

Report for: Cabinet – 8 December 2020

Title: 2020/21 Finance Update Quarter 2 (Period 6)

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 2 (Period 6) of the 2020/21 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 but more significantly, the impact that Covid-19 is forecast to have on the Council's financial plans.
- 1.2 The Budget/Medium Term Financial Strategy (MTFS) 2020/21-2024/25 report agreed by Cabinet and subsequently Full Council in February 2020 took actions to de-risk the base budget position as far as possible within the agreed resources. This mainly focussed on addressing the on-going demand pressure in the Adults services but also agreed the writing out of a previously agreed saving associated with achieving income in the Corporate estate.
- 1.3 These actions were intended to provide greater confidence of managing within the agreed budget as well as delivering agreed budget reduction proposals. Since the budget was agreed, the lock-down and associated Government directed actions in response to the Covid-19 pandemic has significantly impacted on the Council's agreed budget and Borough Plan delivery. The forecasts provided in this report are as up to date as possible and based on the most recent (31 October 2020) return to central government (i.e. at month 7 of the financial year). There remains great uncertainty, not least associated with a second wave of the virus and further local or national lockdowns. Beyond the current year, the speed of national economic recovery will be important on the emerging financial planning for 2021/22 and beyond.
- 1.4 The GF revenue forecast presented differentiates between the impact of Covid-19 on budgets and delivery of planned MTFS savings, and other base budget issues. The overall forecast year end position has improved by nearly £5m and now stands at £44.6m (Qtr1 £49.4m). The forecast impact of C19 has reduced by nearly £6m and, since last reported, the Council has received a fourth tranche of un-ringfenced emergency grant funding totalling £8.4m. When added to the previous grant and forecast government income loss compensation the unfunded forecast C19 impact is reduced to around £4m which the authority still expects to be met via further government support. The non-C19 base budget pressure has increased about £1m to almost £6m since the Qtr1 report. The current assumption is that Directors will identify measures to mitigate this as far as

possible before the end of the year with any residual pressure to be met from utilisation of the budget contingency.

- 1.5 The Council's expectation is that the forecast overspend due to Covid-19 will be covered by additional government support. Regarding the forecast £6m base budget pressure, the assumption is that Directors will identify measures to mitigate this as far as possible; any residual pressure will be met from utilisation of the budget contingency.

2. **Cabinet Member Introduction**

- 2.1 The impact of Covid-19 on our communities and our agreed plans cannot be underestimated and the financial impact on the current year's agreed budget is set out very clearly in this report. It is critical that I keep Cabinet, all elected members and our residents and businesses informed of this impact but also our response to this pandemic.
- 2.2 Since my last report, the Council has received a fourth tranche of un-ringfenced grant from central government which is welcome but, as can be seen clearly from the tables at the start of this report, officers continue to forecast a gap between the estimated impact on our budgets and the government funding provided. We are currently in the middle of a second England wide lockdown, the impact of which may not yet have fully manifested and none of us can confidently forecast what further measures will be required over the coming months to combat the virus. I will therefore re-emphasise now that we fully expect ministers to stand by their statements that government stands ready to do whatever is necessary to support councils in their response to coronavirus.
- 2.3 The report also provides a forecast of non-Covid19 related pressures which have risen since the last quarter. This is worrying and I reiterate my expectation that Lead members will continue to work closely with officers to identify and implement strategies to mitigate against these as far as possible.
- 2.2 We have been through 10 years of financial austerity and now look set to face further significant turbulence as a result of the implications of the pandemic on world-wide economies, the impact of Brexit on the UK specifically and the uncertainty of the longevity of the virus. It therefore remains critical that we maintain our strong financial management at this time in order that we can continue to do the best for all who live and work in our Borough.

3. **Recommendations**

Cabinet is recommended to:

- 3.1. Note the forecast revenue outturn for the General Fund (GF), including the impact of Covid, and known and estimated levels of announced Covid funding, is a net overspend of £9.8m (Q1 £23.1m). This is before any further emergency grant support (Section 6, Tables 1a and 1b, and Appendix 1). This excludes the DSG forecast.
- 3.2. Note that Directors have been asked to focus on actions to bring the forecast overspend down before the end of the year.

- 3.3. Note the net Housing Revenue Account (HRA) forecast of £4.2m (Q1 £9.6m) overspend (Section 6, Table 2, and Appendix 2).
- 3.4. Note the net DSG forecast of £5.3m (Q1 £4.6m) overspend, the actions being taken to seek to address this and the potential implications for the GF (Section 7 and Table 3).
- 3.5. Note the forecast budget savings position in 2020/21 which indicates that £7.3m (45%) (Q1 £8.3m (50%)) may not be achieved. (Section 8, Table 4 and Appendix 3). This is incorporated in the GF budget pressures addressed in recommendation 3.1 above.
- 3.6. Approve the proposed budget adjustments and virements to the capital programme as set out in Table 5 and Appendix 5 and note the forecast expenditure of £218m (£251m Qtr1) in 2020/21 which equates to 40% (43% Qtr1) of the revised capital budget (Section 9, Table 5 and Appendix 4).
- 3.7. To approve the budget virements as set out in Appendix 5.
- 3.8. To note the debt write-offs approved in Quarter 2 2020/21 (Appendix 6).

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. This is made more critically important than ever as a result of the severe financial duress placed on the Council by the Covid-19 crisis.

COVID-19 affects everything local authorities do – as community leaders, public health authorities, education authorities, employers, partners and service deliverers. The Leader, Cabinet and its officers continue to need to focus on responding to the crisis while ensuring normal critical services are provided.

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. Covid -19 Financial Impact: Key Elements to Date

- 6.1.1 As underlined in the last Finance Update report to Members in September, the pandemic has had a bigger impact on the Council's service delivery and therefore its in-year budget position than anything for decades. The Council has to date produced two reports focussing specifically on Covid-19, its impact on services and the Council's financial plans in this year and beyond. These reports also set out the Government funding allocated to Haringey to date and officer's assumptions and forecasts of further support

at least to the end of this financial year. Further updates were included in the Finance Update/Qtr 1 report discussed at the Cabinet meeting in September.

6.2 Updates since September Cabinet

6.2.1 Reporting to MHCLG:

The Council has submitted a further two C-19 returns to MHCLG, the latest of which was submitted on 6 November (Round 7). These figures are reflected in the C-19 reported pressures contained in this report. The next formal report subject to Ministerial approval, is expected to be **in early December** followed by regular monthly returns from the second half of January.

6.2.2 The first claim to MHCLG under the Government's Sales, Fees & Charges (SFC) Compensation scheme was submitted on 30 Sept. The actual lost income for the months April -July 2020 were estimated at £9.2m. Claims are currently being reviewed with payment being expected early to mid-November. It should be noted that the scheme does not cover the full loss; Councils are expected to bear the first 5% with Government compensating Councils for 75% of the remainder. Based on this first return we are forecasting the receipt of c. £6.5m.

6.2.3 Funding / Government Support for Haringey:

A number of additional grants have been announced since the last report to Cabinet. Most notably, Haringey has received a 4th tranche of un-ringfenced emergency funding totalling £8.37m (£900m England total) as part of an announcement on 22 October.

The methodology for apportioning this tranche was based on the proposed methodology for the Foundation Formula in the Review of Relative Needs & Resources (part of the Fair Funding Review work) which uses a weighted combination of population and deprivation data. A further adjustment was made to take account of varying costs of delivering services across the country (Labour Costs, Premises Costs, Sparsity & Density). MHCLG then compared the total authority grant received in the first 3 tranches and compared this to the value an authority would have received if this latest methodology had been used for each allocation; the final 4th tranche grants were adjusted to recognise this.

6.2.4 On 19th October, the Government announced the '**Contain Outbreak Management Fund**' (**COMF**) – to support proactive containment and intervention measures under Medium, High & Very High Alert situations. Since the announcement, the Government moved the whole of England into a 4-week lockdown; this meant that all authorities will receive the maximum £8/head allocation. For Haringey this is estimated to total £2.1m.

6.2.5 As part of the 4-week lockdown, the Government also announced an additional allocation to support the clinically extremely vulnerable in the Borough as well two further grant pots to support businesses during this period of restricted operation. These grants will be administered by local government on behalf of the Government.

6.2.6 A full list of grants allocated to Haringey since the start of the pandemic can be found in Appendix 7. This includes un-ringfenced, specific, business rates relief (Section 31) and grant to be passported to local businesses which Haringey is administering.

6.3 Corporate Financial Overview

- 6.3.1 The value of un-ringfenced emergency grant funding received from Government to date, ostensibly to offset the additional expenditure incurred as a result of the pandemic, now stands at **£26.74m**. As outlined above, the first of three returns has been submitted to MHCLG in relation to the SFC compensation scheme. The more significant impact on income streams was felt during the national lockdown period and shortly afterwards which is why the first claim is expected to be the highest, with £6.5m forecast to be received. The final two claims are forecast to be for lower sums but the total estimated compensation is still estimated at around £8.0m. Other, more specific grants will also impact on the final outturn forecast in this report. The majority have been provided for specific purposes; others allow for local discretion such as the Hardship Fund and the new COMF.
- 6.3.2 While the monthly Covid financial implication returns made to the MHCLG by the Council nominally describe how this Emergency grant is being applied by the Council, it is being held centrally. Therefore, the level of overspends being reported at priority level are gross of any such funding, but net of the specific additional grants received.
- 6.3.3 As there is still uncertainty about Government support, the Council continues to assume that ministers stand by their statements that government stands ready to do whatever is necessary to support councils in their response to coronavirus.
- 6.3.4 As yet no government announcement has been made for grant support to local authorities HRAs, either in respect of any additional expenditure or, more importantly income loss.
- 6.3.5 Before taking into account the Emergency Grant, the Council's Quarter 2 finance position (including the HRA and DSG) is a projected gross overspend of £54.1m (Q1 £63.6m) for the year. The General Fund element (excluding DSG) is a gross £44.6m (Q1 £49.408m), which reduces to £9.8m (Q1 £23.1m) when taking into account known and estimated levels of announced Covid funding. The main drivers of the change are a reduction in forecast Covid impact and the receipt of a 4th tranche of un-ringfenced grant. This is highlighted in Table 1b below.
- 6.3.6 Table 1a below sets out full year projections at priority level. A detailed analysis at directorate level is attached in Appendix 1.

Table 1a – Revenue Budget Monitoring Forecast for Quarter 2 2020/21

Priority	Revised 2020/21 Budget	Non Covid Pressure/ (Reductions)	Base Covid Challenges	2020/21 MTFS Savings Pressures - Covid	Total Covid Pressures	Q2 Total Variance	Q1 Total Variance	Movement Q1 to Q2
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Housing	17,269	0	3,757	526	4,283	4,283	5,113	(830)
People - Children's	63,210	2,887	3,377	1,438	4,815	7,702	7,233	469
People - Adults	88,083	32	4,329	2,013	6,342	6,374	8,859	(2,485)
Place	32,643	1,232	10,923	1,558	12,481	13,713	15,944	(2,231)
Economy	4,871	2,011	4,605	525	5,130	7,141	5,271	1,870
Your Council	36,216	(239)	4,401	1,209	5,610	5,371	6,988	(1,617)
General Fund Total (befo	242,292	5,923	31,392	7,269	38,661	44,584	49,408	(4,824)
DSG	0	5,305	0	0	0	5,305	4,575	730
External Finance	(242,292)	32	0	0	0	32	0	32
General Fund Total	0	11,260	31,392	7,269	38,661	49,921	53,983	(4,062)
HRA	0	200	3,977	0	3,977	4,177	9,616	(5,439)
Haringey Total	0	11,460	35,369	7,269	42,638	54,098	63,599	(9,501)

6.3.7 Table 1b below summarises the current forecast impact on budgets for 2020/21 after taking into account un-ringfenced emergency grant allocated to date and estimated income loss compensation grant; the latter is still an estimate. The £3.92m unmet Covid-19 financial impact identified as (a) is still assumed to be covered by Government.

Table 1b – General Fund Forecast for Q2 2020/21

	Qtr2	Qtr1	Movement
General Fund	2020/21	2020/21	2020/21
	(£m)	(£m)	(£m)
Covid Pressure	38.66	44.44	5.78
Less: Un-ringfenced Emergency Grant received	(26.74)	(18.30)	8.44
Less: Income Loss Compensation Grant estimate	(8.00)	(8.00)	0.00
(a) Government Funding Assumed	3.92	18.14	14.22
(b) Residual Non-Covid Pressure / (Surplus)	5.92	4.96	(0.96)
TOTAL Covid (a) + Non-Covid (b)	9.844	23.100	13.256

6.3.8 It must be noted that the latest forecasts on parking income suggest that there could be a further £0.5m - £1.0m reduction in the current income assumptions as a result of the latest month lockdown. Should this materialise, the impact on the Council directly will be offset by the government's income loss compensation scheme which should cover circa 70%.

6.3.9 It must be stressed that these figures represent our current estimates and assumptions about Government support. Should the additional support not be forthcoming, the budgetary pressure will fall upon the Council and this will need to be addressed at year end and in our on-going financial planning. Equally, should the measures required to address the pandemic over the remaining months of the year exceed our current estimates, the forecast impact will worsen.

6.3.10 Regarding the forecast £5.92m residual base budget pressure identified as (b) in Table 1b, the current assumption is that Directors will identify measures to mitigate this as far as possible; any residual pressure will be met from utilisation of the budget contingency.

6.4 Priority Level Financial Position

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.

6.5 PEOPLE: CHILDREN'S & SCHOOLS Over budget £7.702m (Q1 £7.233m)

6.5.1 The budget for Children's and Schools is £63.210M and at the end of Quarter the service is forecast to spend £70.912M, indicating a pressure of £7.702M. This represents a £0.469M adverse movement against the forecast provided in Q1.

6.5.2 A large proportion (£4.815m) of this pressure is due to COVID-19 which has driven a significant increase in social care activity and loss of income across a number of services such as Pendarren and Children's Centres. The impact on children and the demand on our social care services has seen the need for child protection support for children continue to rise. The numbers of children on child protection plans has nearly doubled between February and September 2020 (from 161 -315) and this has required the service to put in place additional staff to manage the increased caseload.

6.5.3 The majority of the base budget pressure (£2.887m) is within the Prevention and Early Intervention service and relates to an inherent £1M pressure for SEND transport carried over from last year. There is a further £1.1m placement cost pressure due to an increase in the complexity and need of placements and £0.8m of unavoidable legal costs.

6.5.4 The quarter 1 report highlighted the forecast impact of the proposed removal of free travel provided by TfL for children. Since then, agreement has been reached between TfL and government on a new funding arrangement worth £1.8 billion to see TfL through to the end of March 2021. The proposed temporary removal of free travel for under 18s, which was a government condition of the initial bail-out deal, has been dropped. Young people in London will therefore be able to continue to enjoy free travel across the capital, providing TfL can find alternative funding for the scheme from April 2021.

6.6 PEOPLE : ADULTS & PUBLIC HEALTH Over budget £6.374m (Q1 £8.859m)

6.6.1 Adults and Public Health is forecasting an adverse variance of £6.374m (Qtr1 £8.859m) on a budget of £88.083m. This represents a reduction of £2.485m.

6.6.2 For Adult Social Care, the Q2 adverse variance is £4.741m (£8.324m at Q1). This is comprised of £3.113m of Covid related expenditure and £2.013m savings slippage. This is offset by a favourable variance of £0.385m due to a delayed transition to new homecare contracts.

- 6.6.3 Adults Commissioning overall variance at Q2 is £1.600m (£0.485m at Q1). This is comprised of £1.285m Covid related expenditure and additional support to voluntary and community sector (VCS) and £0.315m additional brokerage expenditure to deliver client contribution income.
- 6.6.4 Adults Public Health is projected to break even with additional Covid related expenditure being met by specific government grants.
- 6.6.5 The main drivers for the overall priority improvement of £2.485m is a £2.216m reduction in forecast care package costs and the fact that PPE is now fully funded from central government; there is a further reduction in estimated savings slippage of £0.301m (from £2.314m to £2.013m).
- 6.6.6 There is an additional Covid expenditure of £6.136m funded by specific Covid grants and recharges to CCG. Though there is a nil variance in budget forecast resulting from this £6.1m, there is a significant increase in the Council's activities relating to the Council's Covid response.
- 6.6.7 It should be noted that there is an additional risk of a further increase in demand due to Covid-19 for packages of care that we are unable to quantify at this point in time: pressures arising through additional clients, care complexity, increased hours and carer breakdown. The impact and pressure are likely to change over the financial year as we begin to understand long-term implications of Covid-19. It should also be noted that ASC are planning with health partners for the second wave towards the end of 2020. This poses additional risks to the budget position for 2020/21 and beyond.

6.7 PLACE Over budget £13.713m (Q1 £15.944m)

- 6.7.1 Place Priority is showing an improvement of £2.231m over the forecast presented in Qtr1. This is due to base budget pressure improvement of £0.709m, and the impact from COVID improvement of £1.522m.
- 6.7.2 Parking, & Highways position has significantly improved due to resumption of parking enforcement from 6th Jul and continued level staffing vacancies where appropriate.
- 6.7.3 Community Safety, Waste & Enforcement overspend position has worsened in Q2 to additional mortality planning costs for Wave 2, an historic single status settlement payment and contractual PPE costs; partly off-set by improved regulatory service and ASB income.
- 6.7.4 Parks & Leisure position has improved due to prospective settlement of WHL Fusion Loan Repayments & reduction in parks fencing and signage costs; offset by the cessation of revenue funding from TfL for the Smarter Travel Team, additional payments made to Fusion in relation to C-19 restriction costs and an increase in school swimming losses.

6.7.5 Alexandra Park and Palace Charitable Trust forecasting a pressure of £0.9m. As agreed in the June Cabinet report, an additional grant award of £0.5m has been made by the Council to the Trust in recognition of the serious impact that Covid-19 has had on their business. In addition, a further £0.4m has been identified as being at risk in respect of loan repayments. Members should note that the Trust is actively looking to identify additional funding from other sources and has been successful in its application for £250k to the National Lottery Heritage Fund to help meet operational costs through the current situation.

6.8 ECONOMY Over budget £7.141m (Q1 £5.271m)

6.8.1 Economy is forecasting an adverse variance of £7.141m for Qtr 2 Budget Monitoring. The underlying key pressure remains the impact of Covid-19 which has added costs but, more significantly, has impacted key income streams such as planning and building control.

6.8.2 A stock condition survey on all our buildings is being completed which is identifying key works which need to be carried out. This is suggesting that there may be a necessity to spend circa £1.4m more in this year than is currently budgeted. Council and HfH officers are working to finalise this analysis and it is expected that more clarity will be available for the Qtr3 report. However, to be prudent this has been included as a base budget pressure in the Qtr2 figures now presented. This addition is the major component of the movement in forecast between Qtr1 and Qtr2.

6.9 HOUSING (General Fund) Over budget £4.283m (Q1 £5.113m)

6.9.1 Housing Priority forecasts a net adverse variance of £4.283m.

6.9.2 The net forecast £4.283m is predominately due to the additional homelessness and rough sleeping costs being incurred by the services during Covid-19 (£10.6m). The remainder is due to overspend in Temporary Accommodation (TA) provision of £3.6m. The entire TA overspend and part of the budget pressure due to COVID is offset by Flexible Homelessness Support Grant (FHSG) and Rough sleeping grant of £9.8m.

6.9.3 The improved forecast in Q2 compared to Q1 is due to a change in homelessness/rough sleeping policy from the initial "all in approach" adopted at the start of the pandemic.

6.9.4 There are initiatives in place to both reduce costs and TA demand. While these initiatives have commenced, some, such as CBS and Capital Letters have slowed down due to COVID.

6.10 HOUSING (Housing Revenue Account - HRA) Over budget £4.2m (Q1 £9.6m)

Table 2 – HRA Budget Forecast (Quarter 2)

HRA BUDGET 2020/21	2020/21 Revised Budget	Q2 2020/21 Forecast	HRA Projected Variance - directly related to Covid19	HRA Projected Variance - inherent base budget variance	Q2 2020/21 Forecast Variance	Q1 2020/21 Forecast Variance	Forecast Variance Movement Q2 v Q1
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
UE0721 Managed Services Income TOTAL	(105,513)	(105,146)	0	367	367	409	(42)
UE0722 Managed Services Expenditure TOTAL	11,023	14,633	3,817	(207)	3,610	9,207	(5,597)
UE0731 Retained Services Expenditure TOTAL	82,893	83,093	200		200	0	200
Surplus HRA Services (within Retained)	11,596	11,596			0	0	0
Balance of HRA Account (assumed Governmen	0	4,177	4,017	160	4,177	9,616	(5,439)

6.10.1 The HRA is forecasting an overspend of £4.177m (Q1 £9.6m) which is largely due to the impact of COVID-19 on income collection. The improvement since Qtr1 is due to a revision downwards in the forecast estimate of tenants unable to meet their rental payments as a consequence of the pandemic. To date the Council has not received notification of any support from Government to mitigate this estimated loss. Therefore, at this point it is assumed that the surplus planned at the start of the year (£11.596m) will not be achieved in full leaving less to support planned capital investment.

6.11 YOUR COUNCIL

Over budget £5.371m (Q1 £6.988m)

6.11.1 The Qtr 2 forecast variance is caused by £1.209m delay in delivering agreed MTFS savings due to Covid-19, £4.401m direct additional costs or lost income arising from Covid-19 and a net £0.239m reduction in base budget spend. Overall, this is a reduction in budget pressure of £1.617m from the Q1 position

6.11.2 The movement of £1.6m vs Q1 is explained below.

6.11.3 The movement in Covid-19 pressure is -£0.7m (£5.6m in Q2 vs £6.3m in Q1) predominately due to the reclassification of Alexandra Park and Palace support from Your Council to Place Priority (-£0.9m) and the reclassification of Strategic Procurement's LCP income shortfall (-£0.2m) to Your Council. There have been some minor refinements in the projections to bring these in line with actual expenditure (net <£0.1m).

6.11.4 An improvement in the base budget position of £1.0m (moving from a base pressure of £0.7m to an underspend of £0.3m) due to the mitigation of previously highlighted pressures within Corporate Governance and Strategy and Communications and a series of small underspends emerging across the Your Council priority. The net underspend at Q2 comprises:

- a. Finance overspend (£0.4m) – continued use of interim staff
- b. Digital Services underspend (£0.3m) – delays in recruiting to structure
- c. Underspends across Strategy and Communications, Corporate Governance and Corporate and Customer Services (£0.4m) - staffing and running cost savings

7 Dedicated Schools Grant (DSG)

Over budget £5.304m (Q1 £4.575m)

- 7.1 The DSG budget is forecasting an in year overspend of £5.304m and an adverse movement of £0.729m since quarter 1 as highlighted in the table below, showing the pressure within the High Needs Block (HNB).

Table 3 – DSG Position Quarter 2

Blocks	Opening DSG at 01/04/20	Schools Forum agreed trf between blocks	Revised Reserves at 01/04/20	P06 Forecast Outturn Variance	Closing DSG Reserves at P06 2020-21	Closing DSG Reserves at Q1 2020-21	Net movement in period
Schools Block	0	0	0	0	0	347,760	(347,760)
Central Block	10,260	0	10,260	34	10,294	10,260	34
High Needs Block	10,066,960	0	10,066,960	5,255,940	15,322,900	14,294,679	1,028,221
Early Years Block	107,530	0	107,530	48,857	156,387	107,530	48,857
Total	10,184,750	0	10,184,750	5,304,831	15,489,581	14,760,229	729,352

- 7.2 The pressure on the DSG budget is acknowledged by government as a national issue. The outcome of the Government’s SEND Review will influence policy (and budgets) and will factor into any future deficit recovery plans. This still is awaiting publication. The School’s Forum is aware of the need to produce a Deficit Recovery Plan as a matter of good financial practice and in preparation for the expected contact from the DfE.
- 7.3 Despite material increases in the Schools Block (£3.18m) and High Needs Block (£4.64m) budgets compared to 2019-20, as highlighted in the table above, there remains a significant pressure within the High Needs Block (HNB). The main cost driver for the HNB is the rising number of children whose special education needs have been assessed as needing support as set out in their education, health and care plans. As a result of this we have seen an increase in schools receiving additional top up funding to support children in their settings and this latest adverse movement reflects the changing numbers of children in the September cohort. The change to EHCP conditions where support is provided to a wider age group (0 – 25 years) mean the potential spend for individual cases could last 25 years.
- 7.4 The Covid factor should not be ignored as SEND have noticed Social, Emotional and Mental Health SEMH cases were already on the increase and now this maybe exacerbated further by the pandemic.
- 7.5 Although this is a national funding issue, the service is working with schools through the Schools Forum on a recovery plan to identify areas where costs could be reduced. There are complex system issues to address and these will need to be agreed with Schools Forum throughout the year for implementation in September 2021.

8 MTFS Savings Delivery

- 8.1 Officers continue to monitor delivery of all agreed MTFS savings as part of their monthly budget monitoring processes. The table below highlights the forecast delivery of the current year’s (2020/21) savings.

Table 4 – Summary 2020/21 MTFS Savings Delivery by Priority

Priority	2020/21 Savings Target	Achieved to date, full year effect	Forecast savings	Covid Slippage	Other Slippage	Commentary
	£'000	£'000	£'000	£'000	£'000	
People : Childrens	2,261	823	0	1,438	0	£1,438m delay due to covid issues: Edge of Care 0.715m; Safeguarding 0.250m Fostering 0.144m; SEND transport 0.214m Pause Project 0.136m and Foster Carer Room 0.193m Savings over achieved (0.214m)
People : Adults*	5,969	2,142	1,814	2,013	0	Covid: Haringey Learning Partnership 0.835m; Mental Health saving 0.225m; transfer of High Cost Day Care 0.425m; In House Negotiator 0.200m; CCG Related savings 0.186m
Place	3,023	17	1,448	1,558	0	Covid: Parking Transformation 1.154m; Debt recovery 0.158m and Water Service 0.181
Economy	980	315	140	525	0	COVID: Largely from FM Transformation £0.15m, Strategic Property Unit – New Income Rent Reviews £0.10m, Property head lease acquisition £0.05m and various others £0.325m
Housing	1,176	382	268	526	0	COVID: Additional HMO Licensing Scheme £0.17m, Temporary accommodation reduction plan £0.33 and Transferring PSLs to the CBS £0.03
Your Council	2,934	1,648	77	1,209	0	Covid Slippage: FOBO 1.022m; Advertising Income 0.100m; CPMO /Comms Saff 0.087m
TOTAL	16,343	5,327	3,747	7,269	0	

Appendix 3 provides progress on savings 2020-21 delivery on a more detailed level.

2021/22 – 2024/25

- 8.2 Services also continue to monitor deliverability of agreed savings for 2021/22 and beyond. Particularly in the light of the significant impact of Covid-19 on delivery of the current years savings highlighted in the table above, services have reviewed both current years slipped savings and also savings starting from 2021/22 in order for this to be considered and where necessary addressed as part of the annual financial planning process. At this stage c.£2.9m is flagged as being delivered in full but beyond the original delivery date. £1.358m has been highlighted as no longer deliverable. The impact of both of these sums has been incorporated in the draft 2021/22 Budget/MTFS report. Progress across the remainder of the year will continue to be tracked carefully.

9 Capital Expenditure Forecast at Quarter 2

9.1 As reported in quarter one, the approved capital programme was £577.981m. Since then there has been re-profiling within the Economy priority, which has had the effect of future years budget being adjusted. At quarter two, the capital programme is forecasting an under spend of £324.082m (60%). In comparison to quarter one, the forecast outturn has reduced by £33.317m.

9.2 The table below compares the revised budget to the forecast outturn. It also shows the movement in budget and outturn from quarter one.

Table 5

Priority	2020/21 QTR.1 Budget £'000	Adj £'000	2020/21 QTR.2 Budget £'000	2020/21 Qtr. 2 Forecast Outturn £'000	2020/21 Qtr. 2 Outturn vs Budget Variance £'000	Movement in Variance from last Quarter £'000
People (Children's)	31,235	0	31,235	26,079	(5,156)	2,080
People (Adults)	17,863	0	17,863	3,963	(13,900)	(491)
Place	44,068	320	44,388	32,398	(11,990)	32
Economy	152,214	(35,678)	116,536	48,212	(68,324)	(5,293)
Housing (GF)	10,698	0	10,698	0	(10,698)	0
Your Council	34,767	(342)	34,425	19,386	(15,039)	755
General Fund Total	290,845	(35,700)	255,145	130,038	(125,107)	(2,917)
Housing (HRA)	287,136	0	287,136	88,161	(198,975)	(30,400)
Total	577,981	(35,700)	542,281	218,199	(324,082)	(33,317)

9.3 People (Children's Services)

The service is reporting an underspend of £5.156m, which is an improvement of £2.080m since Q1. The two most significant areas of improvement are in the school's landlord works (+£ 2.1m) where expenditure is focused on urgent projects to ensure the continued operation of schools and in the secondary improvements budget where urgent works to Fortismere have increased the forecast expenditure (+£1.4m). These improvements are offset by the reduction of £1m in anticipated spend on the Stamford Hill alternative provision project as different accommodation is being used. There are a range of offsetting movements that account for the improvement in the forecast outturn.

9.4 People (Adults)

The current projected outturn is £3.963m which leads to a variance of £13.900m. The projected outturn and variance are as reported in quarter 1. The reshaping of the Canning Crescent scheme has led to a delay in expenditure on the scheme, with an in-year variance of £4.9m. The spend profile is to be recast in the light of the revised capital scheme as it further developed. The Supported Living scheme budget is reporting a variance of £4.1m. This budget is in the capital programme to provide for resources to undertake works to properties as and when they become available. The use of buildings to provide for homeless people during the pandemic has reduced the availability of potential buildings for use as supported living, hence the reduced level of forecast expenditure. The suspension of the OGNH scheme has resulted in an in-year variance of £2.9m.

9.5 Place

There is a net adjustment in the Place budget of £0.320m which relates to additional allocations from the approved capital programme contingency. The first is to provide a budget of £0.270m to enable early works to commence on the Streetsplan scheme. The second is £0.050m to the Hornsey Library scheme. The current projected outturn is £32.398m, a variance of £11.990m. The significant variances relate to the delays to the Marsh Lane scheme, £3m, due to its alternative temporary use at the beginning of the year, the Libraries refurbishment programme, which relates to old buildings requiring a lot of early planning as well as stakeholder engagement, has a projected in year variance of £1.252m, the JLAC grant contribution is projecting a £1m in year variance but this may improve when the grant agreement between the council and JLAC is entered into. The Parkland walk Bridges scheme has been delayed due to the need resolve technical issues and generates an in-year variance of £1.72m. A range of smaller in-year variance make up the balance.

9.6 Economy

The budget has been increased by £0.250m to enable the Good Economy Recovery Plan to commence and a reprofiling exercise has reduced the 2020/21 by £35.700m. The reprofiling exercise has revised the cashflows for Tottenham Hale of £23.158m, Tottenham High Road Strategy of £6.042m and Wards Corner of £6.5m. This reprofiling is a result of an in-depth review of all the three schemes performance, in the light of delays due to Covid 19. In addition, the budget for the DEN has been reduced by £0.228m. The reprofiling of these schemes skews the comparison of the variance between quarter 1 and quarter 2. After adjusting for the reprofiling exercise, the variance between quarter 1 and quarter 2 shows and improvement of £4.8m.

The improvement in the forecast performance is generated by an upward revision to the outturn for Site Acquisitions of £11.2m and an improvement to the Head Lease Acquisition forecast of £5m. These improvements are offset by the reduction in forecast outturn on the HRW scheme of £10m and reduction in the forecast outturn for Pendarren of £1.4m. There are a range of other smaller movements that have a net contribution to the improved forecast outturn.

9.7 Housing General Fund

There are no budget adjustments for the Housing General Fund capital programme. There has been no spend and no spend is forecast for this financial year.

9.8 Housing HRA

There are no budget adjustments for the Housing Revenue Account capital programme. The cumulative, projected outturn for quarter two on the Housing Revenue Account (HRA) is currently forecast to be £88,161, with an adverse variance of £198,975m, which is a further increase in variance by £30.400m. This further reduction in forecast can be attributed to the anticipated impact of Covid 19 pandemic, which is anticipated to significantly hampered and delayed the planned acquisitions of New Homes.

9.9 Your Council

The overall budget has reduced by £0.342m, which relates to the net movement within the contingency budget. The projected outturn is £19.386m with an in-year variance of £15.039m, which is an improvement of £0.755m. The reason for the improvement in the forecast outturn is due to increased expenditure on the enhancement of the Councils ICT systems, to deliver the system improvement required to support the delivery of Council-wide savings.

10 Statutory Officers Comments

Finance

- 10.1 This is a report of the Director of Finance and therefore the financial implications have been highlighted in the body of the report. Further comment is necessary, however.
- 10.2 This report and the preceding finance reports to Cabinet since the pandemic began continue to make clear that it is expected that government will provide the required financial support to cover the impact it has had on the Council's budgets. Since the Qtr1 report, a fourth tranche of un-ringfenced grant has been received which is welcome however, a forecast gap still remains and there continues to be uncertainty over the final financial burden on the council this financial year. It must also be stressed that there have been no announcements about government support to the HRA which, as this report continues to highlight, is forecast to be impacted through lost rental income.
- 10.3 As well as its operating position, an important part of every local authority's ongoing assessment of its sustainability is the strength of its balance sheet. The Councils General Fund unearmarked balance is £15.8m for the start of 2020/21. In the regular returns made to MHCLG the Council continues to advise that none of this balance or any other earmarked reserve balances should be assumed to be available to part meet the costs associated with the Covid-19 crisis. This is because holding a reasonable un-earmarked balance is for "going concern" risk management and earmarked reserves are demarcated for a range of in year and future year purposes.

- 10.4 It is clearly also imperative that the Council focuses on minimising the currently forecast overspend from non-Covid related pressures of £5.9m otherwise this will add a further pressure on the overall resources available to the authority.

Strategic Procurement

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

Legal

- 10.6 The Assistant Director of Corporate Governance has been consulted in the preparation of this report and makes the following comments.
- 10.7 The Council is under a duty to maintain a balanced budget. 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 remedial action as it considers necessary to deal with any projected overspends. This could include action to reduce spending, income generation or other measures to bring budget pressures under control for the rest of the year.
- 10.8 The Council must act reasonably and in accordance with its statutory duties and responsibilities when taking the necessary action to reduce the overspend. The Council is facing an unprecedented situation due to the pandemic and there is a risk of the financial impact on the Council if the government does not provide the Council with sufficient funding in year to cover the Council's costs due to the pandemic.
- 10.9 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

- 10.10 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.
- 10.11 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.
- 10.12 The report provides an update on the Council's financial position at Q2 of the 2020/21 financial year. The report details budget variances, including those arising as a result of forecast non-achievement of Cabinet approved MTFs savings and the impact of COVID-19 on the Council's financial plans.

- 10.13 The proposed decision is to note and approve the budget adjustments and virements as described.
- 10.14 With a challenging financial environment and increasing demand for services, exacerbated by the COVID-19 pandemic, 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. This remains the ethos throughout the COVID-19 response.
- 10.15 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 2020.
- 10.16 Throughout the council's COVID-19 response the equality impacts of budget decision have been considered in line with the Equality Act 2010. The budget decisions made throughout COVID-19 response have acted to support and safeguard residents, examples of this include increased spending on homelessness and rough sleeping provision and the provision of emergency food parcels across the borough.
- 10.17 Upcoming MTFS proposals for 2021-2022 will be screened for equalities impacts with accompanying Equality Impact Assessments (EQIA) undertaken where required.

11 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 (Revenue and Capital)
- Appendix 6 – Debt Write Off
- Appendix 7 – Covid-19 Related Grant Support

12 Local Government (Access to Information) Act 1985

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

PRIORITY	2020/21 Revised Budget	Q2 (P6) Outturn Forecast	Q2 (P6) Outturn Variance	Q1 (P3) Outturn Variance	Movement Q1 (P3) to Q2 (P6)
PEOPLE : CHILDREN'S	63,209,836	70,911,744	7,701,908	7,232,888	469,020
PEO_CY_CH.PR Childrens	50,782,732	58,038,634	7,255,902	6,818,355	437,547
PEO_CY_COM.PR Children's Commissioning	3,133,600	3,269,851	136,251	100,000	36,251
PEO_CY_PH.PR Children's Public Health	6,004,400	6,003,500	-900	-900	0
PEO_CY_SL.PR Schools & Learning	3,289,104	3,599,759	310,655	315,433	-4,778
PEOPLE : ADULTS	88,082,804	94,457,197	6,374,393	8,858,924	-2,484,531
PEO_AS_ASC.PR Adults Social Care	71,857,069	76,598,090	4,741,021	8,324,445	-3,583,424
PEO_AS_COM.PR Adults Commissioning	4,666,460	6,266,349	1,599,889	485,438	1,114,451
PEO_AS_PH.PR Adults Public Health	11,559,275	11,592,758	33,483	49,041	-15,558
PLACE	32,642,718	46,355,639	13,712,921	15,943,798	-2,230,877
PLA_COM.PR Environment & Neighbourhooc	25,314,221	38,021,291	12,707,070	15,838,922	-3,131,852
PLA_COMSIN.PR Culture and Libraries	5,573,497	5,679,348	105,851	104,876	975
PLA_CFO.PR Chief Finance Officer (Alexandri	1,755,000	2,655,000	900,000	0	900,000
ECONOMY	4,870,940	12,012,067	7,141,127	5,270,626	1,870,501
ECO_PRD.PR Housing Regeneration & Planni	181,295	179,945	-1,350	-1,350	0
ECO_HSEGWT.PR Housing	153,700	153,700	0	0	0
ECO_PLAN.PR Planning Building Standards	2,492,705	4,594,726	2,102,021	2,000,322	101,699
ECO_PCP.PR Property & Capital Projects	-1,864,650	2,875,806	4,740,456	3,271,654	1,468,802
ECO_REGEN.PR Regeneration & Economic	3,907,890	4,207,890	300,000	0	300,000
HOUSING	17,269,065	21,552,242	4,283,177	5,113,423	-830,246
AH03.PR Housing Demand	9,159,203	13,498,740	4,339,537	3,700,277	639,260
AH05.PR Housing Commissioned Services	-937,704	-5,277,241	-4,339,537	-525,277	-3,814,260
HOU_COMSIN.PR Commissioning	8,585,374	12,909,490	4,324,116	1,938,423	2,385,693
HOU_DEN.PR Environment & Neighbourhoc	462,192	421,253	-40,939	0	-40,939
YOUR COUNCIL	36,216,597	41,586,767	5,370,170	6,988,397	-1,618,227
COU_CFO.PR Chief Finance Officer	27,781,284	29,735,570	1,954,286	2,862,297	-908,011
COU_CG.PR Corporate Governance	2,819,320	2,987,920	168,600	349,000	-180,400
COU_CCS.PR Corporate & Customer Services	5,482,456	8,257,340	2,774,884	3,080,100	-305,216
COU_CE.PR Chief Executive	296,050	296,050	0	0	0
COU_SCO.PR Strategy & Communication	154,845	322,255	167,410	324,000	-156,590
COU_HR.PR Human Resources	-281,089	-281,089	0	0	0
COU_IT.PR IT Digital Services	191,343	244,280	52,937	319,000	-266,063
COU_TR.PR Transformation & Resources	591,348	639,875	48,527	54,000	-5,473
COU_SP.PR Strategic Procurement	-818,960	-615,434	203,526	0	203,526
PRIORITY TOTAL	242,291,960	286,875,656	44,583,696	49,408,056	-4,824,360

HRA BUDGET 2020/21	2020/21 Revised Budget	p.6 2020/21 Actual Spend	Q2 2020/21 Forecast	Q2 2020/21 Forecast Variance	Q1 2020/21 Forecast Variance	Forecast Variance Movement Q2 v Q1
	£000's	£000's	£000's	£000's	£000's	£000's
UE0721 Managed Services Income						
H39404 Service Charge Income - Hostels	-320	-156	-320	0	0	0
H39002 Rent - Hostels	-1,815	-912	-1,715	100	277	-177
H39001 Rent - Dwellings	-82,992	-40,178	-81,323	1,669	8,477	-6,808
H39101 Rent - Garages	-857	-392	-809	48	20	28
H39102 Rent - Commercial	-753	-558	-778	-25	0	-25
H39103 CBS - Lease Rental Income	0	1	-1,434	-1,434	0	-1,434
H39201 Income - Heating	-615	-303	-610	5	28	-23
H39202 Income - Light and Power	-1,064	-528	-1,068	-4	35	-39
H39301 Service Charge Income - Leasehold	-7,378	-7,404	-7,370	8	646	-638
H39401 ServChgInc SuppHousg	-1,495	-736	-1,495	0	55	-55
H39402 Service Charge Income - Concierge	-1,540	-765	-1,551	-11	34	-45
H39405 Grounds Maintenance	-2,514	-1,236	-2,501	13	101	-88
H39406 Caretaking	-1,856	-918	-1,857	-1	66	-67
H39407 Street Sweeping	-2,313	-1,144	-2,313	0	85	-85
H40102 Water Rates Receivable	-1	0	-1	0	0	0
UE0721 Managed Services Income TOTAL	(105,513)	(55,229)	(105,146)	367	9,824	(9,457)
	£000's	£000's	£000's	£000's	£000's	£000's
UE0722 Managed Services Expenditure						
H31300 Housing Management WG	23	35	48	25	25	0
H32300 Housing Management NT	28	27	38	10	2	8
H33300 Housing Management Hornsey	0	6	6	6	3	3
H33400 TA Hostels	251	170	376	125	125	0
H34000 ST Area Office Manager	10	11	14	5	0	5
H34100 Estate Services ST	0	0	0	0	0	0
H34300 Housing Management ST	0	0	0	0	-4	4
H35300 Housing Management BWF	12	1	4	-8	-10	2
H36300 Rent Accounts	0	2	0	0	0	0
H36400 Accountancy	0	4	0	0	0	0
H37210 Under Occupation	170	29	87	-83	-83	0
H40001 Repairs - Central Recharges	2	1	2	0	0	0
H40004 Responsive Repairs - Hostels	385	-2	669	284	284	0
H40101 Water Rates Payable	31	4	31	0	0	0
H40104 HousMgmtRechg Central	109	0	109	0	0	0
H40111 Other RentCollection	138	60	138	0	0	0
H40201 Management Special - BWF	0	0	0	0	0	0
H40202 Management Special - Nth Tott	0	0	0	0	0	0
H40203 Management Special - Sth Tott	0	0	0	0	0	0
H40204 Management Special - Wood Grn	0	0	0	0	0	0
H40205 Management Special - Hornsey	0	0	0	0	0	0
H40206 HousMgmtRechg Energ	1,123	511	1,123	0	0	0
H40208 Special Services Cleaning	3,173	1,346	3,302	129	200	-71
H40209 Special Services Ground Maint	2,065	62	2,065	0	0	0
H40212 HRA Pest Control	295	8	295	0	0	0
H40213 Estate Controlled Parking	145	11	83	-62	-22	-40
H40303 Supporting People Payments	1,852	505	1,000	-852	-852	0
H40401 Bad Debt Provision - Dwellings	768	0	4,431	3,663	2,140	1,523
H40404 Bad Debt Provision - Leaseholders	19	0	240	221	0	221
H40406 Bad Debt Provisions - Hostels	68	0	0	-68	0	-68
H40801 HRA- Council Tax	357	185	573	216	170	46
UE0722 Managed Services Expenditure TOTAL	11,023	2,975	14,633	3,610	1,978	1,632
	£000's	£000's	£000's	£000's	£000's	£000's
UE0731 Retained Services Expenditure						
H25600 Housing Delivery Team	0	590	0	0	0	0
H38002 Anti Social Behaviour Service	608	11	608	0	0	0
H39601 Interest Receivable	-302	0	-302	0	0	0
H40112 Corporate democratic Core	598	0	598	0	0	0
H40301 Leasehold Payments	-142	58	-142	0	0	0
H40305 Landlords Insurance - Tenanted	324	0	324	0	0	0
H40306 Landlords - NNDR	137	0	137	0	0	0
H40308 Landlords Insurance - Leasehold	1,561	1,435	1,561	0	0	0
H40501 Capital Financing Costs	16,412	0	16,412	0	0	0
H40601 Depreciation - Dwellings	20,097	0	20,097	0	0	0
H40805 ALMO HRA Management Fee	39,076	19,561	39,276	200	0	200
H49000 Housing Revenue Account	11,596	0	11,596	0	-2,186	2,186
H60002 GF to HRA Recharges	3,233	1,879	3,233	0	0	0
H60003 Estate Renewal	0	109	0	0	0	0
H60004 HIERS/ Regeneration Team	1,002	0	1,002	0	0	0
H88888 Housing HRA	0	0	0	0	0	0
S14400 Supported Housing Central	289	69	289	0	0	0
UE0731 Retained Services Expenditure TOTAL	94,490	23,712	94,690	200	-2,186	2,386
Balance of HRA Account	0	-28,542	4,177	4,177	9,616	(5,439)

Appendix 3

MTFS Savings Tracker (2020/21 - 2024/25)

Priority: People (Childrens)

Period: Quarter 2 Period 6

						Red
						Amber
						Green
MTFS Saving s Ref	Saving proposal	Description	2020/21 £'000s	2020/21 Projected Full Year Savings £'000s	2020/21 Savings (surplus)/ shortfall £'000s	RAG Status (Delivery of 2020/21 Saving)
People (Childrens)						
PC1	Reduce the number of agency staff	Reduce the the number of agency staff through delivering an effective recruitment and retention strategy.	61	157	(96)	Green
PC4	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	250	0	250	Red
PC3	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	90	90	0	amber
20/25-PE03	Invest to Save - Edge of Care	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	857	142	715	red
20/25-PE04	Invest to Save proposal - In-House Fostering	Recruit and retain in-house foster carers and reduce the reliance on more expensive independent fostering agency foster carers.	282	322	(40)	amber
20/25-PE05	Invest to Save - SEND Transport	Transform the SEND transport service with a focus on reducing transport costs through increasing competition.	168	(46)	214	red
20/25-PE06	Invest to Save - Pause Project	Implement the national programme which is voluntary for women who have experienced, or are at risk of, repeat removals of children from their care.	(186)	(322)	136	amber
20/25-PE07	Invest to Save - Family Assessment Centre	Aims to bring in-house the parenting assessments where children are subject to Public Law Outline or are in care proceedings – currently these are commissioned through independent social workers and mother and baby assessment residential units.	321	399	(78)	Green
20/25-PE08	Invest to Save - Foster Carer Room Extension	Aims to increase fostering placement capacity through the funding of housing adaptations for existing in-house foster carers who have homes with Homes for Haringey.	193	0	193	amber
20/25-PE09	0-19 year old public health commissioned services - a new integrated commissioned service delivery model	Public Health is working with the commissioned service provider to change the current service provision of three separate services into one integrated service model. Currently three commissioned services are within the Council's Section 75 Agreement with the CCG. These are the Health Visiting Service (including the HENRY programme), the School Nursing Service and the Family Nurse Partnership programme. All services are provided by Whittington Health NHS Trust.	125	125	0	green
20/25-PE10	Reducing placement costs through effective management of the market	This proposal considers ways to shape the local residential care market for children by taking demand off the free market and creating some diversity in the care market. This will be done through reviewing the feasibility of a number of delivery approaches including opening	(100)	(100)	0	green
20/25-PE11	UASC Accommodation	Insourcing accommodation for unaccompanied asylum seekers from expensive private providers to local properties leased directly by Homes for Haringey.	150	6	144	amber
20/25-PE12	Reduce operational costs in Schools and Learning and Commissioning	Identify any residual discretionary spend in Schools and Learning and reduce to deliver savings. Identify and reduce operational costs in Commissioning.	50	50	0	green
20/25-PE13	Review of spend on transport and taxis	Review of existing transport policy applicable to staff and foster carers to ensure: -Consistent application of policy -Clear statement of eligibility -Improved value for money by considering both transport chosen and cost of time spent travelling by individual staff members	0	0	0	green
Total: People (Childrens)			2,261	823	1,438	

MTFS Savings Tracker (2020/21 - 2023/24)							
Adults		Month 6 - Quarter 2					
MTFS Savings Ref	Saving proposal	Description	2020/21 Target £'000s	2020/21 Saving achieved £'000s	2020/21 Variance £'000s	2020/21 Slippage £'000s	RAG Status (Delivery of 2020/21 Saving)
B2.7	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.	1,490	358	297	835	Amber
B2.8	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.	550	72	253	225	Red
B2.9	Adults OP / PS / SS	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.	1,130	659	471	0	Green
PA4	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 (Ermine Road).	525	19	81	425	Amber
PA5	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.	344	0	144	200	Red
	Osbourne Grove	Closure of existing 30-bed nursing home. Re-development for 70-bed nursing home scheduled to open 2023-24.	1,034	1,034	0	0	Green
		Main Savings	5,073	2,142	1,246	1,685	
	Early Help and Prevention	Draft pro forma received. A final version required mid Sept	188	0	46	142	Red
	Carers Support Impact	Early identification of carers, invest in carer support and avoid breakdown of care	36	0	36	0	Green
	Early Intervention for Dementia	Outreach and extension of dementia testing and identifying early support: increased quality of life and avoiding crisis and more intensive care packages	97	0	97	0	Green
	Increase % of DPs - to 42%	The cost of Direct Payment is approx. £5p/h cheaper than direct provision. By offering more clients direct payments in total cost will be reduced	400	0	214	186	Red
	Outcomes and reablement	By targeting reablement to additional cohorts the outcomes would be improved and as a consequence reduced home care hours would be needed	175	0	175	0	Green
Total: People (Adults)		Savings with Mitigations	5,969	2,142	1,814	2,013	

MTFS Savings Tracker (2020/21 - 2024/25)								
Priority: Housing								Red
Period: Quarter 2 Period 6								Amber
								Green
MTFS Savings Ref	Cabinet Decision Date	Saving proposal	Description	2020/21 £'000s	2020/21 Saving achieved YTD £'000s	2020/21 Projected Full Year Savings £'000s	2020/21 Savings (surplus)/ shortfall £'000s	RAG Status (Delivery of 2020/21 Saving)
Housing								
PL1	43508	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.	400	0	232	168	Amber
HO1	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	708	382	0	326	Amber
20/25-HO01	11-Feb-20	Transferring PSLs to the CBS	Private Sector Leasing properties are leased by the Council from private landlords for between one and five years with a guaranteed rent for the term of the lease. Leases are mainly based on 90% of the 2011 LHA plus a £40 a week management fee (the latter being a transfer from FHSG). The CBS has been established to lease properties purchased by the Council to use them as TA or to discharge homelessness. Unlike the Council, the CBS can charge the current (2019) Local Housing Allowance (LHA) for the area the property is located in. Therefore moving these leases could mean total additional rental income of £1.19m if all leases were transferred. This would require in each	68	0	36	32	Amber
Total: Housing				1,176	382	268	526	

MTFS Savings Tracker (2020/21 - 2024/25)								
Priority: Place								Red
Period: Quarter 2 Period 6								Amber
								Green
MTFS Savings Ref	Cabinet Decision Date	Saving proposal	Description	2020/21 £'000s	2020/21 Saving achieved YTD £'000s	2020/21 Projected Full Year Savings £'000s	2020/21 Savings (surplus)/shortfall £'000s	RAG Status (Delivery of 2020/21 Saving)
Place								
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	40	10	30	0	Green
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.	100	0	35	65	Red
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	0	25	0	Amber
PL12	12-Feb-19	Waste Service Programme	Review of all waste and street cleansing services to identify potential savings	500	0	344	156	Red
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	500	0	125	375	Red
20/25-PL02	11-Feb-20	Debt Recovery	Dedicated team of officers to proactively chase payment of outstanding debts from unpaid PCN's. Use of new IT system, additional CEO's and nuisance vehicle contract to remove offending vehicles and encourage payment of outstanding debt and improve overall recovery rate percentage. PL09 is an invest to save proposal, there is a required £150k Service Revenue investment to generate £360k income, with a net savings of £210k	210	0	58	152	Red
20/25-PL03	11-Feb-20	CCTV enforcement of weight limits and emissions through ANPR/DVLA check	Use of new technology cameras to record vehicle reg plates and immediately look up DVLA database to establish vehicle weight and emissions. Will require significant investment in infrastructure and back office arrangements.	62	7	6	49	Red
20/25-PL04	11-Feb-20	Increase permit charges for highest emitting 'petrol' vehicles	A flat fee increase in Permit charge for the most polluting petrol emission band(s). Note a flat fee increase for diesel vehicles is already under consideration within Parking Action Plan and Parking Transformation. The new IT system would allow us to implement more dynamic permit and on street charges. The IT system will also allow us to determine the number of vehicles in each of the emissions band, so we will have accurate data to base decisions	75	0	75	0	Green
PL05	11-Feb-20	Increased trade waste	Invest to save model by increasing enforcement of trade waste to drive up compliance and income. Ensure time banding is adhered to and traders do not use residential collection services for their waste. Offending traders to be visited by Veolia-Haringey sales team. A three-month trial is recommended to quantify the overall benefits of this project to LBH. Traders who appear to be without contracts and traders who appear to have insufficient capacity will be visited.	25	0	0	25	Red
20/25-PL10	11-Feb-20	Crematorium Lease	The council's Parks Service manages the lease on the borough's crematorium operated by Dignity. There is a contractual inflation rise each year in the income on this lease, plus a general increased share of their profits.	20	0	20	0	Green
20/25-PL13	11-Feb-20	EV Charging	Lamp Column, Standard and Rapid - will increase this year. Income is based on medium or high uptake of EV charging. 38 CP' have been installed and work is progressing on Phase 2. Work is also continuing on TfL funded (rapid) charging Points and GULC's funded charging points. However, progress for all EVCPs has stalled because of change in design specification (as per ULEV action plan) to prioritise installation on carriageway and not footways. Suppliers are resistant as this adds c£2000k to costs for a build-out. Carbon Management negotiating with suppliers to fund build-outs.	100	0	50	50	Red
20/25-PL14	11-Feb-20	Parking Transformation Programme	The Parking Transformation Programme (PTP) is a series of parking related projects and workstreams, which seeks to increase income and provide a more efficient and effective service.	1,360	0	680	680	Red
20/25-YC09	11-Feb-20	Maximising filming income & venue management	To make Haringey more attractive to film companies by identifying vacant buildings for meanwhile use as production bases, and by making parking easier in order to generate income	6	0	0	6	Red
Total: Place				3,023	17	1,448	1,558	0

MTFS Savings Tracker (2020/21 - 2024/25)
Priority: Economy
Period: Quarter 2 Period 6

									Red
									Amber
									Green
MTFS Savings Ref	Cabinet Decision Date	Saving proposal	Description	2020/21 £'000s	2020/21 Saving achieved YTD £'000s	2020/21 Projected Full Year Savings £'000s	2020/21 Savings (surplus)/shortfall £'000s	RAG Status (Delivery of 2020/21 Saving)	
Economy									
20/25-EC03	11-Feb-20	Alternative funding model for sites delivery work	Regeneration officers are engaged in a significant amount of work on the delivery of sites which will result in new housing (including affordable housing). This proposal is to review that activity and identify where general fund revenue could be displaced by either S106 funding or new capital budgets.	100	50	30	20	Amber	
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 2020/21 would be at least £100k, and increasing significantly over future years.	15	0	0	15	Red	
20/25-EC02	11-Feb-20	Reduction of North Tottenham Regeneration revenue budgets	The proposal is to reduce general fund revenue costs in North Tottenham budgets (Northumberland Park and High Road West) by reducing expenditure on e.g. some community engagement activities and events.	75	15	40	20	Amber	
20/25-EC01	11-Feb-20	Head Lease Acquisition Programme	The proposal is to allocate capital budget to enable the acquisition by the Council of as many head-leases as possible on sites where the Council already owns the freehold, in order for the Council to stop paying rent to these landlords and to receive all of the passing rent from those properties which are tenanted by commercial or other tenants.	100	0	50	50	Red	
20/25-EC04	11-Feb-20	Use of Strategic Acquisitions budget for sites delivery work	The Regeneration service has submitted a bid for new capital funding for Employment-Led sites delivery. This proposal would seek to offset the impact of these costs on revenue budgets. The proposal is to identify costs within the service that are eligible for this funding, and to apply LBH Capital to offset LBH revenue spend. Achieving these savings will require a corresponding capital allocation.	75	30	0	45	Amber	
20/25-EC05	11-Feb-20	Increased capitalisation of staff time and project costs	As of 19/20, the Regeneration service has rapidly increased its capitalisation of costs, which is now high in all Area Regeneration budgets. The proposal is to capitalise further, using an increased capital budget for Tottenham Hale. A bid to increase the existing Streets & Spaces and Green & Open Spaces capital lines (Schemes 401 and 402) has been submitted, on the grounds of construction inflation and increased capitalisation requirements.	75	30	30	15	Amber	
20/25-EC06	11-Feb-20	Increased recharge to HRA	The service is now engaged in a significant amount of work on estates and on the delivery of new affordable housing, which would be eligible for HRA spend. The proposal is to increase the amount of revenue funding provided from the HRA each year. A review of the HRA budget is underway, and it is proposed that this work accommodates an increased recharge from Regeneration on a yearly basis, reflecting new workstreams on estates and towards the delivery of affordable housing.	100	60	0	40	Amber	
20/25-EC07	11-Feb-20	HRP Senior Restructure	In June 2019, the S&R committee approved the senior management restructure within Housing, Regeneration & Planning. With a number of changes taking place within the Directorate, the restructure was an opportunity to streamline the structure, align responsibilities to achieve maximum efficiency and eliminate duplication while recognising the need to build a confident and stable approach to Housing, Regeneration and Planning.	30	30	0	0	Green	
20/25-EC08	11-Feb-20	Strategic Property Unit – New Income Outdoor Media	This proposal comprises an opportunity to achieve new income potential by securing rental payments from outdoor media companies. This includes digital billboards and an innovative building wrap with a digital display for advertising purposes and council messages.	100	50	0	50	Amber	
20/25-EC09	11-Feb-20	Strategic Property Unit – New Income Rent Reviews	The saving arises from rent reviews that have been identified as overdue. Two agency employees have achieved the target savings in the years 2018/2020 to date and further savings have been identified and agreed with tenants as rent increases.	100	0	0	100	Amber	
20/25-EC10	11-Feb-20	Strategic Property Unit – New Income 5g	This proposal comprises an opportunity to achieve new income potential by securing rental payments from Mobile Operators and Infrastructure providers.	20	0	0	20	Red	
20/25-HO02	11-Feb-20	HfH and Council Housing Programme-funding for Carbon Management team time	The Carbon Management Team undertakes a significant amount of work for Homes for Haringey and the Council housing delivery team. This proposal would make provision for the Carbon Management Team to recharge the Housing Revenue Account for this work. This work is undertaken by staff funded through general fund revenue budgets, and as such an equivalent saving can be made to the general fund revenue budget through recharge from the HRA.	40	0	40	0	Green	
20/25-PL08	11-Feb-20	FM Transformation	Terminating the Amey contract for FM Services and bringing Soft FM back in-house, and transferring Hard FM to Homes for Haringey. Approximately 100 staff will be in scope for a TUPE transfer. The proposed saving will be achieved through improved efficiency and returning Amey overhead and profit to the council. The transformation will include purchase of a new Property IT system, and service improvements particularly relating to building repairs and maintenance.	150	0	0	150	Red	
Total: Economy				980	265	190	525	0	

MTFS Savings Tracker (2020/21 - 2024/25)

Priority: Your Council

Period: Quarter 2 Period 6

								Red
								Amber
								Green
MTFS Savings Ref	Cabinet Decision Date	Saving proposal	Description	2020/21 £'000s	2020/21 Saving achieved YTD £'000s	2020/21 Projected Full Year Savings £'000s	2020/21 Savings (surplus)/shortfall £'000s	RAG Status (Delivery of 2020/21 Saving)
Your Council (incl Council-Wide)								
A6.3 and A6.4	13-Feb-18	FOBO - SSC and Customer Services	A series of individual service improvement / efficiency opportunities within the SSC.	1,760	738	0	1,022	Amber
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.	5	0	0	5	Amber
20/25-YC01	11-Feb-20	The service will continue to reduce the amount of paper being used, stored and transported and this has lead to financial savings.	The service will continue to reduce the amount of paper being used, stored and transported and this has lead to financial savings.	13	13	0	0	Green
20/25-YC02	11-Feb-20	Income from joining the London Counter Fraud Hub	The London Counter Fraud Hub, managed by CIPFA, is a counter fraud service developed to supply data analytics, investigations and recoveries service for London local authorities and the City of London Corporation. Unlike traditional data matching hubs, this project is an end-to-end service providing expert advice and operational support around sophisticated analytics. The overarching objective for the service is to increase fraud and corruption detection, and improve fraud prevention, share common risks across London, minimise losses and maximise recovery, so that fraud and corruption does not pay. Three data sources (Council Tax - Single Person Discount, Housing Tenancy and Non Domestic Rate records) are entered into the analytics part of the Hub through a secure transfer. Using sophisticated technology, the Hub will analyse the data to identify frauds against the 32 London local authorities and the City of London Corporation.	25	25	0	0	Green
20/25-YC03	11-Feb-20	The proposal is to increase the income target of providing legal services to Haringey Clinical Commissioning Group (CCG) by £30K.	The proposal is to increase the income target of providing legal services to Haringey Clinical Commissioning Group (CCG) by £30K. In December 2017, the Council's Legal Services entered into a Service Legal Agreement (SLA) with Haringey CCG to provide legal support with the CCG cases within the Haringey Learning Disability Partnership. These are cases relating to incapacitated patient that requires an application to the Court of Protection to safeguard their welfare. They include cases in the Transforming Care Programme.. Since the SLA, Haringey CCG has been referring cases to Legal Services and the feedback of the support has been positive. The arrangement has enabled the CCG to access the Council's in-house legal expertise which is more cost effective. The support and encouragement of Adult Social Care, Children Services, Commissioning and Public Health for the CCG to utilise our in-house provision is crucial. The proposal compliments the Borough Plan - Priority 2 - People The proposal is dependent on a slight increase in the level of new instructions from CCG to Legal Services.	30	30	0	0	Green
20/25-YC04	11-Feb-20	Finance Savings	The proposal seeks to make efficiency savings across the Finance function from a combination of: * Increased income - from providing services to external bodies and further revisions to recharging to non-GF heads * Reductions to the staff establishment enabled by the embedding of the Business Partner model * Longer term staff savings arising from the planned update or replacement of the Council's current finance system. These savings are not expected to be realised until 2022/23	340	340	0	0	Green
20/25-YC08	11-Feb-20	The proposal is to use Flexible Capital Receipts to fund ALL posts in the CPMO.	The proposal is to use Flexible Capital Receipts to fund some posts in the CPMO. The justification is that, while it is difficult to estimate the proportion of time that each 'delivery' staff member will spend on individual projects in a year, most will by definition be working on change projects for the majority of their time.	92	0	47	45	Amber
20/25-YC10	11-Feb-20	Additional sites for on street digital advertising	The proposal is to generate an income from the advertising opportunities in the borough. While we have recently awarded contract for our digital on street advertising, we are now looking at other forms of advertising, which are sympathetic to the surroundings and maximise the councils commercial returns. This is in the form of street advertising, out of home advertising, and libraries/customer services advertising.	110	0	0	110	Red
20/25-YC11	11-Feb-20	Review of Corporate Centre	We are looking at ways to reconfigure the corporate centre in the light of the LGA Corporate Peer Review recommendations as set out in their final report published in February 2019. One aspect of this is the recommendation to bring together the teams with skills in policy and strategy, data analysis, and problem solving, which, the LGA peers argued, would in itself help to provide better support to the organisation. There are currently 5 senior posts leading these teams: Head of Policy and Cabinet Support at Head of Service level, and leads at PO7 and above in Policy, the Leader's office, the Corporate Delivery Unit (CDU), and Performance and Business Intelligence. The proposal is to reduce the number of senior posts to 4.	214	157	30	27	Amber
20/25-YC12	11-Feb-20	Digital Services - Proposed Contribution	The proposal is for the Capitalisation of infrastructure staff who support the delivery of programmes/projects. This will either be via Capital receipts used to pay for staff who work on transformative initiatives or Capital funds where staff produce a tangible asset in relation to the work undertaken.	345	345	0	0	Green
Total: Your Council				2,934	1,648	77	1,209	

Appendix 4 Capital Programme Detail

SCHEME REF.	SCHEME NAME	20/21 Full year Revised Budget	2020/21 QTR. 2 Forecast	Budget Variance (Underspend) / Overspend	2020/21 QTR. 1 Forecast	Variance Btw. Forecasts
		£,000	£,000	£,000	£,000	£,000
101	Primary Sch - repairs & maintenance	8,700	8,700	0	6,600	2,100
102	Primary Sch - mod & enhance (Inc SEN)	12,402	8,386	(4,016)	8,885	(499)
103	Primary Sch - new places	379	1,144	765	2,173	(1,029)
104	Early years	205	0	(205)	0	0
109	Youth Services	650	0	(650)	0	0
110	Devolved Sch Capital	531	531	0	531	0
114	Secondary Sch - mod & enhance (Inc SEN)	7,650	6,703	(947)	5,345	1,359
117	Children Safeguarding & Social Care	495	0	(495)	0	0
199	P1 Other (inc Con't & Social care)	223	615	392	466	149
People - Children's		31,235	26,079	(5,156)	23,999	2,080
201	Aids, Adap's & Assistive Tech - Home Owners (DFG)	2,361	2,361	(0)	2,361	(0)
207	New Day Opp's Offer	547	123	(424)	547	(425)
208	Supported Living Schemes	4,059	0	(4,059)	0	0
209	Assistive Technology	1,508	820	(688)	938	(117)
211	Community Alarm Service	177	180	3	177	3
212	Linden House Adaptation	581	581	(0)	533	48
213	Canning Crescent Assisted Living	4,830	(112)	(4,942)	(112)	0
214	Osborne Grove Nursing Home	3,000	11	(2,989)	11	0
217	Burgoyne Road (Refuge Adaptations)	500	0	(500)	0	0
218	Social Emotional & Mental Health Provision	300	0	(300)	0	0
People - Adults		17,863	3,963	(13,900)	4,454	(491)
301	Street Lighting	1,300	1,300	0	1,050	250
302	Borough Roads	4,463	4,463	0	3,873	591
303	Structures (Highways)	1,490	1,490	0	1,490	1
304	Flood Water Management	620	620	0	520	100
305	Borough Parking Plan	624	260	(364)	383	(123)
307	CCTV	2,211	1,967	(244)	2,175	(209)
309	Local Implementation Plan(LIP)	1,744	1,127	(617)	1,744	(617)
310	Developer S106 / S278	750	209	(541)	750	(541)
311	Parks Asset Management:	247	309	62	309	0
313	Active Life in Parks:	982	485	(496)	485	0
314	Parkland Walk Bridges	2,620	900	(1,720)	900	0
317	Down Lane MUGA	413	413	(0)	413	0
321	MOPAC - Crime & Disorder Reduction	49	(38)	(87)	(38)	0
322	Finsbury Park	600	141	(459)	141	0
323	Parking Strategy	1,158	663	(495)	880	(217)
325	Parks Vehicles	720	0	(720)	0	0
328	Street & Greenspace Greening Programme	293	293	0	293	0
329	Park Building Carbon Reduction and Improvement Programme	350	250	(100)	250	0
331	Updating the boroughs street lighting with energy efficient Led light bulbs	3,500	3,500	0	3,500	0
332	Disabled Bay/Blue Badge	374	100	(274)	187	(87)
333	Waste Management	70	70	0	70	0
335	Streetsplan	270	270	0	0	270
419	NPD Phase 2 LBH Match Funding	3	(2)	(5)	(0)	(2)
399	P3 Other	110	(120)	(230)	110	(229)
119	School Streets	600	0	(600)	0	0
444	Marsh Lane	10,310	7,316	(2,994)	7,317	(0)
447	Alexandra Palace - Maintenance	470	470	0	125	345
451	Alexandra Palace -West Yard	1,430	1,930	500	1,430	500
472	JLAC Match Fund	1,000	0	(1,000)	0	0
606	Hornsey Library Refurbishment	2,216	2,512	296	2,512	(0)
621	Libraries IT and Buildings upgrade	2,751	1,498	(1,253)	1,499	(0)
652	Libraries - Re-imaging our Libraries offer for a better future	650	0	(650)	0	0
Place - Safe & Sustainable Places		44,388	32,398	(11,990)	32,366	32

SCHEME REF.	SCHEME NAME	20/21 Full year Revised Budget	2020/21 QTR. 2 Forecast	Budget Variance (Underspend) / Overspend	2020/21 QTR. 1 Forecast	Variance Btw. Forecasts
		£,000	£,000	£,000	£,000	£,000
401	Tottenham Hale Green Space	1,002	1,002	0	1,292	(290)
402	Tottenham Hale Streets	4,721	3,662	(1,059)	5,967	(2,306)
4003	Tottenham Hale Housing Zone Funding	2,332	1,332	(1,000)	2,332	(1,000)
404	Good Economy Recovery plan	250	250	0	0	250
405	Pendarren House	1,972	611	(1,361)	1,972	(1,361)
406	Opportunity Investment Fund	926	928	2	928	(0)
411	Tottenham Heritage Action Zone (HAZ)	314	484	170	88	396
415	North Tott Heritage Initiative	653	248	(405)	432	(184)
418	Heritage building improvements	2,500	2,500	(0)	2,500	0
421	HRW Acquisition	20,290	10,299	(9,991)	20,290	(9,991)
427	White Hart Lane Public Realm (LIP)	24	0	(24)	24	(24)
429	Site Acq (Tott & Wood Green)	50,267	11,244	(39,023)	47	11,196
430	Wards Corner CPO	0	0	0	6,500	(6,500)
434	Wood Green Regeneration	113	113	0	113	(0)
435	Wood Green Station Road	0	0	0	650	(650)
438	Vacant possession Civic Centre (Woodside House Refurbishment)	169	169	(0)	169	0
450	Winkfield Road (Maya Angelou Centre)	61	53	(8)	62	(9)
452	Low Carbon Zones	109	5	(104)	3	2
464	Bruce Castle	1,557	0	(1,557)	0	0
465	District Energy Network (DEN)	1,480	242	(1,238)	242	0
468	Keston Road (Community Centre Reprovision)	75	75	0	75	0
471	Tailoring Academy Project	20	20	0	20	0
473	Enterprising Tottenham High Road (ETHR)	500	401	(99)	51	351
474	Tottenham High Road Strategy	500	500	0	530	(30)
475	Heart of Tottenham (HOT)	160	814	654	167	647
478	Wood Green Good Growth Fund	121	220	99	121	98
479	54 Muswell Hill Health Centre	1,040	0	(1,040)	0	0
480	Wood Green Regen (2)	4,880	4,880	0	4,880	0
481	Strategic Investment Pot	850	852	2	852	0
482	Strategic Property	3,929	0	(3,929)	0	0
483	Production Valley Fund (SIP)	711	475	(236)	709	(234)
488	Liveable Seven Sisters (LSS)	477	30	(447)	460	(430)
493	Bruce Grove Yards (BGY)	30	0	(30)	30	(30)
4001	Maintenance of Tottenham Green Workshops	700	0	(700)	0	0
4002	Northumberland Park estate area public realm	500	500	0	0	500
4005	SME Workspace Intensification	320	320	0	320	0
4006	Acquisition of head leases	10,000	5,000	(5,000)	0	5,000
4007	Tottenham Hale Decentralised Energy Network (DEN)	0	0	0	913	(913)
4008	Wood Green Decentralised Energy Network (DEN)	0	0	0	330	(330)
4009	Additional Carbon Reduction Project	1,500	0	(1,500)	0	0
4010	Selby Urban Village Project	684	684	0	136	548
4011	Commercial Property Remediation	500	0	(500)	0	0
4993	Pride in the High Road (PITHR)	300	300	0	300	0
Economy - Growth & Employment		116,536	48,212	(68,324)	53,505	(5,293)

SCHEME REF.	SCHEME NAME	20/21 Full year Revised Budget	2020/21 QTR. 2 Forecast	Budget Variance (Underspend) / Overspend	2020/21 QTR. 1 Forecast	Variance Btw. Forecasts
		£,000	£,000	£,000	£,000	£,000
509		2,050	0	(2,050)	0	0
512		5,000	0	(5,000)	0	0
513		678	0	(678)	0	0
514		2,970	0	(2,970)	0	0
Housing (GF) Homes & Communities		10,698	0	(10,698)	0	0
601	Business Imp Programme	122	60	(62)	45	15
602	Corporate IT Board	3,015	1,849	(1,166)	1,546	303
603	ICT Shared Service - Set Up / Seed Money	1,434	200	(1,234)	500	(300)
604	Continuous Improvement	2,676	654	(2,022)	1,018	(364)
605	Customer Services (Digital Transformation)	561	83	(478)	560	(477)
607	Financial Management System Replacement	1,100	1,600	500	0	1,600
622	Customer First	1,601	2,218	617	2,053	165
639	Ways of Working	330	0	(330)	260	(260)
640	Accommodation Move	92	12	(80)	(3)	16
650	Connected Communities	700	702	2	705	(3)
653	Capital Support for IT Projects	850	400	(450)	0	400
698	Responsiveness Fund	2,000	0	(2,000)	0	0
654	Covid 19 Contingency Budget	5,000	0	(5,000)	0	0
316	Asset Management of Council Buildings	7,571	7,571	0	7,570	2
330	Civic Centre Works	2,750	1,000	(1,750)	1,000	0
470	Wood Green HQ, Library & Customer Service Centre	3,107	1,519	(1,588)	1,519	0
699	P6 - Approved Capital Programme Contingency	1,516	1,516	0	1,808	(292)
Your Council		34,425	19,386	(15,039)	18,581	805
TOTAL GF CAPITAL PROGRAMME		255,145	130,038	(125,107)	132,906	(2,868)
Housing (HRA) Housing Revenue Account						
202	HRA - P2 Aids, Adap's & Assist Tech -Council	1,943	1,943	(0)	1,943	(0)
550	New Homes Acquisition	89,354	19,274	(70,080)	53,165	(33,891)
551	Existing Home Acquisitions - TA	41,001	15,055	(25,946)	14,694	361
552	HRA – P5 Carbon Reduction	1,000	250	(750)	1,000	(750)
553	HRA – P5 Fire Safety	17,513	3,867	(13,646)	9,000	(5,133)
554	Broadwater Farm Project	17,900	8,951	(8,949)	0	8,951
590	HRA - P5 Homes for Haringey (HFH)	72,802	29,332	(43,470)	34,510	(5,177)
594	HRA - P5 New Build	0	65	65	0	65
599	New Homes Build Programme	45,623	9,422	(36,201)	4,248	5,174
TOTAL HRA CAPITAL PROGRAMME		287,136	88,160	(198,976)	118,560	(30,400)
OVERALL CAPITAL PROGRAMME		542,281	218,198	(324,083)	251,466	(33,267)

Virements for Cabinet Approval

Appendix 5

Transfers from Reserves - for noting

Period	Priority	Service/AD Area	Rev/ Cap	In year	Next year	Reason for budget changes	Description
6	People	Adults	Revenue	740,048		Budget Funding Allocation	Drawdown from Transformation Reserve to fund the Adult and Social Care transformation programme

Virements for Approval (2020/21)

Period	Priority	Service/AD Area	Rev/ Cap	In year	Next year	Reason for budget changes	Description
5	People	Childrens	Revenue	2,841,151	2,696,251	Budget Realignment	Realignment of Early Help budgets to address service needs
6	Economy	Planning, Building Standards & Sustainability	Revenue	510,000	510,000	Budget Realignment	Re-alignment of Development Control budget to reflect actual performance
6	People	Adults	Revenue	819,200	819,200	Budget Realignment	Realignment of Osborne Grove Nursing Home income and expenditure budgets to reflect its closure
6	People	Childrens	Revenue	1,242,300	1,242,300	Budget Realignment	Realignment of Early Years budgets to better reflect DSG contribution for reporting purposes
6	People	Schools and Learning	Revenue	298,870	298,870	Budget Realignment	Realignment of Quality and Improvement budget to address service needs
6	All	Council-wide	Revenue	2,700,000	2,700,000	Budget Realignment	Allocation of budgeted pay inflation for 2020-21
7	Your Council	Dedicated Schools Grant (DSG)	Revenue	2,399,782		Budget Adjustment	Adjustment to DSG blocks to reflect July funding allocations
7	Place	Environment and Neighbourhood	Revenue	291,500	291,500	Budget Realignment	Re-alignment of Parks Events and Parking Income budgets to reflect prior year's outturn
7	Place	Environment and Neighbourhood	Revenue	1,081,100	1,081,100	Budget Realignment	Realignment of Fixed Penalty Notice and HMO Income budgets to better serve reporting needs
8	Place	Environment and Neighbourhood	Revenue	2,476,000	2,476,000	Budget Realignment	Realignment of Soft Facilities Management Budget from Economy to Place

Total 2020/21

15,399,952	12,115,221
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Proposed Capital Virements for Quarter Two

Priority	Scheme Number	Scheme Description	Budget Adjustment (£)	Scheme Description
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People - Adults	208	Supported Living Schemes	(48,000)	Budget realignment
People - Adults	212	Linden House Adaptation	48,000	Budget realignment
			<u>0</u>	

Place	301	Street Lighting	250,000	Budget realignment
Place	303	Structures(Highways)	(250,000)	Budget realignment
Place	302	Borough Roads	590,000	Budget realignment
Place	303	Structures(Highways)	(590,000)	Budget realignment
Place	304	Flood Water Management	100,000	Budget realignment
Place	303	Structures(Highways)	(100,000)	Budget realignment
Place	606	Hornsey Library Refurbishment	50,000	Budget transfer from Capital Contingency
Place	335	StreetsPlan	270,000	Budget transfer from Capital Contingency
			<u>320,000</u>	

Economy	465	District Energy Network (DEN)	(228,000)	Budget transfer to Capital Contingency
Economy	402	Tottenham Hale Green Space	(700,000)	Budget reprofiled
Economy	401	Tottenham Hale Green Space	(7,658,000)	Budget reprofiled
Economy	402	Tottenham Hale Streets	(15,132,000)	Budget reprofiled
Economy	4003	The Tottenham Hale DCF schemes	332,000	Budget reprofiled
Economy	474	Tottenham High Road Strategy	(4,830,000)	Budget reprofiled
Economy	481	Strategic Investment Pot	(1,500,000)	Budget reprofiled
Economy	411	THRS - Tottenham High Road & Bruce Grove Station Forecourt	260,000	Budget reprofiled
Economy	473	THRS - ETHR Bruce Grove Public Convenience Scheme	(25,000)	Budget reprofiled
Economy	484	THRS - ETHR 551B & Morrison Yard	(136,000)	Budget reprofiled
Economy	485	THRS - ETHR The Trampery	(46,000)	Budget reprofiled
Economy	486	THRS - ETHR PitHR	(50,000)	Budget reprofiled
Economy	487	THRS - Enterprising Tottenham High Road (ETHR) (PM Cost)	10,000	Budget reprofiled
Economy	4992	THRS - (HOT) PM & Monitoring	(25,000)	Budget reprofiled
Economy	4993	THRS - Pride in the High Road (PITHR) Place Shaping	300,000	Budget reprofiled
Economy	404	Good Economy Recovery plan	250,000	Budget transfer from Capital Contingency
Economy	430	Wards Corner CPO	(6,500,000)	Budget reprofiled
			<u>(35,678,000)</u>	

Your Council	602	Corporate IT Board	(250,000)	Budget realignment
Your Council	603	ICT Shared Service - Set Up / Seed Money	(250,000)	Budget realignment
Your Council	604	Continuous Improvement	(250,000)	Budget realignment
Your Council	607	Financial Management System Replacement	750,000	Budget realignment
Your Council	699	Capital Contingency Budget	228,000	Budget transfer from District Energy Network (DEN) budget
Your Council	699	Capital Contingency Budget	(250,000)	Budget transfer to Good Economy Recovery plan
Your Council	699	Capital Contingency Budget	(50,000)	Budget transfer to Hornsey Library
Your Council	699	Capital Contingency Budget	(270,000)	Budget transfer to Streetsplan
			<u>(342,000)</u>	

OVERALL TOTAL = (35,700,000)

Appendix 6 – Debt Write Offs

Write off Summary Report Quarter 2

All Council debt is considered recoverable; 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.

Council Debt is written off in line with the instructions set out within the Financial Regulations, following Court instruction or in accordance with the Limitations Act 1980.

The quarterly summarised report is for information purposes only, the debts that have been written off for the Financial Period 1st July 2020 – 30th September 2020 relates to delinquent accounts, where all forms of recovery action have now been fully exhausted. The charges approved for write off by the Director of Finance under his delegated authority have been adequately provided for in the Council's Bad Debt Provision.

Quarter 2 Write Off, Financial Period 1 July - 30th September 2020									
Service	Council Tax	NNDR	HBOP	HRA Rent	Leaseholder	Commercial Rent	Sundry Debt	Parking	Total
Under £25k	£62,452.69	£18,360.81	£277,208.38			£4,173.65	£34,940.82		£397,136.35
Volume	100	7	116			7	28		258
Over £25k							£35,179.98		£35,179.98
Volume							1		1
Total Value	£62,452.69	£18,360.81	£277,208.38	£0.00	£0.00	£4,173.65	£70,120.80	£0.00	£432,316.33
Total Volume	100	7	116	0	0	7	29	0	259

Quarter 2 Summary: -

The Council Wide write off for Quarter 2 relates to Council Tax, Business Rates, Housing Benefit Overpayments, Commercial Rents and Sundry Debts.

The Quarter 2 Council Tax Write off for this period comprises approximately 43% 'Absconded Charge Payers', with the remaining 47% being made up of 'Petty Amounts', 'Insolvency', 'Deceased' and 'Statute Barred'. The majority of the sums submitted for this period are all for low value debt, where the debt recovery process has been exhausted.

The £18K of Business Rates write offs for Quarter 2 is considerably low, comprising of just 7 accounts relating to 'Insolvency' and 'Absconded Charge Payers', this is mainly due to the arrears team working on the Business Grants.

The Quarter 2 Housing Benefit Overpayment write offs for £277k relate to areas of the debt which had previously not been reviewed e.g. *Deceased*, *DRO's*, *Bankruptcy/Liquidations*. This became practical due to the onset of COVID and the softer recovery approach the team had been taking.

Commercial Rents show a write off of £4k for Quarter 2, however the submitted amount was for £5,473.65, with a write back amount of £1,300.00. The write offs comprised of 'Uneconomic to Pursue' and 'Recommended by Legal'. The write back relates to a period where Commercial Rents previously wrote off a significant portion of debts and the debtors have continued to pay towards the total debt.

The Commercial Rent Team have indicated that they envisage submitting a larger volume of write offs during the current quarter; this is due to data cleansing prior to the new system being implemented (Technology Forge).

The under £25k worth of Sundry Debt Accounts were a mixture of 'Deceased', 'Recommended by Legal', 'Whereabouts Unknown' and 'Statute Barred'. All the accounts had extensive reviews to ensure that methods of recovery had been exhausted.

The over £25k Sundry Debt Account relates to the insolvency of an Opportunity Investment Fund Loan. With no available assets to chase through the insolvency process, this left the council with no other option but to write off the debt.

Covid 19 Grants

APPENDIX 7

Type of Grant	Total Received
Emergency Funding	26.74
Welfare	6.66
Track & Trace / Outbreak Mgt	6.35
Business Support	129.87

Date Announced	Grant	Grant Type	What for	£m
25/03/2020	Share of £1.6bn	Emergency	Support for Covid-19 issues	8.09
28/04/2020	Share of £1.6bn (2nd tranche)	Emergency	Support for Covid-19 issues	7.37
16/07/2020	Tranche 3 of COVID Funding announced:	Emergency	Support for Covid-19 issues	2.91
22/10/2020	Tranche 4 Emergency Funding (for Councils this winter) - share of £900m	Emergency	Support for Covid-19 issues	8.37
Total		Emergency		26.74
25/03/2020	Share of £500m	Welfare	Hardship Fund	3.66
10/07/2020	Local Authority Emergency Assistance Grant for Food and Essential Supplies	Welfare	This additional £63 million of funding is intended to help local authorities to continue to support those struggling to afford food and other essentials over the coming months due to COVID-19. This funding sits alongside, but is in addition to, the £6.5 billion of extra support the Government is providing through the welfare system to ensure the most vulnerable in our society are protected throughout this crisis.	0.37
14/08/2020	Wellbeing for Education Support Grant	Welfare	to support the Wellbeing for Education Return project which seeks to better equip education settings to support pupils and students' wellbeing and psychosocial recovery as they return to full-time education this autumn	0.03
17/09/2020	Next Steps Accommodation Programme	Welfare	Regional funding - London incl. CoL	0.26
17/03/2020	Rough Sleeping Fund	Welfare	emergency support for rough sleepers during coronavirus outbreak	0.03
21/10/2020	Rough Sleeping Fund	Welfare	Mayor's new Rough Sleeping Accommodation Programme (RSAP).	1.20
02/11/2020	Shielding - for clinically extremely vulnerable	Welfare	The funding will be an unringfenced section 31 grant to provide maximum flexibility, but we expect councils to use the funding to deliver the activities and outcomes outlined in the Shielding Framework.	0.13
10/11/2020	Covid Winter Grant Scheme	Welfare	The Winter Grant Scheme will enable LAs to provide support to families with children, other vulnerable households and individuals from early December 2020 and covers the period until the end of March 2021.	0.99
Total		Welfare		6.66

43,991.00	Infection Control Fund	Track & Trace / Outbreak Mgt	The primary purpose of this fund is to support adult social care providers, including those with whom the local authority does not have a contract, to reduce the rate of COVID-19 transmission in and between care homes and support wider workforce resilience.	0.72
44,102.00	Infection Control - Additional Funding	Track & Trace / Outbreak Mgt	The primary purpose of this fund is to support adult social care providers, including those with whom the local authority does not have a contract, to reduce the rate of COVID-19 transmission in and between care homes and support wider workforce resilience.	0.92
43,992.00	Test and Trace Grant	Track & Trace / Outbreak Mgt	The purpose of the grant is to provide support to local authorities in England towards expenditure lawfully incurred or to be incurred in relation to the mitigation against and management of local outbreaks of COVID-19.	1.86
44,112.00	Covid enforcement funding	Track & Trace / Outbreak Mgt	the purposes of compliance and enforcement of measures to control the spread of COVID-19	0.18
44,123.00	Containment Outbreak Mgt Fund (COMF)	Track & Trace / Outbreak Mgt	To support proactive containment and intervention measures under Medium, High & Very High Alert	2.15
44,110.00	Test and Trace Support - Programme	Track & Trace / Outbreak Mgt	Administration Costs	0.04
43,975.00	Reopening high streets fund - Support businesses to enable safer	Track & Trace / Outbreak Mgt	Support for Covid-19 issues on our High Streets safety measures	0.24
	Test and Trace Support -	Track & Trace / Outbreak Mgt	Mandatory (£500/person told to isolate within mandatory category)	0.15
	Test and Trace Support - Programme	Track & Trace / Outbreak Mgt	Discretionary costs (£500/person told to isolate not in the mandatory scheme category)	0.09
Total		Track & Trace / Outbreak Mgt		6.35
25/03/2020	Share of £1.8bn	Business Support	S31 Grants (based on NNDR1) - normally paid in 12 instalments. Now to be paid in full 27 March	4.41
25/03/2020	Share of £1.8bn	Business Support	S31 Grants (based on NNDR1) - normally paid in 12 instalments. Now to be paid in full 27 March	2.34
25/03/2020	Expanded retail discount; nursery discount	Business Support	Expanded retail discount; nursery discount	46.15
	Business Support	Business Support	£10k & £25k grant schemes for business	63.00
15/07/2020	Local Authority Discretionary Grant Fund (LADGF)	Business Support	5% of the value of your Small Business Grant Fund (SBGF) and Retail, Hospitality and Leisure Grant Fund (RHLGF) in scope hereditaments as at 3 May.	3.15
02/11/2020	Additional Restrictions Support Grant	Business Support	To enable Local Authorities to support businesses more broadly	5.37
02/11/2020	Local Restrictions Support Grant (Closed)	Business Support	Business premises forced to close in England to receive grants worth up to £3k/month	5.13
02/11/2020	Local Restrictions Support Grant (Sector)	Business Support	Business premises forced to close in England which are nightclubs, hostess bars and sexual entertainment venues	
02/11/2020	Local Restrictions Support Grant (Open)	Business Support	Business premises forced to close in England to receive grants worth up to £3k/month	0.31
Total		Business Support		129.87