right to buy sales. The properties within Tangmere and Northolt blocks on the BWF estate are due to be demolished and thus not included in the rental income budgets.

YOUR COUNCIL**Overspend £0.57m**

Your Council is projecting an overspend of £567k at Quarter 1 against a total budget of £34.6m.

6.23. **Corporate Finance (£142k overspend)** on staffing costs in the Business Partnering Team due to continuing reliance on agency staff to fill vacancies.

6.24. **Corporate Governance (£123k overspend)** in Electoral Services due to a structural salary deficit and the cost of printing and distributing UC1.EC6 forms for registration in relation to the European Parliamentary election.

- 6.25. **Corporate & Customer Services (£205k overspend)** mainly due to forecast overspends on staffing costs and shortfall in libraries income where only 50% of the in year saving target is now forecast to be achieved and is flagged as red.
- 6.26. **Strategy & Communication (£242k underspend)** mainly due to forecast underspend in salaries.
- 6.27. **HR (£286k overspend)** mainly due pressures on Schools traded services income and the legacy impact of an old maternity insurance scheme for schools. Mitigations totalling £0.2m have been identified and have been built into the projections.
- 6.28. **Transformation & Resources (£70k overspend)** due to the budget being insufficient to meet staffing costs.
- 6.29. **Other minor variances (£17k underspend).**

7. Dedicated Schools Grant (DSG) Overspend £1.79m

- 7.1. The DSG estimated overspend is primarily due to the expected on-going pressures in the High Needs Block (HNB). The expansion of age ranges for EHCP eligibility is still impacting budgets, many 16+ placements are costly independent special schools. The gross overspend is £4.1m mitigated down to £1.79m as the service currently assume the achievement of £2.37m saving via their HNB reduction in costs strategy. The strategy includes the SEND team concentrating on identifying children and young people who can transition into a cost-effective local setting, supported internships, &/or supported into employment. This is a challenging target to achieve and will need to be kept under close review.
- 7.2. Based on the Quarter1 forecast, the 2019/20 closing position on the DSG balances will be a deficit of £4.020m. The pressures on the HNB is a national issue and is one of the more significant budget pressures facing the entire local government sector. The Presidents of the societies of County, London and Municipal Treasurers wrote to the Secretary of State for Education at the end of June requesting the injection of further funding into the system whilst it carries out a post-implementation review of The Children and Families Act 2014 to assess the impact both on proposed policy objective but also against forecast spend.
- 7.3. This matter presents a significant risk to the Authority however, due to the summer recess, there is no further update on Government's response to the issue. This is being closely monitored and an update on progress will be included in future reports.

Table 3 – DSG Position Quarter 1

Blocks	Opening DSG at 01/04/19	Rebalancing between blocks agreed by Schools Forum	Revised Block Balances	Q1 Year End Forecast	Drawn Down from Reserves	Q1 Forecast Closing DSG Balance
	<i>a</i>	<i>b</i>	<i>c = a+b</i>	<i>d</i>	<i>e</i>	<i>=c+d+e</i>
	£'000	£'000	£'000	£'000	£'000	£'000
Schools Block	(785)	785	0	0	0	0
Central Block	13	(13)	0	0	0	0
Early Years Block	(1,265)	1,265	0	(405)	0	(405)
High Needs Block	4,266	(2,037)	2,229	2,196	0	4,425
Total	2,229	0	2,229	1,791	0	4,020

8. MTFS Savings 2019/20 & 2020/21-2023/24

2019/20

- 8.1. The MTFS savings target for 2019/20 is £12.876m. As at Quarter 1 of the financial year, it is projected that £11.836m (91.9%) of the target will be achieved (Qtr1 2018/19 33%).
- 8.2. The main pressure relates to the Alexandra House decant (£1m target) which aims to vacate floors in the building and let them to external tenants to generate an income. To date only £200k of the total has been achieved and officers are now looking at alternative Council owned assets to bridge the gap. Table 4 below summarises the current savings position at priority level.
- 8.3. This is a more positive position than at the same time last year. The £1.090m forecast variance is largely slippage rather than non-delivery and Directors will continue to look for one-off or permanent mitigations to offset the impact and to ensure that the balance remains on track.

Table 4 – Summary – 2019/20 MTFS Savings Delivery by Priority

Priority	2019/20 Savings Target	Period 3 Forecast	P3 Variance	Commentary
	£'000	£'000	£'000	
People : Childrens	1,602	1,602	0	13.4% currently at risk but action being taken to address.
People : Adults	4,390	4,390	0	£0.5m have no concrete savings plans but AD's have been tasked with identifying resolution.
Place	2,415	1,665	800	£800k pressure against decanting Alex Hse
Economy	910	910	0	
Housing	1,190	1,190	0	
Your Council	2,369	2,079	290	£240k pressure on FOBO savings, & £50k pressure on achieving growth in libraries income.
TOTAL	12,876	11,836	1,090	

2021/22 – 2023/24

- 8.4. Agreed savings across this period total £16.8m following Cabinet approval in July to write off £740k against the 2020/21 FOBO programme total. These savings are also being monitored to mitigate the risk of any slippage or non-delivery. The current forecast is that £3.213m (19%) is green, on schedule to deliver the agreed objectives, outcomes and benefits. The remainder, £13.275m (81%) is ragged Amber with only an intermediate level of confidence in delivery. This is because the detailed modelling and profiling has yet to be completed thus highlighting a risk either against delivery in full or according to the planned profile. The Qtr2 report will provide an update at least on the 2020/21 delivery confidence.
- 8.5. Appendix 3 provides progress on savings delivery on a more detailed level.

9. Capital Expenditure Forecast at Quarter 1

- 9.1. The 2019/20 budget (£255.087m) as set by Council in February 2019 has been revised to reflect the carry forwards (£107.9m) agreed by Cabinet and the net effect of the proposed budget adjustments (-£86.83m) as set out in paragraphs 9.2 – 9.20 below. This results in a 2019/20 revised budget total of £276.18m as shown in Table 5 below.
- 9.2. This is the first time that substantial in-year re-profiling has been undertaken and is consistent with live budgeting. It has the advantage of improving multi-year capital programming and supports more accurate budgeting for MRP and interest costs both in-year and for the MTFs period. Appendix 4 provides a revised multi-year capital programme based on the re-profiling contained within this report.

Table 5 – Capital Expenditure (Quarter 1)

Priority	2019/20 Original Budget £'000	2018/19 Budget B/F £'000	2019/20 Budget Adjustment £'000	2019/20 Revised Budget £'000	2019/20 Forecast Outturn @ Quarter 1 £'000	2019/20 Outturn vs Budget Variance £'000
People (Children's)	11,752	6,457	195	18,404	17,374	-1,030
People (Adults)	5,720	2,905	34	8,659	5,581	-3,078
Place	22,850	6,311	-998	28,164	27,943	-221
Economy	118,110	39,875	-86,239	71,746	28,047	-43,699
Housing (GF)	34,332	16,842	0	51,174	33,105	-18,069
Your Council	8,140	11,963	175	20,278	18,643	-1,635
General Fund Total	200,904	84,353	-86,833	198,425	130,693	-67,732
Housing (HRA)	54,183	23,574	0	77,757	77,757	0
Total	255,087	107,927	-86,833	276,182	208,450	-67,732

- 9.3. At quarter 1 the capital programme is forecasting an under spend of £67.732m. The current actual spend is low, which is normal for capital programmes at this stage of the cycle. Services are projecting an outturn position as follows:
- 9.4. **People – Children’s** is reporting an underspend of £1.03m. The budget for 2019/20 is made up of a brought forward of £6.457m and an MTFs allocation of £11.752m. Since last year the service have been undertaking extensive surveys of the condition and suitability of the school estate. The outcome of these surveys has prompted some urgent works, which are scheduled for commencement during this summer break. The forecast outturn is seen as challenging in the light of previous experience and is assessed as a medium to high risk of not being achieved.
- 9.5. The council has been awarded £0.2m of funding from the DfE for special educational need provision that is aimed at improving the quality and range of provision for children and young people with SEN and disabilities and it is recommended for inclusion within the Children’s capital programme.
- 9.6. **People - Adults** is projecting an underspend £3.078m. The largest underspend, £1.941m, relates to the Supported Living budget. This budget is included in the capital programme as self-financing, so the underspending has no effect on the capital financing budget. Once schemes are identified as being suitable for this programme, then allocations will be made from this budget to the individual schemes, an example of which is Linden House.
- 9.7. The next largest underspend, £0.567m, relates to the Assistive Technology programme. Recent procurement exercises should accelerate the spend on this budget during 2019/20. The Canning Crescent scheme to create 21 supported living units as well as other facilities on the site is proceeding and it is anticipated that the current forecast underspend of £0.482m will be reduced as the design and development of the scheme proceeds. Once the scheme is developed and is considered viable it will be transferred to the HRA and the General Fund will be reimbursed it’s costs incurred on the development. The forecast outturn is assessed as a low to medium risk of not being achieved.
- 9.8. An additional £0.168m of disabled facilities grant (over and above that assumed for planning purposes) has been received and this is recommended for inclusion into the budget. At its meeting of the 9th July, Cabinet agreed to vire £0.420m from the Supported Living budget to the Linden House budget. A further examination of the cost plan identified that £0.116m of the works in the scheme should be met from the Corporate Landlord budget. Therefore, the virement required is £0.304m with the balance, £0.116m, being met by a contribution from the Corporate Landlord Asset Management budget.
- 9.9. **Place** is projecting an underspend of £0.22m after re-profiling. There are five schemes that need to be re-profiled. The Parkland Walk bridges scheme is delayed owing to traffic network timings meaning that even though the procurement of a contractor will be concluded this year only two of the four bridges will be completed this year and that only £1m will be spent. This means that there will be an underspend by £1.2m. The Structures (Highways) scheme has been re-programmed to cause less disruption

around Christmas 2019 period and it is recommended that £0.8m is re-profiled. The Selby Centre feasibility study now includes the Bull Lane playing fields within its scope. Therefore, there will not be any spend this financial year on this budget, and it is proposed to reprofile £2.52m into 2020/21.

- 9.10. The Park Vehicles budget of £0.72m is proposed for re-profiling to 2020/21 as the vehicles will not be available this financial year. The Parking Strategy budget for 2019/20 is £1m with a further £1m budgeted in 2020/21. The implementation of the strategy requires expenditure of £2m in this financial year. It is recommended that £1m of the underspend on the Parkland Walk Bridges scheme is vired into this budget to enable the scheme to proceed. .
- 9.11. In Place, the following budget adjustments are being proposed. Budget transfer of £0.116m from Corporate Landlord to Linden House. There is also a Crime and Disorder grant award from MOPAC of £0.1m and £3.036m additional LIP funding from TfL to be added. The Parks Service have been allocated S106 funding of £0.085m for Duckett Common Park works and £0.047m of Government grant for Parks improvement which are recommended for inclusion within the budget. The forecast outturn is assessed as low risk of not being achieved.
- 9.12. **Economy** is was projecting an underspend of £130m before the budgets were re-profiled. The re-profiling exercise has reduced that projected underspend by £86m to £43.7m. A significant proportion of the budgets within Economy are driven by third parties and as such it makes it very difficult to control or forecast expenditure with great certainty. The forecast outturn is assessed as having a medium to high risk of not being achieved. A commentary is provided in the following paragraphs.
- 9.13. Budgets that have been re-profiled are:
- the Tottenham Hale green spaces and streets budgets were forecasting an underspend of £23.1m. The budget has ben re-profiled in the light of progress on the overall scheme and £23.1m has been reprofiled into future years;
 - the High Road West acquisitions budget, which was forecasting an underspend of £45.5m, due to property owners not wishing to sell at this point. Under the terms of the agreement with Lend Lease, the Council is required to acquire properties so the budget will be required at some point in the future. It is proposed to re-profile £45.5m into future years and leave a 2019/20 budget of £10m;
 - the Wards Corner CPO budget, which needs to be re-profiled with £7.5m being transferred to 2020/21 and £2.5m transferred to 2021/22, as estimated spend for this year is £0.0m. The spend profile is still subject to some uncertainty given the current judicial review process;
 - the Bruce Castle scheme budget needs to be reprofiled with £0.9m being transferred into 2020/21 as this expenditure is dependent on a successful bid to the Heritage Lottery Fund which will not be made until October this year (in line with HLF timescales), so expenditure will not be incurred;

- the decentralised energy network (DEN) scheme is currently recruiting its professional advisory team. Once the team are on board it is anticipated that the scheme will progress. It is necessary to reprofile £1.46m into 2020/21;
- the Wood Green HQ, library and customer service centre project is current in the second stage of feasibility. It is forecast that £0.4m will be spent this year so £0.54m needs to be reprofiled into 2020/21;
- the 54 Muswell Hill scheme, which is delayed due to not agreeing terms with the NHS; therefore £1m is proposed for re-profiling into 2020/21;

There several budgets that are projecting to underspend at this point in the financial year but there are no proposals to reprofile for the reasons set out below:

- the strategic acquisitions budget (which is used to fund acquisitions in the Wood Green and Tottenham regeneration areas), is forecast to underspend by £13.24m as no properties have been identified for acquisition. However, given the need to be able to react quickly to opportunities it is not recommended that this budget is re-profiled.
- the Strategic Regeneration and Community Assets budget (which is to enable the Council to respond to emerging regeneration and community asset issues), is currently forecasting an underspend of £5m but it is not proposed for re-profiling at this stage to retain flexibility to respond to in-year issues.
- the Strategic Property budget (which is used to fund the acquisition of new industrial estates and/or the expansion and upgrading of existing industrial estates), is forecasting to underspend by £19.6m. It is not proposed to re-profile at this stage to enable the service to respond quickly to opportunities and develop its industrial unit upgrade programme.
- In addition to the above, there is £0.075m proposed budget transfer to the Keston Road (Maya Angelou Contact Centre) project from the contingency budget for a retention payment. A downward adjustment of £1.183m is required for the White Hart Lane LIP budget to reflect the fact that the expenditure was incurred in 2018/19 but the grant is due this year.

Housing (GF) is projecting an underspend of £18.069m. The majority of the underspend, £13.6m, relates to the Temporary Accommodation Acquisition budget. This budget is to fund acquisitions for the CBS leasing programme.

In addition there is an underspend of £5m on the WOC budget. There are no immediate plans for this budget in the light of the lifting of the HRA borrowing cap.

- 9.14. **Priority 5 (HRA)** is projecting a balanced budget for 2019/20 after allowing for adjustments to reflect the physical progress of the in-year programme overall and reprofiling between years.

- 9.15. **Your Council** is projecting an underspend of £1.6m. The changes to the shared digital service mean that these budgets are being reviewed. A review of the accounting arrangements for the FOBO scheme is underway and should there be virements required this will be reported in the next budget monitoring report to Cabinet.
- 9.16. The proposed budget changes include budget transfer of £0.2m from contingency budget to the newly created Accommodation Move budget line, which was separated from the existing Ways of Working budget scheme and a transfer of £2m from the Responsiveness Fund to the approved capital programme contingency. There is also a transfer of £2m from the approved capital programme contingency to the Temporary Accommodation Acquisition Programme.

Capital receipts

- 9.17. The Council has agreed a policy for the flexible use of capital receipts at its budget setting meeting in February 2019. As part of the budget setting process, it was agreed to use £7.8m of capital receipts flexibly to support the transformation of services. At the close of the 2018/19 financial year there was a balance on the capital receipts account of £4.407m. In-year capital receipts are estimated at £4.7m. The most significant receipt is the overage payable on the Hornsey Depot disposal which has generated £4.16m. The total capital receipts of £9.107m are enough to meet the budgeted expenditure, of which the FOBO programme is the most significant single element. As mentioned above, the accounting arrangements for the FOBO programme are being reviewed to ensure that the expenditure is funded appropriately and may well conclude that some of the expenditure should be capitalised.

10. Contributions to Strategic Outcomes

- 10.1 Adherence to strong and effective financial management will enable the Council to deliver it's stated objectives and priorities.

11. Statutory Officers Comments

Finance

- 11.1 This is a report of the Director of Finance and therefore all finance implications have been highlighted in the body of the report.

Strategic Procurement: PC

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

Legal

- 11.3 The Assistant Director of Corporate Governance has been consulted on this report.
- 11.4 Section 28 of the Local Government Act 2003 imposes a statutory duty on the Council 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.

This could include, as set out in the report, action to reduce spending in the rest of the year.

- 11.5 The Council must act reasonably and in accordance with its statutory duties and responsibilities when taking the necessary action to reduce the overspend.
- 11.6 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 functions at Part 3 Section C, of the Constitution.

Equalities

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

- 11.8 The report provides an update on the Council's financial position in relation to planned MTFS savings and mitigating actions to address current budget overspends.
- 11.9 With a challenging financial environment and increasing demand for services, it is becoming more difficult to mitigate against negative equality impacts. Ensuring a fair and equal borough is a priority for the Council and this is reflected in the objectives and performance targets set out in the 2019-23 Borough Plan.
- 11.10 With this in mind, and given the impact on services of savings targets, all MTFS savings were subject to equality impact assessments as part of the report to Full Council in February 2019.
- 11.11 Any new initiatives or planned mitigating actions that may have an impact beyond that identified within the MTFS impact assessment process should be subject to new equality impact assessments.

12. Use of Appendices

- Appendix 1 – Directorate Level Forecast
- Appendix 2 – HRA Forecast
- Appendix 3 – MTFS Savings Delivery
- Appendix 4 – Capital Programme Level Forecast

Appendix 5 – Virements

13. **Local Government (Access to Information) Act 1985**

13.1. For access to the background papers or any further information, please contact Frances Palopoli – Head of Corporate Financial Strategy & Monitoring extn 3896

Directorate Level Forecast Q1 (P3)

Appendix 1

PRIORITY	2019/20 Revised Budget	Q1 (P3) Outturn Forecast	Q1 (P3) Forecast to Budget Variance
PEOPLE : CHILDREN'S & SCHOOLS	60,526,756	60,280,535	-246,221
PEO_CY.PR Childrens	54,337,372	54,216,604	-120,768
PEO_COMSIN.PR Commissioning	3,238,030	3,228,300	-9,730
PEO_SL.PR Schools & Learning	2,951,354	2,835,631	-115,723
PEOPLE : ADULTS & PUBLIC HEALTH	92,268,066	95,845,495	3,577,429
PEO_AS.PR Adults	70,647,806	73,496,543	2,848,737
PEO_COMSIN.PR Commissioning	4,591,710	5,023,950	432,240
PEO_PH.PR Public Health	17,028,550	17,325,002	296,452
PLACE	29,102,082	30,464,782	1,362,700
PLA_COM.PR Environment & Neighbourhood	26,435,822	27,872,202	1,436,380
PLA_COMSIN.PR Commissioning (Culture Museum & Archives)	716,260	642,580	-73,680
PLA_CFO.PR Chief Finance Officer (Alexandra Palace)	1,950,000	1,950,000	0
ECONOMY	5,080,840	5,064,652	-16,188
ECO_PRD.PR Regeneration, Planning & Development	239,785	239,785	0
ECO_HSEGWT.PR Housing & Growth	-242,080	-258,268	-16,188
ECO_PLAN.PR Planning	1,890,015	1,890,015	0
ECO_PCP.PR Property & Capital Projects	194,620	194,620	0
ECO_REGEN.PR Regeneration	2,998,500	2,998,500	0
HOUSING	19,591,163	19,591,163	0
AH03.PR Housing Demand	9,885,303	11,088,715	1,203,412
AH05.PR Housing Commissioned Services	442,006	-761,406	-1,203,412
HOU_COMSIN.PR Commissioning	8,464,464	8,464,464	0
HOU_DEN.PR Environment & Neighbourhood	799,390	799,390	0
YOUR COUNCIL	34,613,093	35,180,543	567,450
COU_CFO.PR Chief Finance Officer	21,544,948	21,687,252	142,304
COU_CG.PR Corporate Governance	2,416,600	2,539,600	123,000
COU_CCS.PR Corporate & Customer Services	10,073,733	10,278,649	204,916
COU_CE.PR Chief Executive	285,740	269,256	-16,484
COU_SCO.PR Strategy & Communication	212,195	-29,901	-242,096
COU_HR.PR Human Resources	-561,694	-275,731	285,963
COU_IT.PR IT Digital Services	210,063	210,063	0
COU_TR.PR Transformation & Resources	644,378	714,769	70,391
COU_SP.PR Strategic Procurement	-212,870	-213,414	-544
PRIORITY TOTAL	241,182,000	246,427,170	5,245,170

HRA Forecast Q1 (P3)

Appendix 2

HRA BUDGET 2019/20	2019/20 Revised Budget	p.3 2019/19 Actual Spend	p.3 2018/19 Forecast	p.3 2018/19 Forecast Variance	p.2 2018/19 Forecast Variance	Forecast Variance Movement p.3 v p.2
	£000's	£000's	£000's	£000's	£000's	£000's
UE0721 Managed Services Income						
H39001 Rent - Dwellings	(79,091)	(18,326)	(79,294)	(203)		(203)
H39101 Rent - Garages	(740)	(173)	(842)	(102)		(102)
H39102 Rent - Commercial	(738)	(358)	(738)			
H39201 Income - Heating	(294)	(136)	(526)	(232)		(232)
H39202 Income - Light and Power	(1,098)	(249)	(1,081)	17		17
H39301 Service Charge Income - Leasehold	(6,842)	(6,978)	(6,978)	(136)	(317)	181
H39401 ServChgInc SuppHousg	(1,495)	(345)	(1,495)	()		()
H39402 Service Charge Income - Concierge	(1,668)	(361)	(1,571)	97		97
H39405 Grounds Maintenance	(2,525)	(573)	(2,483)	42		42
H39406 Caretaking	(1,874)	(392)	(1,804)	70		70
H39407 Street Sweeping	(2,187)	(523)	(2,264)	(77)		(77)
H40102 Water Rates Receivable		(1)				
H40404 Bad Debt Provision - Leaseholders	18		18			
UE0721 Managed Services Income TOTAL	(98,533)	(28,415)	(99,058)	(526)	(317)	(209)
	£000's	£000's	£000's	£000's	£000's	£000's
UE0722 Managed Services Expenditure						
H31300 Housing Management WG	23	2	23			
H32300 Housing Management NT	28	2	28			
H33400 TA Hostels	246	20	246			
H34300 Housing Management ST	9	1	9			
H35300 Housing Management BWF	11	1	11			
H37210 Under Occupation	167	14	133	(34)	(34)	
H39002 Rent - Hostels	(1,967)	(151)	(1,855)	112	112	
H39404 Service Charge Income - Hostels	(332)	(25)	(324)	8	8	
H40001 Repairs - Central Recharges	2		2			
H40004 Responsive Repairs - Hostels	378	31	292	(86)	(86)	
H40104 HousMgmtRechg Central	107		107			
H40111 Other RentCollection	135	11	135			
H40206 HousMgmtRechg Energ	731	31	731			
H40208 Special Services Cleaning	2,789		2,789			
H40209 Special Services Ground Maint	1,838		1,838			
H40212 HRA Pest Control	290	24	290			
H40213 Estate Controlled Parking	116	10	116			
H40303 Supporting People Payments	1,816	139	1,816			
H40401 Bad Debt Provision - Dwellings	656		656			
H40406 Bad Debt Provisions - Hostels	68		68			
H40801 HRA - Council Tax	150	13	467	317	317	
UE0722 Managed Services Expenditure TOTAL	7,259	123	7,576	318	317	1
	£000's	£000's	£000's	£000's	£000's	£000's
UE0731 Retained Services Expenditure						
H38002 Anti Social Behaviour Service	778		778			
H39601 Interest Receivable	(296)		(296)			
H40112 Corporate democratic Core	586	557	586			
H40301 Leasehold Payments	(139)	1	(139)			
H40305 Landlords Insurance - Tenanted	318		318			
H40306 Landlords - NNDR	135		135			
H40308 Landlords Insurance - Leasehold	1,530		1,530			
H40501 Capital Financing Costs	11,872		11,872			
H40601 Depreciation - Dwellings	15,506		15,506			
H40805 ALMO HRA Management Fee	40,482	124	40,482			
H49000 Housing Revenue Account	16,361		16,361			
H60002 GF to HRA Recharges	2,973		2,973			
H60003 Estate Renewal		16				
H60004 HIERS/ Regeneration Team	884		884			
S14400 Supported Housing Central	284	29	284			
UE0731 Retained Services Expenditure TOTAL	91,274	726	91,274			
	£000's	£000's	£000's	£000's	£000's	£000's
(Surplus) for the year on HRA Services		(27,566)	(208)	(208)		(208)

APPENDIX 3

MTFS Savings Tracker 2019/20

Green	Saving met in full and on time
Amber	Saving will slip but in year mitigation identified
Red	Saving fully/partially unachievable - no mitigation

Priority: People (Childrens & Schools)

Period: 3

MTFS Savings Ref	Cabinet Decision Date	Saving proposal	Description	2019/20 £'000s	2019/20 Projected Full Year Savings £'000s	2019/20 Savings (surplus)/shortfall £'000s	RAG Status (Delivery of 2019/20 Saving)	Value of Mitigation £'000s	Net impact on 2019/20 Budget Monitoring £'000s
PC1	12-Feb-19	Reduce the number of agency staff	Reduce the the number of agency staff through delivering an effective recruitment and retention strategy.	196	196	0	Green	0	0
PC2	12-Feb-19	Reduce operational costs	Reduce operational costs through streamlining management and staffing and improving efficiency in teams	69	69	0	Green	0	0
				248	214	34	Green	34	34
				30	30	0	Green	0	0
PC3	12-Feb-19	Reduce the costs of placements	Reduce the costs of placements through an effective inhouse foster carer recruitment and retention strategy and through effective brokerage and negotiation of placements	90	90	0	Amber	0	0
			Timely adaptation of properties for children with disabilities	175	0	175	Red	175	0
			Commission a range of supported housing services for young care leavers	136	136	0	Green	0	0
			Commission respite care following the agreed closure of Haslemere	145	145	0	Green	0	0
			Enhance the brokerage teams to improve negotiation of packages and management of direct payments	75	75	0	Green	0	0
			Ensure that children with Special Education Needs and Disabilities placed in out-of-borough schools are receiving independent travel training to encourage independence where appropriate	125	100	25	Amber	25	0
PC4	12-Feb-19	Safeguarding and Social Care and Early intervention and preventing demand	Prevent demand and costs through an effective prevention and intervention approach that means children and families are supported to avoid the care system and that where children are in care (particularly young adolescents) they are supported to return home safely wherever possible.	290	290	0	Green	0	0
PC5	12-Feb-19	Increase income generation	Increase income through delivering services to schools and work with partners to ensure fair contributions to services for children.	23	23	0	Green	0	0
Total: People (Childrens & Schools)				1,602	1,368	234		200	34

MTFS Savings Tracker 2019/20							APPENDIX 3			
Priority: People - Adults & Health							Red	Saving fully/partially unachievable		
Period: 3							Amber	Saving achievable but full/partial slippage required		
							Green	Saving met in full and on time		
MTFS Savings Ref	Cabinet Decision Date	Saving proposal	Description	2019/20 £'000s	2019/20 Projected Full Year Savings £'000s	2019/20 Savings (surplus)/shortfall £'000s	RAG Status (Delivery of 2019/20 Saving)	Value of Mitigation £'000s	Net impact on 2019/20 Budget Monitoring £'000s	
People (Adults)										
B2.7	13-Feb-18	Haringey Learning Disability Partnership	The Haringey Learning Disability Partnership, working jointly with Children's Services and with key partners such as the Clinical Commissioning Group and the London Borough of Islington, will implement a coherent strategy that aims to bring Haringey's demand and spending on adults with learning disabilities in line with our statistical neighbours and limit growth in spending in line with population growth.	1,140	1,140	0	Amber	0	0	
B2.8	13-Feb-18	Mental Health	Working with our delivery partner, Barnet, Enfield & Haringey Mental Health Trust, the Clinical Commissioning Group and our communities to strengthen the prevention and 'enablement' pathways for mental health and to ensure the support we provide minimises the long-run dependency of adults with mental health issues. For those whose needs require a social care intervention, we will develop the market and look at new commissioning arrangements to improve value for money as well as promoting choice and control for the service user.	390	390	0	Amber	0	0	
B2.9	13-Feb-18	Physical Support	Working with the CCG, acute providers and primary care to extend independence, choice and control to those with physical support needs and further strengthen the pathways that prevent, reduce and delay the need for social care.	860	860	0	Amber	0	0	
PA1	12-Feb-19	Charging for Managed Accounts	Introduce an administration fee for setting up and maintenance of care packages for Appointeeships and Self Funders. The fee would be comparable to existing charges levied for Deputyship clients.	120	120	0	Amber	0	0	
PA2	12-Feb-19	Fast tracking financial assessments	Speed up the process of financial assessment so that charging starts as soon after the start of services as possible. The saving lies largely in reducing levels of debt and the costs of recovering overpayments rather than any additional costs to the user of this approach.	140	140	0	Green	0	0	
PA3	12-Feb-19	Capitalisation of CAS	Capitalise the majority of the operating and equipment costs of the Community Alarms Service. Because installation of a CAS solution can be considered the provision or adaptation of fixed assets for the benefit of our residents, there is scope for capitalisation of associated spending within financial regulations	177	177	0	Green	0	0	
PA4	12-Feb-19	Housing Related support	Fund housing advice and support currently provided from Adult Social Care budgets through the Flexible Homelessness Support Grant whilst we transform these services and create longer term, more sustainable funding routes over the next 3 years.	600	600	0	Amber	0	0	
PA5	12-Feb-19	In-House Negotiator	Expand in house Care Negotiator capacity to work with providers on reducing the cost of care packages in relation to overcharging against service user needs.	116	116	0	Amber	0	0	
PA6	12-Feb-19	Transfer of High Cost Day Opps	Lease three ex-day centre premises to a local provider to support 15-20 service users at reduced cost, and closer to their existing support networks.							
PA7	12-Feb-19	Public Health (Sexual Health)	Realise savings based on efficiencies already achieved in the provision of open access sexual health services	267	267	0	Green	0	0	
PA8	12-Feb-19	Investment of drug and alcohol savings in preventative services for adults and families, targeting health inequalities	Retendering of the three core substance misuse adult contracts has created savings, available from January 2019. Use these savings for investment in areas to improve health and wellbeing, with a split between cashable savings and investments in preventative services that reduce health inequalities	400	400	0	Green	0	0	
PA9	12-Feb-19	Further savings to be delivered by Adults Services	Further action by service to reduce cost of adult social care over the next 5 years (re-profiled existing savings)	180	180	0	Amber	0	0	
Total: People (Adults & Health)				4,390	4,390	0		0	0	

APPENDIX 3

MTFS Savings Tracker 2019/20				Saving met in full and on time			Green		
Priority: Place				Saving will slip but in year mitigation identified			Amber		
Period: 3				Saving fully/partially unachievable - no mitigation			Red		
MTFS Savings Ref	Cabinet Decision Date	Saving proposal	Description	2019/20 £'000s	2019/20 Projected Full Year Savings £'000s	2019/20 Savings (surplus)/ shortfall £'000s	RAG Status (Delivery of 2019/20 Saving)	Value of Mitigation £'000s	Net impact on 2019/20 Budget Monitoring £'000s
Place									
PL1	12-Feb-19	Additional HMO Licensing Scheme for HMO	Extend the current Additional Licensing scheme for HMOs not governed by Mandatory Licensing and introduce a Selective Licensing scheme to 20% of its geographical area for all other private sector dwellings covered by the Housing Act 2004. All licensing schemes are intended to address the impact of poor quality housing, rogue landlords and anti-social tenants.						
PL2	12-Feb-19	Review and Extension of CPZ coverage	The proposal is an accelerated programme this year to 'catch up', which will allow us to deliver to residents and Member expectations, make appropriate provision for running costs, dealing with current budget gaps, while generating a surplus to be treated as new savings.	500	500	0	Green		0
PL3	12-Feb-19	Waste, CS & Enforcement: Efficiency Savings on Veolia Contract	Efficiency savings secured in recent contract negotiations with Veolia. Will be delivered with no impact on services or performance.	100	100	0	Green		0
PL4	12-Feb-19	Increase in Moving Traffic Enforcement	The parking and traffic enforcement service enforces moving traffic contraventions at a number of locations. Moving traffic enforcement is undertaken by CCTV camera. Capital investment £40k - Infrastructure measures	260	260	0	Green		0
PL5	12-Feb-19	Healthmatic Toilets	Savings accruing from removal of two automated WCs (already agreed and achieved)	30	30	0	Green		0
PL6	12-Feb-19	Extending parking enforcement	This is an invest to save bid. The parking on-street, off street and CCTV enforcement operations are run in-house. Additional staffing, including management is required. This will increase enforcement capacity, and associated income which will cover staffing costs and mitigate some of the current income deficit.	350	350	0	Green		0
PL7	12-Feb-19	Litter Enforcement	The proposal is to consider the option for an in-house service provision based on a pilot with an external contractor, Kingdom, from November 2016 to September 2017. An in-house litter enforcement provision would enable the Council to retain 100% of all Fixed Penalty Notice (FPN) income received.						
PL8	12-Feb-19	Soft FM Efficiency	Re-commissioning of soft FM services and services delivered through Amey contract (e.g. efficiencies in postage & franking, front of house, security).	25	25	0	Green		0
PL9	12-Feb-19	Leisure centre concessions	Reduce the number of people eligible for concessionary rates at Fusion Leisure Centres.						
PL10	12-Feb-19	London Construction Programme Revenue	Over-achieved income from subscriptions to the new Dynamic Purchasing System for the London Construction Company, managed by Haringey's Procurement service.	200	200	0	Green		0
PL11	12-Feb-19	Flexible Police Resourcing	The proposal is to not extend the current contract for Flexible Police Resourcing beyond March 2019. The funding for the team enables the tasking of police officers along with the wider partnership i.e. trading standards, CCTV, ASB enforcement to hotspots in the borough. The service also uses the team to deal with Travellers and to support partnership enforcement activities.	200	200	0	Green		0
PL12	12-Feb-19	Waste Service Programme	Review of all waste and street cleansing services to identify potential savings						
PL13	12-Feb-19	Parking Transformation Programme	Parking Transformation Programme to deliver significant improvements to this service over the coming three years. Includes a CPZ rollout programme taking the borough to 100% coverage, and extending parking permit charging models to tackle emissions from Diesel vehicles						
A6.8	13-Feb-18	Alexandra House Decant	The proposal is to vacate 5 floors of Alexandra House in 2017 and the remaining floors in the following twelve months. Realisation of savings will depend on renegotiation of rent as we vacate the building or our ability to sub-let those floors we do vacate. Hence, the cost/benefit model assumes savings appearing in 2018/19 and 2019/20.	750	0	750	Red	0	800
Total: Place				2,415	1,665	750		0	0

APPENDIX 3

MTFS Savings Tracker 2019/20

Priority: Economy

Period: 3

						Green		Saving met in full and on time	
						Amber		Saving will slip but in year mitigation identified	
						Red		Saving fully/partially unachievable - no mitigation	
MTFS Savings Ref	Cabinet Decision Date	Saving proposal	Description	2019/20 £'000s	2019/20 Projected Full Year Savings £'000s	2019/20 Savings (surplus) shortfall £'000s	RAG Status (Delivery of 2019/20 Saving)	Value of Mitigation £'000s	Net impact on 2019/20 Budget Monitoring £'000s
EC1	12-Feb-19	Carbon Management	Saving £60k from the Carbon Management Service's base budget, replacing this with an income of the same amount from Planning Service. The Carbon Management Service will increase its support to the Planning Service through advice and technical specification on planning applications and issues related to carbon reduction, energy and sustainability.	60	60		Green		0
EC2	12-Feb-19	Reduction in consultancy budget	Saving £75k from central budget typically allocated to cover large contracts and project delivery requirements. As some Tottenham Regeneration activities shift from a focus on initial strategies and feasibility work to delivery stage, there is increasing scope to explore funding these types of contracts from other sources, including but not limited to capitalisation of costs, utilising both internal and external funding sources.	75	75		Green		0
EC3	12-Feb-19	Deletion of senior post	The Strategic Director of Regeneration, Planning & Development was re-designated as Director of Housing, Regeneration and Planning, and along with this, it was proposed to delete the Director of Regeneration post.	225	225		Amber		0
EC4	12-Feb-19	Tackling uncrystallised debt	This proposal comprises an opportunity to achieve new income potential by starting a process of tackling the uncrystallised debt in the commercial portfolio	50	50		Green		0
EC5	12-Feb-19	Outdoor media advertising	Proposal to generate new income from outdoor media, utilising the council's landholdings by identifying sites suitable for outdoor installations. It is estimated that net income in 2019/20 would be at least £100k, and increasing significantly over future years.						
EC7	12-Feb-19	Strategic Property Services	This proposal comprises a number of activities to drive out efficiencies in the service, including; better management of Hornsey Town Hall,	500	500		Green		0
Total: Economy				910	910	0		0	0

APPENDIX 3

MTFS Savings Tracker 2019/20

Priority: Housing

Period: 3

							Red	Saving fully/partially unachievable	
							Amber	Saving achievable but full/partial slippage required	
							Green	Saving met in full and on time	
MTFS Savings Ref	Cabinet Decision Date	Saving proposal	Description	2019/20 £'000s	2019/20 Projected Full Year Savings £'000s	2019/20 Savings (surplus)/shortfall £'000s	RAG Status (Delivery of 2019/20 Saving)	Value of Mitigation £'000s	Net impact on 2019/20 Budget Monitoring £'000s
Housing									
B5.1	13-Feb-18	Housing	Additional savings in 19/20 by recommissioning community based homelessness prevention work.	120	120	0	Green		0
H01	12-Feb-19	Temporary accommodation reduction plan	Reduce TA costs, as detailed in the TA Reduction Plan. Proposals include initiatives to prevent homelessness, improve economic position of those in TA, and help support those in TA to move on. Revenue costs covered by the Flexible Homelessness Support Grant. Plan also includes proposals to increase supply of low cost TA through new purchase, repair and management joint venture partnership, and capital investment in new Community Benefit Society. Please note that due to the additional costs incurred due to unforeseen works at BWF, it may not be possible to meet the projected savings.	920	920	0	Green		0
EC6	12-Feb-19	Explore opportunities to capitalise development team costs	Proposal to charge salaries of staff within housing development and enabling team to the Housing Revenue Account, as their work is now focused on bringing forward sites for direct housing development. Approximately 40% of salaries are currently funded by the HRA, and it's proposed to increase this to 100%.	150	150	0	Green		0
Total: Housing				1,190	1,190	0		0	0

APPENDIX 3

MTFS Savings Tracker 2019/20

Priority: Your Council

Period: 3

Red	Saving fully/partially unachievable
Amber	Saving achievable but full/partial slippage required
Green	Saving met in full and on time

MTFS Savings Ref	Cabinet Decision Date	Saving proposal	Description	2019/20 £'000s	2019/20 Projected Full Year Savings £'000s	2019/20 Savings (surplus)/shortfall £'000s	RAG Status (Delivery of 2019/20 Saving)	Value of Mitigation £'000s	Net impact on 2019/20 Budget Monitoring £'000s
Your Council (incl Council-Wide)									
A6.4 & A6.3	13-Feb-18	FOBO - Customer Services & SSC	A series of individual service improvement / efficiency opportunities within Customer Services and the SSC.	1,500	1260	240	Amber		240
A6.1	13-Feb-18	Legal Services	Reduction in staffing and other related expenditure - dependent on a reduction in demand for Legal Services in particular in Adult Services, Children Services, Regeneration and Property	150	150	0	Green		0
A6.8	13-Feb-18	Alexandra House Decant	The proposal is to vacate 5 floors of Alexandra House in 2017 and the remaining floors in the following twelve months. Realisation of savings will depend on renegotiation of rent as we vacate the building or our ability to sub-let those floors we do vacate. Hence, the cost/benefit model assumes savings appearing in 2018/19 and 2019/20.	750	0	750	Red	0	800
A6.2	13-Feb-18	Audit and Risk Management	Reduction in the value of the externally procured internal audit contract; potentially changing the assurance model, or reducing the number of audits completed.						
YC1	12-Feb-19	Out of home advertising income generation	The proposal is to recommission the street furnishing advertising contract. Moving to digital display to ensure communication messages can be updated quickly, and to remove printing costs.	129	129	0	Green		0
YC2	12-Feb-19	Remove ward budgets	Remove existing provision for Ward Budgets to fund community projects	190	190	0	Green		0
YC3	12-Feb-19	Growing Libraries Income	To grow the level of income from libraries estate as part of a developing libraries strategy.	100	50	50	Red		50
		Reduction in SAP Costs	Identify contractual savings in licensing, support and hosting	300	189	111	Amber	111	0
Total: Your Council				3,119	1,968	1,151		111	1,090

APPENDIX 4:

Priority	Scheme Ref	Scheme Description	2019/20 Original Budget (£'000)	2018/19 Capital Slippage (£'000)	Budget Adjustments (£'000)	2019/20 Revised Budget after Adjustments (£'000)	2020/21 Budget (£'000)	2021/22 Budget (£'000)	2022/23 Budget (£'000)	2023/24 Budget (£'000)	Total (£'000)
People - Children's	101	Primary Sch - repairs & maintenance	1,030	767	0	1,797	1,000	1,000	1,000	1,000	5,797
People - Children's	102	Primary Sch - mod & enhance (Inc SEN)	5,970	4,408	0	10,378	4,800	5,355	1,525	1,480	23,538
People - Children's	103	Primary Sch - new places	162	203	0	365	39	0	0	0	404
People - Children's	104	Early years	93	19	0	112	93	0	0	0	206
People - Children's	109	Youth Services	14	110	0	124	0	0	0	0	124
People - Children's	110	Devolved Sch Capital	531	0	(18)	513	531	531	531	531	2,637
People - Children's	114	Secondary Sch - mod & enhance (Inc SEN)	3,552	200	0	3,752	4,200	750	110	0	8,812
People - Children's	115	Secondary Estate Mixed Development	400	0	0	400	10,050	10,050	5,400	10,000	35,900
People - Children's	117	Children Safeguarding & Social Care	0	170	0	170	0	0	0	0	170
People - Children's	118	Special Educational Needs Fund (New Provision Fund)	0	10	213	223	0	0	0	0	223
People - Children's	199	P1 Other (inc Con't & Social care)	0	571	0	571	0	0	0	0	571
		People - Children's	11,752	6,457	195	18,404	20,713	17,686	8,566	13,011	78,380
People - Adults	201	Aids, Adap's & Assistive Tech -Home Owners (DFG)	2,193	0	168	2,361	2,193	2,193	2,193	2,193	11,133
People - Adults	207	New Day Opp's Offer	0	27	0	27	0	0	0	0	27
People - Adults	208	Supported Living Schemes	1,500	745	(304)	1,941	1,500	1,500	1,500	0	6,441
People - Adults	209	Assistive Technology	500	620	0	1,120	500	500	500	0	2,620
People - Adults	211	Community Alarm Service	177	0	0	177	177	177	177	177	885
People - Adults	212	Linden House Assisted Living Development	0	756	420	1,176	0	0	0	0	1,176
People - Adults	213	Canning Crescent Assisted Living	500	342	0	842	4,200	1,750	250	0	7,042
People - Adults	214	Osborne Grove Nursing Home	500	156	0	656	1,500	6,000	2,250	500	10,906
People - Adults	215	Hornsey Town Hall Supported Living	250	0	(250)	0	1,750	0	0	0	1,750
People - Adults	216	Homelessness Hub	100	259	0	359	0	0	0	0	359
		People - Adults	5,720	2,905	34	8,659	11,820	12,120	6,870	2,870	42,339

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Place	301	Street Lighting	1,300	(29)	0	1,271	1,300	1,300	1,300	1,300	6,471
Place	302	Borough Roads	4,189	(8)	0	4,181	3,689	3,689	3,689	3,689	18,937
Place	303	Structures(Highways)	394	1,180	(800)	774	800	0	0	0	1,574
Place	304	Flood Water Management	590	48	0	638	620	650	680	710	3,298
Place	305	Borough Parking Plan	322	310	(200)	431	0	0	0	0	431
Place	307	CCTV	2,109	(2)	0	2,107	0	830	1,000	200	4,137
Place	309	Local Implementation Plan(LIP)	2,500	717	3,036	6,253	2,500	2,500	2,500	2,500	16,253
Place	310	Developer S106/S278	750	264	0	1,014	750	750	750	750	4,014
Place	311	Parks Asset Management	300	(74)	132	358	300	300	300	300	1,558
Place	313	Active Life in Parks:	230	170	0	400	230	230	230	230	1,320
Place	314	Parkland Walk Bridges	1,000	1,258	(1,200)	1,058	2,200	0	0	0	3,258
Place	316	Asset Management of Council Buildings	4,326	1,218	(116)	5,428	1,991	651	331	381	8,782
Place	317	Down Lane MUGA	0	415	0	415	0	0	0	0	415
Place	319	Bull Lane MUGA	2,520	0	(2,520)	0	1,080	2,520	0	0	3,600
Place	320	LCP - Dynamic Purchasing System	0	157	0	157	0	0	0	0	157
Place	321	MOPAC - Crime & Disorder Reduction	0	121	90	211	0	0	0	0	211
Place	322	Finsbury Park Over 8 Play Space	600	566	100	1,266	600	600	600	600	3,666
Place	323	Parking Strategy	1,000	0	1,200	2,200	0	0	0	0	2,200
Place	325	Parks Vehicles	720	0	(720)	0	720	0	0	0	720
		Place	22,850	6,311	(998)	28,164	16,780	14,020	11,380	10,660	81,004

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Economy	401	Tottenham Hale Green Space	0	5,625	(3,289)	2,336	9,235	900	2,680	600	15,751
Economy	402	Tottenham Hale Streets	14,007	10,357	(19,812)	4,552	27,495	5,097	1,363	450	38,956
Economy	406	Opportunity Investment Fund	0	1,093	0	1,093	0	0	0	0	1,093
Economy	407	Growth on the High Road	0	(32)	0	(32)	0	0	0	0	(32)
Economy	411	Tott High Rd & Bruce Grove stn	150	419	0	569	0	0	0	0	569
Economy	415	North Tott Heritage Initiative	0	826	0	826	0	0	0	0	826
Economy	418	Heritage building improvements	0	2,500	0	2,500	0	0	0	0	2,500
Economy	421	HRW business acquisition	54,580	2,564	(45,500)	11,644	15,521	61,170	12,770	32,830	133,935
Economy	427	White Hart Lane Public Realm (LIP)	500	1,058	(1,183)	375	0	0	0	0	375
Economy	429	Site Acq (Tott & Wood Green)	10,000	3,235	0	13,235	8,867	0	0	0	22,102
Economy	430	Wards Corner CPO	5,000	5,000	(10,000)	0	6,500	3,500	0	0	10,000
Economy	434	Wood Green Regeneration	100	163	0	263	0	0	0	0	263
Economy	435	Wood Green Station Road	120	(88)	0	32	0	0	0	0	32
Economy	438	Vacant possession Civic Centre (Woodside House Refurbishment)	72	347	0	419	0	0	0	0	419
Economy	444	Marsh Lane	821	163	0	984	9,323	4,700	266	0	15,273
Economy	447	Alexandra Palace -maintenance	470	0	0	470	470	470	470	470	2,350
Economy	450	Family Contact Centre Relocation (Winkfield Road)	0	63	0	63	0	0	0	0	63
Economy	452	Low Carbon Zones	15	174	0	189	0	0	0	0	189
Economy	464	Bruce Castle	1,000	119	(900)	219	1,400	4,000	6,000	8,500	20,119
Economy	465	District Energy Network (DEN)	800	1,096	(1,460)	436	1,460	1,500	6,500	3,500	13,396
Economy	468	Keston Road (Community Centre Reprovision)	0	0	75	75	0	0	0	0	75
Economy	470	Wood Green HQ, Library & Customer Service Centre	950	0	(540)	410	2,940	6,000	8,400	10,000	27,750
Economy	471	Tailoring Academy Project	0	241	0	241	0	0	0	0	241
Economy	472	JLAC Match Fund	1,750	0	(1,250)	500	500	0	0	0	1,000
Economy	474	Tottenham High Road Strategy	1,638	800	0	2,438	5,402	3,980	1,027	1,027	13,874
Economy	475	Tottenham Green Public Realm Scheme Phase 2	0	979	0	979	156	0	0	0	1,135
Economy	477	Strategic Regeneration Initiatives	3,000	2,000	0	5,000	3,000	0	0	0	8,000
Economy	478	Wood Green Good Growth Fund	0	73	0	73	0	0	0	0	73
Economy	479	54 Muswell Hill Health Centre	0	1,100	(1,000)	100	1,000	0	0	0	1,100
Economy	480	Wood Green Regen (2)	500	0	(133)	367	7,262	5,901	12,141	13,610	39,280
Economy	481	Strategic Investment Pot	2,997	0	(1,247)	1,750	1,400	2,650	0	0	5,800
Economy	482	Strategic Property	19,640	0	0	19,640	680	1,273	254	3	21,850
Economy			118,110	39,875	(86,239)	71,746	102,611	101,140	51,870	70,990	398,357

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Priority	Scheme Ref	Scheme Description	2019/20 Original Budget (£'000)	2018/19 Capital Slippage (£'000)	Budget Adjustments (£'000)	2019/20 Revised Budget after Adjustments (£'000)	2020/21 Budget (£'000)	2021/22 Budget (£'000)	2022/23 Budget (£'000)	2023/24 Budget (£'000)	Total (£'000)
Housing (GF)	506	TA Property Acquisitions Scheme	0	2,416	(2,416)	0	0	0	0	0	0
Housing (GF)	509	CPO - Empty Homes	650	400	0	1,050	1,000	1,000	1,000	1,000	5,050
Housing (GF)	510	Temporary Accommodation Acquisition Programme	25,000	14,027	2,416	41,442	4,409	0	0	0	45,851
Housing (GF)	512	Wholly Owned Company	5,000	0	0	5,000	8,000	8,000	8,000	8,000	37,000
Housing (GF)	513	54 Muswell Hill Flats	712	0	0	712	0	0	0	0	712
Housing (GF)	514	Notting Hill Housing Group (4 Ashley Road)	2,970	0	0	2,970	0	0	0	0	2,970
		Housing (GF)	34,332	16,842	0	51,174	13,409	9,000	9,000	9,000	91,583
Housing (HRA)		Existing Stock Investment (Haringey Standard)	52,293	17,202	(6,683)	62,812	63,215	57,663	58,816	59,992	302,498
Housing (HRA)		New Homes Build Programme	1,890	6,373	(5,323)	2,940	16,569	180,590	27,714	26,036	253,849
Housing (HRA)		New Homes Acquisitions	0	0	12,006	12,006	39,473	126,962	149,784	104,812	433,037
		Housing (HRA)	54,183	23,575	0	77,758	119,257	365,215	236,314	190,840	989,384

							APPENDIX 4:				
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Priority	Scheme Ref	Scheme Description	2019/20 Original Budget (£'000)	2018/19 Capital Slippage (£'000)	Budget Adjustments (£'000)	2019/20 Revised Budget after Adjustments (£'000)	2020/21 Budget (£'000)	2021/22 Budget (£'000)	2022/23 Budget (£'000)	2023/24 Budget (£'000)	Total (£'000)
Your Council	601	Business Imp Programme	0	155	0	155	0	0	0	0	155
Your Council	602	Corporate IT Board	0	3,546	0	3,546	0	0	0	0	3,546
Your Council	603	ICT Shared Service - Set up / Seed Money	0	1,684	0	1,684	0	0	0	0	1,684
Your Council	604	Continuous Improvement	950	2,381	(81)	3,250	950	950	950	950	7,050
Your Council	605	Customer Services (Digital Transformation)	0	965	0	965	0	0	0	0	965
Your Council	606	Hornsey Library Refurbishment	1,882	844	0	2,726	0	0	0	0	2,726
Your Council	607	Financial Management System Replacement	0	0	0	0	350	2,000	650	0	3,000
Your Council	621	Libraries IT and buildings upgrade	1,056	386	0	1,442	25	85	0	0	1,552
Your Council	622	FOBO Programme	500	0	0	500	500	500	0	0	1,500
Your Council	639	New Ways of Working	252	0	0	252	255	255	0	0	762
Your Council	698	Responsiveness Fund	2,000	2,000	(2,000)	2,000	0	0	0	0	2,000
Your Council	699	P6 - Approved Capital Programme Contingency	1,500	1	2,056	3,557	0	0	0	0	3,558
Your Council	640	Accommodation Move	0	0	200	200	0	0	0	0	200
		Your Council	8,140	11,963	175	20,278	2,080	3,790	1,600	950	28,698
		TOTAL GENERAL FUND ACCOUNT	200,904	84,354	(86,834)	198,425	167,413	157,756	89,286	107,481	720,361
		TOTAL HRA ACCOUNT	54,183	23,575	0	77,758	119,257	365,215	236,314	190,840	989,384
		OVERALL TOTAL	255,087	107,929	(86,834)	276,183	286,670	522,971	325,600	298,321	1,709,745

Revenue Virements for Cabinet Approval

Appendix 5

Transfers from Reserves & Contingencies (2019/20) - for noting

Period	Priority	Service/AD Area	Rev/ Cap	In year	Next year	Reason for budget changes	Description
3	Place	Environment & Neighbourhood	Revenue	887,100		Transfer from Reserves	Drawdown from Transformation Reserve to fund Strategic Procurement, Parking and the Waste Management Transformation Programmes
4	Housing	Commissioning	Revenue	272,900		Transfer from Reserves	Drawdown from Unspent Grants Reserve to support the Rough Sleepers Programme and other initiatives
4	Place	Environment & Neighbourhood	Revenue	413,000		Transfer from Reserves	Drawdown from Transformation Fund Reserve to fund the in-house transition of Facilities Management and the Waste Services Transformation Programme
4	Place	Environment & Neighbourhood	Revenue	726,003		Transfer from Reserves	Drawdown from Service Reserve to fund delivery of the HMO Licensing Scheme, CPZ Parking Strategy and Parking Transformation Programme
5	People	Adults	Revenue	527,000		Transfer from Reserves	Drawdown from Transformation Reserve to fund the delivery of Adult Social Care Package efficiencies
5	People	Children's	Revenue	337,840		Transfer from Reserves	Drawdown from Transformation Reserve to fund saving initiatives for the Better Start in Life programme

Virements for Approval (2019/20)

Period	Priority	Service/AD Area	Rev/ Cap	In year	Next year	Reason for budget changes	Description
3	Place	Environment & Neighbourhood	Revenue	580,581		Grant Allocation	Allocation of 2019-20 MOPAC Grant income and expenditure budgets
3	All	Council-wide	Revenue	2,500,000	2,500,000	Budget Realignment	Allocation of budgeted pay inflation for 2019-20
3	People	Children's	Revenue	3,081,000		Budget Realignment	Realignment of Children's Centre in year budget to reflect 2019-20 funding allocation
3	Place	Environment & Neighbourhood	Revenue	383,029	383,029	Budget Realignment	Anti Social Behaviour staffing budget realignment for 2019-20
3	People	Children's	Revenue	491,600		Grant Allocation	2019-20 Youth Justice Board - Youth Justice Grant
4	All	Council-wide	Revenue	964,700	964,700	Budget Realignment	Allocation of budgeted contractual inflation for 2019-20
4	Place	Environment & Neighbourhood	Revenue	1,587,835	1,587,835	Budget Realignment	Realignment of the Highways Private Contractor, Parking Operations staffing and Waste Management income budgets to reflect expected expenditure and income
4	Place	Environment & Neighbourhood	Revenue	459,000		Grant Allocation	Allocation of LIP Grant funding for Mayoral Air Quality and Smarter Travel initiatives
4	People	Children's & Adults	Revenue	716,120	716,120	Budget Realignment	Realignment of Substance Misuse and Voluntary Sector budgets within Commissioning to reflect expected spend.
4	People	Adults	Revenue	2,127,500		Grant Allocation	Winter Funding and Social Care Grant income allocation to aid seasonal pressure within Adult placements
4	Your Council	Information Technology	Revenue	888,760	888,760	Budget Realignment	Realignment of the IT salary budgets to reflect the transition back to an in-house service
4	People	Adults	Revenue	5,675,678		Grant Allocation	Grant allocation of the Better Care Fund Pathway
5	Your Council	Strategy and Communications	Revenue	560,766		Grant Allocation	Allocation of 2019-20 Controlling Migration Grant income and expenditure budgets
5	Place/Economy	Housing, Regeneration & Planning/Environment & Neighbourhood	Revenue	355,440	6,303,040	Budget Transfer	Transfer of Operational Resilience budgets from Environment and Neighbourhoods to form part of newly created Strategic Property area under the Regeneration, Planning & Housing Directorate.
5	Place	Environment & Neighbourhoods	Revenue	720,000	720,000	Budget Realignment	Realignment of Highways budgets in-line with proposed restructure and funding of staffing
5	People	Adults	Revenue	3,580,586	3,580,586	Budget Realignment	Realignment of Adults 2019-20 MTFS funding growth
5	People	Adults	Revenue	305,500	305,500	Budget Realignment	Realignment of salary and grant budgets within the First Response and Adaptations Team
		Total 2019/20		28,141,938	17,949,570		

