

**Report for:** Cabinet 13 July 2021

**Title:** 2020-21 Provisional Financial Outturn

**Report**

**authorised by:** Jon Warlow, Director of Finance

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

**Ward(s) affected:** All

**Report for Key/**

**Non Key Decision:** Key

## **1. Describe the issue under consideration**

- 1.1 This report sets out the provisional outturn for 2020/21 for the General Fund, HRA, DSG and the Capital Programme compared to budget. It provides explanations of significant under/overspends and also includes proposed transfers to/from reserves, revenue and capital carry forward requests and any budget virements or adjustments.
- 1.2 The Provisional Outturn report provides the opportunity to consider the overall financial performance of the Authority at the end of March 2021 and make decisions on balances and carry forwards of unspent funds. It should be noted that these figures remain provisional until the conclusion of the statutory audit process.
- 1.3 Due to the on-going impact of Covid-19 (C19), Government has issued the Accounts and Audit (Amendment) Regulations 2021 which extends the statutory audit deadlines for both 2020/21 and 2021/22 for all local authorities. The statutory deadline for publishing the draft Statement of Account (SoA) is 31 July with a deadline for completing the external audit 30 September for both these years.

### **2020/21 Outturn Position**

- 1.4 The overall **General Fund** revenue outturn variance for the year ending 2020/21 shows an improvement to the forecasts provided in earlier reports. This is predominately due to the transfer of prior year Collection Fund surplus's (reported in last year's Outturn report), government grants covering most additional costs and a net improvement in service spend.
- 1.5 Financial reporting throughout the year has looked to differentiate the impact on Council budgets of the C19 pandemic from those considered base budget pressures. There has been an expectation that Government support would meet the financial impact (increased expenditure and lost income) of the pandemic and that the non-C19 pressures would be brought down by year end or, where necessary, met from the corporate contingency.
- 1.6 The forecast impact of **C19** was c. £38m for both Qtr2 and Qtr3 and the Outturn figures are in line with this at £39m. The Government funding forecast at Qtr3

indicated a shortfall of c. £3.5m however, this improved over the last quarter with higher than forecast Sales, Fees & Charges (SFC) compensation and the application of Contain Outbreak Management Fund (COMF) and Hardship Fund (HF). Overall, for the 2020/21 General Fund, the C19 financial impact has been offset by Government support. However, it should be noted that the adverse C19 impact on the business rates and council tax collection does not impact on the General Fund until next year and to a limited extent the year after that. Funding to meet these estimated impacts of c. £20m is provided for via these outturn proposals from various streams of government grant funding received in advance of when be required to be utilised to balance revenue budgets, and the final figures will be reported in the 2021/22 and 2022/23 in year corporate financial monitoring and budget reports.

1.7 The **base budget** service pressure at Qtr3 was forecast at £4.5m (£5.92m Qtr2) and the Qtr3 report was clear that any residual pressure to be covered by the utilisation of the budget contingency. At Year End this figure had reduced to a small underspend of £0.1m after planned transfers to/from reserves. This improvement in the budget bottom line, and the draft reserve movements has been achieved by:

- reductions in forecast Service expenditure mainly seen in the People – Adult’s priority and has resulted from receipt of further C19 related specific grant and the impact of CCG funding for discharges continuing across the whole year, which was longer than the service had prudently assumed.
- non-utilisation of the corporate contingency (£8m) which had to be held as a back-up due to the on-going uncertainties of C19 on the outturn position both in respect of expenditure demands and grant levels.

1.8 This improvement has allowed for targeted additions to the Council’s reserve balances.

1.9 Overall, the General Fund closed with a small underspend of £0.1m, in effect on budget, and enabled the Council’s general reserve to be maintained as planned, at the opening balance of £15.8m.

1.10 The outturn position for the **DSG** worsened further from the £6.5m reported in Qtr3 and ended £6.8m overspent. The overspend essentially remained within the High Needs block and was driven by continued increases in take up of places in day schools, special schools and post 16 settings coupled with an increase in the average cost per placement, particularly those out of borough.

**1.11** Members will be aware that pressure on High Needs budgets is a national issue facing the entire local government sector, mainly as a consequence of the expansion of age for Education, Health and Care Plan (EHCP) eligibility. A dialogue is underway between the Council, EFSA and government as to our position and how it will be addressed.

1.12 The £6.8m overspend has been added to the existing £10.2m deficit, leaving a total deficit of £17.0m on the Council’s balance sheet which must be addressed via DSG funds in the future and cannot be met from Council’s General Funds unless explicit agreement is given by the Secretary of State.

- 1.13 The revised **Capital Programme** budget for 2020/21 was £543.8m with an outturn spend of £179.8m (33%). The GF programme budget was £256.7m with a spend of £75.6m (29%), however within this budget there are a number of framework budgets, which are there to enable the Council to respond swiftly to opportunities. Due to the pandemic, no such opportunities have arisen, and it was therefore anticipated that significant elements of these budgets would not be spent. Excluding framework budgets, delivery was around 42%, also lower than anticipated and again due to the effects of the pandemic on capital programme delivery including its impact on the supply chain of the construction industry. It is important to note that no resources were lost as a result of the pandemic with external funders providing extensions to grant programmes. Of the unspent amounts, 97% (£176.3m) has been requested to roll forward to future years of the capital programme. The HRA capital programme budget was £287.1m with a spend of £104.2m (36%) again delivery was severely impacted by the pandemic.
- 1.14 The 2020/21 **HRA** revenue net budget assumed a surplus of income over expenditure of £11.5m. At Qtr3, a pressure of £4.2m was forecast and the draft outturn shows an improvement of £6.6m against the Qtr3 position, mainly caused by lower than budgeted capital financing costs as a result of underspend on the HRA capital programme. Rental income collection rates also continued to show improvement across the last quarter. The final revenue outturn was £13.9m surplus of income over expenditure, and this is proposed to be transferred to reserves, and is partially used to fund capital expenditure.

## 2. **Cabinet Member Introduction**

- 2.1 Finalising the previous year's outturn figures helps us to confirm whether we've underspent or overspent in that year, which would indicate any impacts on our current year's budget assumptions and any lessons for the future.
- 2.2 This report indicates that we've kept last year's income and spend broadly within our set limits, with a small underspend and without the need to use the relevant contingency reserve we had earmarked to cover the risk of any overspending. In the light of the budget problems experienced by so many other authorities, this is welcome news.
- 2.3 It also means that we are starting the current year well within our budgetary assumptions, with enhanced reserves and balances. The enhanced balances will help us with any short-term difficulties in the current year and with our efforts to balance next year's budget without any additional cuts.
- 2.4 This is also very useful in the light of the continuing uncertainties about the knock-on effects of the pandemic and about the government's intentions, as well as our current estimate of a c£20-25m budget gap in our Medium Term (5 year rolling) Financial Strategy, that still needs to be bridged.
- 2.5 Of some concern is the relatively high underspend in our capital programme, partly explained by the pandemic and also by the council's difficulty in building up its capacity to achieve its significantly increased investment plans, which involves significant slippage of projects into the following years. The good news

is that this slippage has not resulted in any loss of external grants or other resources.

- 2.6 Despite the initial teething problems, we have now enough staff resources and expertise to be able to speed up implementation and start catching up with any lost ground, especially in terms of delivering our new council housing plans and tackling the significant backlog of necessary school buildings' improvements.

### **3. Recommendations**

3.1 Cabinet is recommended to:

- a) Note the provisional revenue and capital outturn for 2020/21 as detailed in the report;
- b) Approve the capital carry forwards in Appendix 3;
- c) Approve the appropriations to/from reserves at Appendix 4;
- d) Approve the budget virements as set out in Appendix 5;
- e) Note the debt write-offs approved by officers in Quarter 4 2020/21 as set out in Appendix 6.

### **4. Reasons for decision**

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

### **5. Alternative options considered**

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

### **6. Provisional Revenue Outturn 2020/21**

- 6.1. The table below shows the provisional revenue outturn figures for 2020/21. It shows the impact of proposed movements to/from reserves on the final position and also the movement from the outturn forecast at Qtr3 (P9).

**Table 1a – Provisional Outturn 2020/21**

| Priority                         | Revised<br>2020/21<br>Budget | Outturn<br>Before<br>Reserve<br>Transfers | Net Revenue<br>Transfers To /<br>From Reserves | Revised<br>Outturn | Revised<br>Outturn to<br>Budget<br>Variance | Q3 Forecast<br>to Budget<br>Variance | Forecast<br>Variance<br>Movement<br>Between Q3<br>and Outturn |
|----------------------------------|------------------------------|---|--|--------------------|---|--------------------------------------|---|
|                                  | £'000                        | £'000                                     | £'000  | £'000              | £'000                                       | £'000                                | £'000   |
| People - Childrens               | 63,679                       | 71,858                                    | 330  | 72,188             | 8,508                                       | 6,940                                | 1,568   |
| People - Adults                  | 88,065                       | 90,748                                    | 1,362  | 92,109             | 4,045                                       | 6,513                                | (2,468)   |
| Place                            | 32,821                       | 47,912                                    | 472  | 48,384             | 15,563                                      | 16,710                               | (1,147)   |
| Housing                          | 17,269                       | 19,104                                    | (1,845)  | 17,260             | (9)   | 1,247                                | (1,256)   |
| Economy                          | 5,331                        | 9,465                                     | 2,177  | 11,642             | 6,311                                       | 5,792                                | 520   |
| Your Council-Service             | 8,496                        | 12,386                                    | (809)  | 11,576             | 3,080                                       | 3,652                                | (572)   |
| Your Council-Corporate           | 26,496                       | (14,325)                                  | 29,076   | 14,751             | (11,745)                                    | 2,006                                | (13,751)  |
| Assumed C19 Grants               |                              |   |  |                    |   | (34,700)                             | 34,700  |
| <b>General Fund - Priorities</b> | <b>242,157</b>               | <b>237,146</b>                            | <b>30,764</b>                                  | <b>267,910</b>     | <b>25,753</b>                               | <b>8,160</b>                         | <b>17,593</b>   |
| External Finance                 | (242,292)                    | (268,104)                                 | 0  | (268,104)          | (25,812)                                    | 32                                   | (25,844)  |
| <b>General Revenue Total</b>     | <b>(135)</b>                 | <b>(30,957)</b>                           | <b>30,764</b>                                  | <b>(193)</b>       | <b>(58)</b>                                 | <b>8,192</b>                         | <b>(8,250)</b>  |
| DSG                              | 0                            | 6,832                                     | (6,832)  |                    |   |                                      |   |
| HRA                              | 0                            | (13,872)                                  | 13,872   |                    |   |                                      |   |
| <b>Haringey Total</b>            | <b>(135)</b>                 | <b>(37,998)</b>                           | <b>37,804</b>                                  |                    |   |                                      |   |

**n.b.** The HRA position above details the revenue outturn and revenue transfers to reserves only. Further transfers are made from the HRA reserve to finance capital expenditure as detailed in Appendix 4.

The DSG figure presented above details the outturn of the Council's discharge of the 4 expenditure blocks, this does not include individual school outturn positions, are as detailed in Appendix 4, and included in the Your Council Corporate line in the above table.

- 6.2. The overall variance against the Qtr3 variance shown above in the General Fund is largely due to the non-utilisation of the Corporate Contingency (£8m).

A significant amount of the £30.764m net transfer from the General Fund to reserves in Table 1a above relates to S31 grants received during the year from Government to compensate the Council for the impact of the expanded retail and nursery business rate reliefs as part of the National response to C19. There are further sums in relation to the Tax Income Guarantee (TIG) which is further support from Government to help offset some of the wider business rates losses incurred due to the pandemic. These grants form the majority of the £20m proposed to be transferred to a new Collection Fund Smoothing reserve (see Section 10 on Reserves), which will be needed to be drawn down in future years (mainly 2021/22) to offset Collection Fund deficits impacting on the GF.

The other reserve transfers which will increase resilience of the Council, so important given the scale of future years budget gaps as detailed in the last MTFS report, the have mainly been achievable by the non-utilisation of the budgeted contingency due to the eventual government emergency funding levels. More detail is provided in section 10 with expected reserve balances at 31 March 2021 set out in Appendix 4. The £6.8m transfer of the DSG deficit to reserves is also discussed in more detail in Section 7 of the report.

The Revised Outturn to Budget Variance is analysed in Table 1b below to show the breakdown between Covid19 and non-Covid impact.

**Table 1b – Revised Outturn to Budget Variance: Covid and Non-Covid**

| Priority                         | Non Covid Pressure/ (Reductions) | Covid Challenges | Covid - non Savings Delivery | Total Covid Pressures | Revised Outturn to Budget Variance |
|----------------------------------|----------------------------------|------------------|------------------------------|-----------------------|------------------------------------|
|                                  | £'000                            | £'000            | £'000                        | £'000                 | £'000                              |
| People - Childrens               | 3,332                            | 3,624            | 1,552                        | 5,176                 | 8,508                              |
| People - Adults                  | (3,734)                          | 5,766            | 2,013                        | 7,779                 | 4,045                              |
| Place                            | 160                              | 13,521           | 1,881                        | 15,403                | 15,563                             |
| Housing                          | (2,223)                          | 1,688            | 526                          | 2,214                 | (9)                                |
| Economy                          | 1,691                            | 4,210            | 410                          | 4,620                 | 6,311                              |
| Your Council-Service             | (947)                            | 2,977            | 1,050                        | 4,027                 | 3,080                              |
| Your Council-Corporate           | (11,848)                         | 103              | 0                            | 103                   | (11,745)                           |
| <b>General Fund - Priorities</b> | <b>(13,570)</b>                  | <b>31,891</b>    | <b>7,432</b>                 | <b>39,323</b>         | <b>25,753</b>                      |
| External Finance                 | (25,812)                         | 0                | 0                            | 0                     | (25,812)                           |
| <b>General Revenue Total</b>     | <b>(39,381)</b>                  | <b>31,891</b>    | <b>7,432</b>                 | <b>39,323</b>         | <b>(58)</b>                        |

6.3 The **base budget** service pressure at Qtr3 was forecast at £4.5m (£5.92m Qtr2) and the Qtr3 report was clear that any residual pressure to be covered by the utilisation of the budget contingency. At Year End this figure had reduced to a small underspend of £0.1m after planned transfers to/from reserves. Comments on the underlying reasons for the variances within Priorities is set out in the sections below.

The largest base budget pressure was seen within the Children's priority which is a mixture of pre-C19 pressures such as increased demand, complexity and placement costs.

It should be noted that a review of the final agreed savings delivery position is underway in order to assess any implications on the savings expectations in 2021/22.

#### 6.4 **Priority: People -Children; overspend of £8.508m**

The People-Children's priority is reporting a spend of £72.18m against an approved budget of £63.7m resulting in an overspend of £8.5m. This is a £1.57m adverse movement on the position reported in Q3. The main drivers of the budget variance are set out below.

##### 6.4.1 Children's Safeguarding and Social Care (£6.3m overspend):

The main pressure remains in the Children in Care and Care Leavers services with an overspend of £3.9m due to the number and, more importantly, the complexity of placements. This has been further exacerbated by an overspend of £0.5m in the Children's Respite service mainly relating to placements in the Disabled Children's service. There are also further pressures in the Child Protection and Children in Need of Support services (£1.27m) primarily a result of the response to the COVID-19 pandemic. Across Safeguarding and Social

care, the impact of the pandemic is estimated at £3.92m in additional spend and delayed savings programmes.

6.4.2 Prevention and Early Intervention (£1.3m overspend):

The majority (£0.89m) of this is due to the SEND provision and the associated transport costs. There is further pressure from Children Centres arising from unachieved income targets.

6.4.3 This reported position also includes a provision of £0.8m against the risk of some debts and income not being realised.

6.5.1 **Priority: People – Adults and Public Health; Overspend £3.8m**

Adults & Public Health has spent £91.8m against an approved budget of £88.0m resulting in an overspend of £3.8m at year end (£6.5m at Q3). It should be noted that without the increase in bad debt provision (see below) this priority would have been almost on budget.

6.5.2 Adult Social Care has a favourable outturn variance of £0.2m despite experiencing additional pressures of £3.3m from COVID-19 related expenditure and £2.0m savings slippage which have been reprofiled into latter years. The service has managed to control spend and secure additional funding through specific COVID-19 grants and recharges to CCG which has offset the unforeseen COVID-19 related expenditure. Savings have been delivered across all major service areas reaching 82% of target.

COVID-19 has caused major disruptions and pressures on both the Council and residents. The ability of social care clients contributing to their care needs has greatly diminished. It is expected that the level of write-offs and bad debts will increase and therefore it is prudent to increase bad debt provisions by £3.6m. As a result, the overall outturn variance is £3.4m (£4.7m at Q3). This represents a favourable movement of £1.3m which is mainly attributable to increased COVID-19 funding.

6.5.3 Adults Commissioning has an adverse variance of £0.4m (£1.5m at Q3) which is comprised of additional support to voluntary and community sector (VCS) and additional brokerage expenditure to deliver client contribution income. This is a favourable movement compared to Q3 position and is largely due to greater than expected levels of COVID-19 grant funding for Connected Communities.

6.5.4 Adults Public Health has spent to budget with additional COVID-19 related expenditure being met by specific government grants.

6.6 **Priority: Place - Over budget £15.563m (Q3 £16.710m)**

6.6.1 Place Priority is showing an improved position of £1.147m over the forecast presented in Qtr3. This is due to base budget pressure improvement of £0.468m, and an improvement in pressures from COVID of £0.679m (these figures include increased provisions for bad debts of £1.6m).

- 6.6.2 Parking & Highways income position has been significantly improved due to the impact from the third lockdown not being as severe as forecast; partially off-set by increase in Bad Debt Provision for PCN's.
- 6.6.3 Community Safety, Waste & Enforcement overspend position has improved mainly from underspend on excess death expenditure, additional Contain Outbreak Management Fund Grant in Enforcement, improved regulatory services income, and an improvement in waste due to refund from NLWA for non-household waste tonnage levy and improvement on external waste income, SPI & recharges.
- 6.6.4 E&N Management & Support overspend position has worsened due to increase in Bad Debt Provision for Sundry Debtors across Environment & Neighbourhoods.
- 6.6.5 Parks & Leisure overspend position has improved due to additional Contain Outbreak Management Funding Grant.
- 6.6.6 Soft FM overspend position has improved due to the reduction/mitigation to the impact of security and cleaning from COVID/base budget pressures.
- 6.7 Priority: Economy – Overspend of £6.311m (Q3 £5.792m)**
- 6.7.1 The Economy 2020-21 Outturn position represents a movement of £0.520m from Qtr3.
- 6.7.2 This movement is due to the £1.5m transfer of unapplied Estate Regeneration Programme grant to reserves to call on in future years offset by an improvement in the Planning and Building service of £0.664m and the Regeneration and Economic Development service of £0.199m.
- 6.7.3 The Development control and Building Control Fees and Charges income has considerably improved from the impact of Covid-19 impact in the last quarter of the year due to increase in number of applications.
- 6.7.4 The Regeneration and Economic Development fee income has also increased for the delivery of Capital Projects after suffering from COVID-19 impact.
- 6.7.5 Capital Projects and Property improved their forecast position due to an improved commercial property income of £0.287m due to payment plans agreed with the tenants offsetting reduced VCS income of £0.296m. The Organisational Resilience function's outturn improved by £0.392m due to project delays on certain works due to the need to undertake stock condition survey's corporate buildings which has been offset by a contribution to reserves of £1m.

**6.8 Priority: Housing General Fund (GF) and the HRA**

**Housing (GF) - Under budget £0.009m (Q3 Over budget £1.247m)**



6.8.1 The Housing Priority forecasts a net favourable variance of £9k which represents a £1.256m reduction from quarter3 forecast. Within the end of year outturn is a year-end drawdown from the Flexible Homelessness Support Grant (FHSG) reserve, in respect of the Temporary accommodation – Homelessness service to fully mitigate operational spend pressures. There are underlying underspends within both the housing commissioning and environment & neighbourhoods service areas. During the financial year there have been housing commissioning service budget pressures in the rough sleeping area due to COVID which have been offset by a Contain Outbreak Management Fund (COMF) COVID-19 grant. The Temporary Accommodation (TA) overspend, included £0.526m undeliverable savings due to COVID, fully offset by Flexible Homelessness Support Grant (FHSG).

6.8.2 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.

### **Housing (HRA) - Under budget £2.2m (Q3 Over Budget £4.2m)**

6.8.3 The HRA end of year outturn is indicating a £2.2m favourable underspend, this is showing a £6.4m movement in variance from the Q3 position. This is mainly due to £5.7m lower than anticipated capital financing costs, as a result of reduced borrowing costs on the HRA capital programme. There is also a favourable £0.7m aggregate movement due to cost reduction.

6.8.4 There has also been an improved performance in the rental income collection rate from 96% to 98%. The actual collection over the months during the financial year has steadily improved – reducing the forecast impact of COVID on rent collection. To date the government has not notified local authorities of any support from Government to mitigate rent loss or any other covid impacts on HRAs.

6.8.5 The HRA draft outturn figure includes c£14m to be transferred to the HRA reserve, which in conjunction with a £5.6m reduced revenue contribution to capital, allows the HRA reserve to be restored to £14m at year end.

### **6.9 Priority: Your Council Service – Over budget £3.1m (Q3 £3.7m)**

6.9.1 The Your Council-Service budgets had an overspend of £3.1m, an improvement of £0.6m on the Q3 projections due to the application of the Covid Contain Outbreak Management Funding to cover Communications spend and increased Legal Services internal recharge income.

### **6.10 Priority: Your Council Corporate & C19 Grants– Under budget £11.8m (Q3 under budget £32.6m)**

6.10.1 The Your Council – Corporate outturn variance to budget is showing an underspend of £11.8m which is predominately due to the corporate contingency not required to be utilised.

6.10.2 The movement of £21m between Qtr3 and the outturn is due to the transfer of collection fund related sums to reserves.

### **6.11 External Finance – Under budget £25.8m (Q3 Nil variance)**

6.11.1 The majority of the underspend at year end relates to the S31 grant received from Government during the year to compensate the Council for the impact of the expanded retail and nursery reliefs as part of the National response to C19. There are further sums in relation to the Tax Income Guarantee (TIG) which is further support from Government to help offset some of the wider business rates losses incurred due to the pandemic. These funds will largely need to be drawn down in future years and have been moved into the Collection Fund Smoothing reserve.

### **7. Dedicated Schools Grant (DSG)**

7.1. The DSG is broken down into four funding blocks: Schools, Central, Early Years and High Needs. The overall spend on DSG was £199.69m against budgeted spend of £192.88m resulting in an in year overspend of £6.80m for 2020-21. This is an adverse movement of £0.25M on the Qtr 3 forecast of £6.55M overspend.

7.2 The Schools block distributes budget to maintained schools in line with the APT allocations. There is a small underspend of £9k in the growth fund that must be retained for Schools and not applied against the deficit.

7.3 The Early Years block position has closed at breakeven for 2020-21. Covid-19 has impacted the funding of early years. Where normally the January census numbers would be applied in paying providers, in recognition of this extraordinary year there is need to alter funding arrangements. The final allocation repayment will be based on an early year's setting achieving at least 85% attendance when compared to their 2019-20 January census. The ESFA will confirm the final 2020-21 allocation in November 2021.

7.4 The High Needs block overspent by £6.9m (Qtr3 £6.49m) and is driven by continued increases in take up of places in day schools, special schools and post 16 settings. This is coupled with an increase in the average cost per placement as well as increased number of clients in high cost out of borough placements.

7.5 The Central Block is reported as breaking even. Unlike the other blocks in the DSG any surpluses in the Central Block are directly held by the LA to be used for retained duties.

7.6 The impact of the 2020/21 outturn is reflected in the movement on the DSG Reserve in the table below.

#### **Table 2 – DSG Reserve**

| Blocks            | Opening DSG at 01/04/20 | Schools Forum agreed trf between blocks | Outturn Variance | Year End Drawdown Request | Closing Balance |
|-------------------|-------------------------|---|------------------|---------------------------|-----------------|
|                   | £(m)                    | £(m)                                    | £(m)             | £(m)                      | £(m)            |
| Schools Block     | 0.00                    | 0.00                                    | 0.00             | 0.00                      | 0.00            |
| Central Block     | (0.01)                  | 0.00                                    | 0.09             | 0.00                      | 0.08            |
| High Needs Block  | (10.07)                 | 0.00                                    | (6.90)           | 0.00                      | (16.97)         |
| Early Years Block | (0.11)                  | 0.00                                    | 0.00             | 0.00                      | (0.11)          |
| <b>Total</b>      | <b>(10.19)</b>          | <b>0.00</b>                             | <b>(6.81)</b>    | <b>0.00</b>               | <b>(17.00)</b>  |

**\* Surplus balances are represented in the positive and deficits in the negative**

- 7.7 DSG deficits cannot be covered from general funds without government approval, even if the Council's overall financial position was able to sustain this. The growth in the negative reserve is therefore the extent of the 2020/21 overspend added to the existing deficit, producing a cumulative deficit of £17.0m.
- 7.8 This is a national issue with more authorities declaring overspends in DSG directly attributable to pressure on High Needs Block spend resulting in growing deficit balances year on year. The DSG pressures are likely to continue into 2021/22 despite growth of £4.35m in the 2021/22 initial High Needs Block allocation for Haringey. Haringey is meeting the ESFA to review our Deficit Recovery Plan and to start discussions as to how the council might receive additional financial support to redress its DSG deficit. Continued reporting to School Forum and all stakeholders will be required. The much-anticipated SEND Review will have a bearing on the strategies to take in recovering any deficit.

## **8. Collection Fund – Council Tax & Business Rates**

- 8.1 The Council has a statutory obligation to maintain a separate ring-fenced account for the collection of council tax and business rates. The Collection Fund is designed to be self-balancing and therefore an estimate of any accumulated surplus or deficit is made each year and factored into the following year's tax requirement. The actual benefit or burden of any in-year variance is received or borne by taxpayers in the following year.
- 8.2 The C19 pandemic has had a significant impact on tax revenue receipts and arrears collection during 2020/21. This was recognised by Government who provided a number of interventions to residents and businesses foremost being:
- Hardship Fund – largely to provide relief to individual council taxpayers, alongside existing working age local council tax support schemes;
  - Increased reliefs – particularly for retail, leisure and hospitality (with local authorities reimbursed by Section 31 grants);
  - Grants to local businesses

- 8.3 Government also introduced support and legislative changes aimed at reducing the impact on council managed Collection Funds of reduced collection rates during 2020/21 including the collection of arrears. These include:
- Recovering deficits across 3 years – to mitigate the impact on any one year;
  - Tax Income Guarantee (TIG) scheme -providing 75% compensation for certain losses (Haringey will only be eligible for business rates TIG)
- 8.4 Haringey participated in a pan-London business rate pool pilot for 2018/19 & 2019/20 which generated c. £9m additional resources for the borough. Government decided to cease the pilot in London from 2020/21 however, modelling undertaken by London Councils indicated that a non-pilot pool of all London authorities including the GLA would still produce a net financial benefit (c.£25.4m in 2020/21) as well as the wider strategic benefits. The financial benefit arises from the pool **overall** paying less in levy than the London tariff authorities would have paid individually. It was recognised that there are risks attached to pooling and these were also robustly assessed before the decision to participate was taken and were deemed very low.
- 8.5 However, the impact of the pandemic on in-year and arrears collection rates has been significant across London as a whole which has not been fully compensated by the government support outlined in 8.3 above.
- 8.6 The position has been exacerbated by concerns that some sectors might submit material change of circumstances (MCC) claims against their 2020/21 (and potentially 2021/22) ratings. The government has sought to mitigate this by (a) introducing legislation to clarify that COVID-19 and the Government’s response to it is not an appropriate use of Material Change of Circumstance provisions” and (b) introducing an additional £1.5bn of reliefs. However, as the legislation has yet to be passed, some councils, including Haringey, are prudently creating provisions against potential claims. In doing so it will reduce any total levy payable by the pool and minimises the extent to which Haringey’s GF may have to contribute to pool losses overall although this risk is not completely negated.
- 8.7 It is anticipated that the position with business rates and the London pool will change following future government announcements and the audit of all borough accounts.

### **Council Tax**

- 8.2 The in-year collection rate for 2020/21 was 94.20% against a target of 96.5% a shortfall of 2.3%. The main reason for the shortfall was the impact of the C19 pandemic. The Council tax surplus/deficit is distributed between the Council (80.5%) and its preceptor the GLA (19.5%) based on respective shares. Despite the C19 effects, there is still a small, estimated surplus for 2020/21. Haringey’s share of this is £0.8m which compares to an actual surplus in 2019/20 of £7.16m. The latter is recognised in the 2020/21 outturn figures whilst the 2020/21 actual surplus will be paid out in 2021/22.

### **Business Rates**

- 8.3 The in-year collection rate for 2020/21 was 82.7% against a target of 98% a shortfall of 15.2%. The main reason for the shortfall against target is a reduction in collection due to Covid-19 pandemic. In 2019/20 the Council was part of the London BRR Pool Pilot where the pool retained 75% of business

rates collected that year. For 2020/21, the Government reverted back to the 67% retention scheme (which was a partial pilot, reflecting the incremental impact of the rolling in of the Greater London Authority's (GLA) Revenue Support Grant (RSG) and the Transport for London investment grant). LB Haringey receives 30% and the GLA receives 37%, the remaining 33% goes to central government.

- 8.4 There is an estimated deficit for 2020/21. Haringey's share of this is £14.56m which compares to an actual surplus of £3.99m in 2019/20. The latter is recognised in the 2020/21 outturn figures whilst the 2020/21 actual deficit will be recognised in the 2021/22. It should be noted that £14.4m of S31 reliefs form the major part of the transfers to the Collection Fund Smoothing reserve as part of the accounts closure process and this will be released in 2021/22 to offset the majority of the estimated 2020/21 deficit.

## **9. Capital Programme Outturn**

- 9.1 The overall capital budget can and does change from that agreed by Council at its budget setting meeting to the outturn budget. A range of factors contribute to this movement: the incorporation of the previous year's brought forwards into the budget, new grants being received mid-year, and live budgeting which realigns resources in the light of scheme progress.
- 9.2 The approved capital programme is composed of schemes that have varying levels of predictability to their spend profiles. Capital maintenance programmes such as borough roads, street lighting, and the disabled facilities grant works have a rhythm and regularity to them that makes forecasting the outturn accurately a relatively easy process.
- 9.3 Construction schemes are less predictable as they have many individual interdependent components, each of which can be impacted by external factors that can prolong the delivery process beyond that envisaged at the start. There can be extensive stakeholder engagement which can result in amendments to the original concept which in turn can impact on the design and design timescales; sometimes schemes require planning permission that can entail scheme design or delivery changes; the tendering processes may not deliver a contractor on time or an acceptable price due to market conditions; and the actual construction timetable itself is subject to external events such as the weather. Even more significant to the above factors, the pandemic has made the delivery of capital schemes very challenging as: surveys have been delayed/cancelled, construction companies have grappled with staff shortages, materials shortages, and revised operating procedures due to social distancing requirements.
- 9.4 In addition, there are some schemes within the capital programme that rely on third parties completing tasks or agreeing to actions over which the Council has limited or no control.
- 9.5 The table below shows the movement in the approved capital programme from the revised budget at quarter 1 to the final quarter 4 budget. The provisional
-

outturn position is also shown, and a variance calculated by comparing the quarter 4 budget with the provisional outturn.

**Table 3 – Approved Capital Programme**

| Priority                              | 2020/21 Revised Budget QTR.1 | 2020/21 Revised Budget QTR.2 | 2020/21 Revised Budget QTR.3 | 2020/21 Revised Budget QTR.4 | 2020/21 Final Outturn | Variance Btw Outturn & Revised Budget QTR.4 |
|---------------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|-----------------------|---|
|                                       | (£'000)                      | (£'000)                      | (£'000)                      | (£'000)                      | (£'000)               | (£'000)                                     |
| People - Children's                   | 31,235                       | 31,235                       | 33,157                       | 33,074                       | 13,066                | (20,007)                                    |
| People - Adults                       | 17,863                       | 17,863                       | 18,181                       | 18,181                       | 3,755                 | (14,426)                                    |
| Place - Safe & Sustainable Places     | 44,068                       | 44,388                       | 48,228                       | 49,416                       | 30,173                | (19,243)                                    |
| Economy - Growth & Employment         | 152,214                      | 116,536                      | 117,671                      | 117,625                      | 21,210                | (96,415)                                    |
| Housing (GF) Homes & Communities      | 10,698                       | 10,698                       | 10,698                       | 10,698                       | 0                     | (10,698)                                    |
| Your Council                          | 34,767                       | 34,425                       | 27,718                       | 27,718                       | 7,351                 | (20,367)                                    |
| <b>Total GF Capital Budget</b>        | <b>290,845</b>               | <b>255,145</b>               | <b>255,652</b>               | <b>256,711</b>               | <b>75,555</b>         | <b>(181,156)</b>                            |
| Housing (HRA) Housing Revenue Account | 287,136                      | 287,136                      | 287,136                      | 287,136                      | 104,244               | (182,892)                                   |
| <b>Total Capital Budget =</b>         | <b>577,981</b>               | <b>542,281</b>               | <b>542,788</b>               | <b>543,847</b>               | <b>179,800</b>        | <b>(364,047)</b>                            |

9.6 Appendix 3 provides a scheme level analysis of the outturn versus the quarter 4 budget position. The appendix also sets out the requested carry forwards from service areas with reasons supporting the request. The following paragraphs provide a high-level commentary on each service area.

- The overall Children's Services variance of £20.0m, or 60% arises through delays to the preparation of project briefs. This in part due to the volume of briefs required and the difficulty in not being able to obtain appropriate resources to project manage the process. The pandemic also had a negative impact on the programme by elongating preparatory works such as surveys. However, a number of significant projects are nearing the final stages of procurement and the projected spend for 2021/22 will be significantly higher. In addition, the corporate landlord works programme is continuing to ensure that immediate issues that may impact on schools, such a boiler replacement, are averted.

- The Adults Services variance of £14.4m, or 79%, has a number of elements. These are delays to the Supported Living schemes. These budgets were allowances placed in the capital programme to facilitate service flexibility to be able to respond to opportunities as they arose during the year which were limited. There were limited opportunities, so the budget underperformed. There is an underspend on the disabled facilities grant due to difficulties in accessing clients premises due to Covid but the grant funding for these works is being carried forward. Both the Canning Crescent and OGNH projects are progressing, and the cash flows are being reviewed to more closely align with expected scheme progress.
- The Place capital programme has a variance of £19.2m, or 39%. The most significant ones are Marsh Lane where the project was delayed whilst the site was used for other purposes, Parkland Walk Bridges which has been delayed for a variety of reasons including negotiations with statutory undertaker and the Libraries upgrade project has been delayed.
- Economy's capital programme has a variance of £96.4m, or 83%. The Economy capital programme has a number of framework budgets that are included in the programme to enable the Council to react quickly to opportunities. As such it is to be expected that there will be significant variances compared to budgets if there is no activity. The budgets concerned are the strategic acquisitions budget, the headlease acquisitions budget and the HRW budget. In total these budget account £70m of the reported variance. The residual variances are on a range of projects as set out in the appendix. Some of the projects are grant funded and the resources need to be carried forward to comply with the grant conditions, some are jointly funded by the Council and grants so they too should be carried forward.
- The Housing GF has not needed to spend from its framework budgets in 2020/21. Within this area the budgets are similar to Economy in that they are they to enable the Council to respond. The CPO budget and the Wholly Owned Company budgets fall into that category. It is not proposed to carry forward the budget for 54 Muswell Hill as the scheme is not proceeding in the manner which was originally envisaged. The NHS is now fitting the property out for use as a GP surgery rather than the Council. The NHHG scheme at 4 Ashley Road is now not proceeding.
- The Housing HRA capital programmes reported underspends in all the capital works strands. This is mainly because of the long period of lockdown due to COVID-19.

9.7 The Your Council budget has a range of ICT budgets that have variance, but there are detailed plans in place for utilisation of the budgets post Covid.

9.8 Of the total variance of £181.156m, £176.3m has been requested to be carried forward as detailed in Appendix 3.

### **Capital Programme Financing Outturn**

9.9 Capital expenditure is financed through a variety of sources: grants from central government, grants & contributions from the GLA, contributions from developers

(S106 and S278), applying capital receipts, utilising revenue reserves, and borrowing.

- 9.10 In terms of its impact on the Council's resources, undertaking borrowing to finance expenditure impacts the revenue budget when the Council is required to borrow to finance the expenditure and this revenue expenditure is known as the capital financing costs. For the General Fund, capital financing costs are composed to two elements: interest payable on loans and the statutory minimum revenue provision (MRP). The HRA is not required to make an equivalent of MRP but does pay interest.
- 9.11 When setting the capital programme an estimate is made of both elements of the capital financing charge based on the budgeted in-year capital spend, and budgetary provision is made accordingly. Should the level of budgeted in-year capital spend not be achieved this will impact on the actual level of capital financing costs incurred.
- 9.12 The General Fund capital programme and the HRA capital programme are funded differently so they have been separated out in the following table.

Table 4 – Source Capital Funding

| Source of Funding                        | 2020/21 Revised Budget (£'000) | 2020/21 Actual (£'000) | 2020/21 Variance (£'000) |
|--|--------------------------------|------------------------|--------------------------|
| <b>General Fund Funding</b>              |                                |                        |                          |
| External                                 | 47,266                         | 16,086                 | (31,180)                 |
| LBH - Borrowing                          | 104,626                        | 44,353                 | (60,273)                 |
| LBH - Self-Financing                     | 102,796                        | 14,922                 | (87,874)                 |
| LBH - Capital Receipt                    | 2,023                          | 194                    | (1,829)                  |
|  | <b>256,711</b>                 | <b>75,555</b>          | <b>(181,156)</b>         |
| <b>HRA Funding</b>                       |                                |                        |                          |
| Grants (GLA Bid)                         | 1,400                          | 9,072                  | 7,672                    |
| Major Repairs Reserves                   | 20,097                         | 19,334                 | (763)                    |
| Revenue Contributions                    | 11,596                         | 7,582                  | (4,014)                  |
| RTB Capital Receipts                     | 9,668                          | 4,393                  | (5,278)                  |
| Leaseholder Contributions to Major Works | 6,084                          | 4,986                  | (1,098)                  |
| Borrowing                                | 238,291                        | 58,026                 | (180,265)                |
|  | <b>287,136</b>                 | <b>104,244</b>         | <b>(182,892)</b>         |
| <b>Overall Total</b>                     | <b>543,847</b>                 | <b>179,800</b>         | <b>(364,047)</b>         |

#### Flexible Use of Capital Receipts Outturn

- 9.13 Normally capital receipts generated through the disposal of General Fund assets can only be used to fund prescribed expenditure, such as new capital expenditure or debt repayment. In 2016 the Government changed the regulations so that councils can use General Fund capital receipts flexibly (this flexibility do not apply to right to buy receipts). This flexibility is allowed if the



council has a strategy for their use. The council at its budget setting meeting in February 2020 set a strategy for the flexible use of capital receipts. The following table compares the budgeted position on the flexible use of capital receipts and compares that to the actual position. It can be seen that the Council generated more capital receipts than budgeted for in 2020/21 and spent less than budgeted. The increased receipts were due to the repayment of debt by Fusion when they surrendered the lease at the New River sports ground.

The higher than anticipated carry forward of capital receipts is beneficial given that capital receipts budgeted for in 2021/22 may not be fully received in that financial year.

Table 5 – Use of Capital Receipts

|                                | Budgeted<br>2020/21 | Actual<br>2020/21 |
|--------------------------------|---------------------|-------------------|
|                                | £m                  | £m                |
| Balance brought forward        | 10.653              | 10.653            |
| Capital Receipts in year       | 1.000               | 3.446             |
| <b>Total</b>                   | <b>11.653</b>       | <b>14.099</b>     |
| Use of capital receipts        | 9.017               | 4.938             |
| <b>Balance carried forward</b> | <b>2.636</b>        | <b>9.161</b>      |

## 10. Debt Write-Off

- 10.1 All Council debt is considered recoverable, and the Corporate Debt Recovery Team will make every necessary effort to collect charges due to the Council. However, there are some circumstances when it is appropriate to write off a debt once all forms of recovery action have been exhausted.
- 10.2 Appendix 6 summarises the sums (£1m) approved for write off by the Director of Finance under his delegated authority. These have been adequately provided for in the Council's Bad Debt Provision.

## 11. Provisions

- 11.1 One of the key features of the 2020/21 financial year has been the impact of C19 on the income streams of the authority. Coupled with the need to respond to some recommendations of our external auditors on the existing levels of our bad debt provisions, the outturn position includes an overall addition of £8.9m charged to the GF in 2020/21 mostly funded by C19 government support. A further £21m has been charged in relation to the Business Rates and Council Tax, within the Collection Fund. These amounts are held on our balance sheets as provisions against the eventual non-collection of such debts and it will not be for some time as to when we know the eventual requirement.

## 12. Reserves

- 12.1 The Council holds an un-earmarked General Fund reserve. It also has a number of other earmarked reserves, which are set aside to provide contingency against unplanned events, fund one-off planned expenditure and help smooth uneven spend patterns. The Council is required to annually review the adequacy of its' reserves which it did in March as part of the 2021/26 Budget and MTFS report. That report confirmed the maintenance of a General Fund unearmarked reserve of circa £15.8m. As described in Section 1, this has been achieved at the close of 2020/21.
- 12.2 As highlighted in section 7.0, the pressure against the agreed High Needs Block funding continued this financial year and led to an overall overspend of £6.8m. Statute requires that Council's do not meet DSG overspends from General Fund (GF) resources and therefore, this balance has been taken, as a negative balance, to reserves. Authorities are now required to show the DSG balance (surplus/deficit) separately to enhance transparency of reporting. Therefore, a new 'DSG Deficit Balance reserve' has been created and, as at 31/3/2021, shows a balance of £17.0m which is made up of the 2020/21 deficit (£6.8) plus the brought forward deficits from 2018/19 and 2019/20 (£10.2m). This balance will be designated as unusable in the Statement of Accounts.
- 12.3 The impact of the C19 pandemic has had a significant financial impact on the authority's financial position and this extends to the balance sheet. The 2020/21 opening balance included £8.1m which was the first tranche of C19 un-ringfenced emergency government grant. This was drawn down in full as planned to offset the impact of the Council's response to the pandemic.
- 12.4 The impact of C19 on the Collection Fund has been extensive, not just in terms of losses but also in terms of the profiling of when the impact of government support and arrears hit the Council's GF. This requires some complex accounting treatment. To this end, a new reserve has been created (Collection Fund Smoothing) which has a balance of £20m at year end. This figure is largely made up of S31 grant received from Government during the year to compensate the Council for the impact of the expanded retail and nursery reliefs as part of the National response to C19. There are further sums in relation to the Tax Income Guarantee (TIG) which is further support from Government to help offset some of the wider business rates losses incurred due to the pandemic. This government compensation must be recognised under accounting rules in the 2020/21 financial year. However, this grant funding is provided to offset collection fund losses from the pandemic that will impact on Council budgets in the 2021/22 and 2022/23 financial years. These sums should therefore be viewed as receipts in advance as they will be drawn down in future years, although the accounting regulations do not formally recognise them as such. The Collection Fund Smoothing reserve may also be required if it does materialise that the Council has to make a contribution to the London Pool owing to capital wide losses of business rates due to pandemic.
- 12.5 An assessment of the Council's insurance position has highlighted the need to augment the Insurance reserve, which will bring it back to the level held in previous years. Transfers to service reserves have been made where there is an evidenced case for unspent monies to be needed to fulfil intentions. Additions have been made to the Transformation reserve which will be directed to support the required medium term service transformation agenda.

Maintaining the level of this reserve helps manage the risks associated with the future level of flexible capital receipts. These increases have been made possible due to the improved final draft outturn position including non-utilisation of the corporate contingency budget.

- 12.6 The £8.8m 2019/20 Collection Fund surplus (highlighted in last year's Outturn report) has been transferred to reserves as planned. £1.7m of this will be required to balance the 2021/22 budget (as agreed by Full Council in March).
- 12.7 A summary of the purpose of each reserve along with all the proposed in year movements to/from all reserves and resultant estimated closing position at 31/03/2021 is shown in Appendix 4. These are not expected to change materially however, the reserve position will not be final until the completion of the 2020/21 accounts audit.
- 12.8 While the overall earmarked position on the GF increases significantly from £84.4m at the close of 2019/20 to £115.2m for 2020/21, it should be noted that £20.2m of this increase is attributed towards the creation of a Collection fund smoothing reserve to offset the expected drop in income from the Council's collection funds in future years (described above); a further £10.4m is attributable to the Strategic Budget Planning reserve. Excluding these items, the reserve balances between the years remains relatively constant.

### 13 **Contribution to strategic outcomes**

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

### 14 **Statutory Officers comments**

#### 14.1 **Finance**

There are no further Chief Finance Officer (CFO) comments or finance implications arising from this report. All related finance issues have been highlighted within the body of the report, as this is a report of the CFO.

The impact of C19 on Council budgets for 2021/22 and beyond are difficult to quantify with certainty. The 2021/22 Budget approved by Council in March assumed that Government funding would continue to offset the direct C19 costs however, it is likely that there will be on-going legacy impacts of the pandemic which will need to be tracked very closely.

#### 14.2 **Strategic Procurement**

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

#### 14.3 **Legal**

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

Pursuant to Section 28 of the Local Government Act 2003, the Council is under a statutory duty to monitor during the financial year its expenditure and income against the budget calculations. If the monitoring establishes that the budgetary

situation has deteriorated, the Council must take such action as it considers necessary to deal with the situation. This could include, as set out in the report, action to reduce spending in the rest of the year.

The Council must act reasonably and in accordance with its statutory duties and responsibilities when taking the necessary action to reduce the overspend.

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

#### 14.4 **Equality**

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

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

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

This report sets out the provisional outturn for 2020/21 for the General Fund, HRA, DSG and the Capital Programme compared to budget. It provides explanations of significant under/overspends and also includes proposed transfers to/from reserves, revenue and capital carry forward requests and any budget virements or adjustments. The recommendations in the report are not anticipated to have a negative impact on any groups with protected characteristics. In addition to this the Councils saving programme is subject to an equality assessment, which acts to mitigate against any potential impacts for those living and working in the Borough.

#### 15 **Use of Appendices**

Appendix 1 – Revenue Directorate Level Outturn  
Appendix 2 – HRA Outturn  
Appendix 3 – Capital Carry Forwards  
Appendix 4 – Appropriations to / from Reserves  
Appendix 5 - Budget Virements  
Appendix 6 – Debt Write-Off

#### 16 **Local Government (Access to Information) Act 1985**

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

- Budget management papers
- Medium Term Financial Planning Reports

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

| PRIORITY  | Revised<br>2020/21<br>Budget Less | Outturn<br>Less<br>Depreciation | Outturn to Budget<br>Variance(excl<br>reserves) | Q3 (P9 Forecast<br>to Budget<br>Variance) | Movement in<br>Forecast<br>Variance |
|---|-----------------------------------|---------------------------------|---|---|-------------------------------------|
| <b>PEOPLE : CHILDREN'S</b>                              | <b>63,679,444</b>                 | <b>71,857,578</b>               | <b>8,178,134</b>                                | <b>6,940,465</b>                          | <b>1,237,669</b>                    |
| PEO_CY_CH.PR Childrens                                  | 51,238,150                        | 59,050,326                      | 7,812,176                                       | 6,788,542                                 | 1,023,633                           |
| PEO_CY_COM.PR Children's Commissioning                  | 3,143,590                         | 3,362,131                       | 218,541   | 126,261                                   | 92,280                              |
| PEO_CY_PH.PR Children's Public Health                   | 6,004,400                         | 6,173,977                       | 169,577   | -900                                      | 170,477                             |
| PEO_CY_SL.PR Schools & Learning                         | 3,293,304                         | 3,271,145                       | -22,159   | 26,562                                    | -48,721                             |
| <b>PEOPLE : ADULTS</b>                                  | <b>88,064,694</b>                 | <b>90,285,709</b>               | <b>2,221,015</b>                                | <b>6,512,716</b>                          | <b>-4,291,701</b>                   |
| PEO_AS_ASC.PR Adults Social Care                        | 71,857,069                        | 74,355,777                      | 2,498,708                                       | 4,944,257                                 | -2,445,549                          |
| PEO_AS_COM.PR Adults Commissioning                      | 4,648,350                         | 5,043,341                       | 395,591   | 1,515,170                                 | -1,119,580                          |
| PEO_AS_PH.PR Adults Public Health                       | 11,559,275                        | 10,885,992                      | -673,283  | 53,289                                    | -726,572                            |
| <b>PLACE</b>  | <b>32,821,463</b>                 | <b>47,911,707</b>               | <b>15,090,244</b>                               | <b>16,709,645</b>                         | <b>-1,619,401</b>                   |
| PLA_COM.PR Environment & Neighbourhood                  | 25,366,996                        | 39,970,627                      | 14,603,631                                      | 16,113,377                                | -1,509,747                          |
| PLA_COMSIN.PR Commissioning (Culture Museum & Archives) | 5,699,467                         | 5,661,430                       | -38,037   | 96,268                                    | -134,305                            |
| PLA_CFO.PR Chief Finance Officer (Alexandra Palace)     | 1,755,000                         | 2,279,650                       | 524,650   | 500,000                                   | 24,650                              |
| <b>ECONOMY</b>  | <b>5,330,700</b>                  | <b>9,464,852</b>                | <b>4,134,152</b>                                | <b>5,791,597</b>                          | <b>-1,657,445</b>                   |
| ECC_PROD.PR Housing Regeneration & Planning             | 181,295                           | 195,812                         | 14,517  | -8,825                                    | 23,342                              |
| ECC_HSEGWT.PR Housing                                   | 153,700                           | 55,391                          | -98,309   | 0   | -98,309                             |
| ECC_PLAN.PR Planning Building Standards                 | 2,129,702                         | 3,282,277                       | 1,152,575                                       | 1,816,879                                 | -664,304                            |
| ECC_PCP.PR Property & Capital Projects                  | -1,423,287                        | 1,491,208                       | 2,914,495                                       | 3,624,543                                 | -710,048                            |
| ECC_REGEN.PR Regeneration & Economic                    | 4,289,290                         | 4,440,164                       | 150,874   | 359,000                                   | -208,126                            |
| <b>HOUSING</b>  | <b>17,269,065</b>                 | <b>19,104,297</b>               | <b>1,835,232</b>                                | <b>1,247,091</b>                          | <b>588,141</b>                      |
| AH03.PR Housing Demand                                  | 9,159,203                         | 13,446,298                      | 4,287,095                                       | 4,523,025                                 | -235,930                            |
| AH05.PR Housing Commissioned Services                   | -937,704                          | -2,938,985                      | -2,001,281                                      | -4,523,025                                | 2,521,744                           |
| HOU_COMSIN.PR Commissioning                             | 8,585,374                         | 8,397,357                       | -188,017  | 1,233,351                                 | -1,421,368                          |
| HOU_DEN.PR Environment & Neighbourhood                  | 462,192                           | 199,627                         | -262,565  | 13,740                                    | -276,305                            |
| <b>YOUR COUNCIL</b>                                     | <b>34,991,880</b>                 | <b>30,836,280</b>               | <b>-4,155,600</b>                               | <b>5,658,321</b>                          | <b>-9,813,920</b>                   |
| COU_CFO.PR Chief Finance Officer                        | 26,693,637                        | 20,499,495                      | -6,194,142                                      | 2,461,842                                 | -8,655,985                          |
| COU_CG.PR Corporate Governance                          | 2,559,690                         | 2,257,688                       | -302,002  | 212,000                                   | -514,002                            |
| COU_CE.PR Chief Executive                               | 296,050                           | 289,541                         | -6,509  | 0   | -6,509                              |
| COU_SCD.PR Strategy & Communication                     | 172,955                           | -316,434                        | -489,389  | -33,826                                   | -455,564                            |
| COU_CCS.PR Corporate & Customer Services                | 5,482,456                         | 7,342,797                       | 1,860,341                                       | 2,149,685                                 | -289,344                            |
| COU_HR.PR Human Resources                               | -221,639                          | -39,117                         | 182,522   | -69,295                                   | 250,817                             |
| COU_IT.PR IT Digital Services                           | 236,343                           | 380,937                         | 144,594   | 287,987                                   | -143,393                            |
| COU_TR.PR Transformation & Resources                    | 591,348                           | 840,677                         | 249,329   | 136,905                                   | 112,424                             |
| COU_SP.PR Strategic Procurement                         | -818,960                          | -419,304                        | 399,656   | 512,022                                   | -112,366                            |
| <b>PRIORITY TOTAL</b>                                   | <b>242,157,246</b>                | <b>269,460,423</b>              | <b>27,303,177</b>                               | <b>42,859,835</b>                         | <b>-15,556,658</b>                  |

## 2020/21 - Outturn (Q4 v Q3)

Appendix 2

| HRA BUDGET 2020/21                                | 2020/21 Revised Budget | End of year Outturn p.14 2020/21 Actual Spend | End of year Outturn p.14 2020/21 Actual Variance | Q3 Forecast Variance | End of Year Outturn v Q3 Variance Movement |
|---|------------------------|---|--|----------------------|--|
|   | £000's                 | £000's  | £000's   | £000's               | £000's                                     |
| <b>UE0721 Managed Services Income</b>             |                        |   |  |                      |  |
| H39404 Service Charge Income - Hostels            | -320                   | -288  | 32   | 0                    | 32   |
| H39002 Rent - Hostels                             | -1,815                 | -1,709  | 107  | 100                  | 7  |
| H39001 Rent - Dwellings                           | -82,992                | -81,380                                       | 1,612  | 158                  | 1,454                                      |
| H39101 Rent - Garages                             | -857                   | -805  | 52   | 44                   | 7  |
| H39102 Rent - Commercial                          | -753                   | -678  | 75   | -25                  | 100  |
| H39103 CBS - Lease Rental Income                  | 0                      | -1,364  | -1,364   | 0                    | -1,364                                     |
| H39201 Income - Heating                           | -615                   | -618  | -3   | 3                    | -6   |
| H39202 Income - Light and Power                   | -1,064                 | -1,068  | -4   | -3                   | -1   |
| H39301 Service Charge Income - Leasehold          | -7,378                 | -7,113  | 265  | 228                  | 37   |
| H39401 ServChgInc SuppHousg                       | -1,495                 | -1,487  | 8  | 9                    | -2   |
| H39402 Service Charge Income - Concierge          | -1,540                 | -1,436  | 104  | 105                  | 0  |
| H39405 Grounds Maintenance                        | -2,514                 | -2,503  | 11   | 14                   | -3   |
| H39406 Caretaking                                 | -1,856                 | -1,859  | -3   | -1                   | -2   |
| H39407 Street Sweeping                            | -2,313                 | -2,313  | 0  | 1                    | -1   |
| H40102 Water Rates Receivable                     | -1                     | 0   | 1  | 1                    | 1  |
| <b>UE0721 Managed Services Income TOTAL</b>       | <b>(105,513)</b>       | <b>(104,620)</b>                              | <b>892</b>                                       | <b>635</b>           | <b>258</b>                                 |
|   | £000's                 | £000's  | £000's   | £000's               | £000's                                     |
| <b>UE0722 Managed Services Expenditure</b>        |                        |   |  |                      |  |
| H31300 Housing Management WG                      | 23                     | 51  | 28   | 28                   | -1   |
| H32300 Housing Management NT                      | 28                     | 37  | 9  | 10                   | -1   |
| H33300 Housing Management Hornsey                 | 0                      | 26  | 26   | 14                   | 11   |
| H33400 TA Hostels                                 | 251                    | 351   | 100  | 125                  | -25  |
| H34000 ST Area Office Manager                     | 0                      | 0   | 0  | 0                    | 0  |
| H34100 Estate Services ST                         | 0                      | 0   | 0  | 0                    | 0  |
| H34300 Housing Management ST                      | 10                     | 21  | 11   | 7                    | 4  |
| H35300 Housing Management BWF                     | 12                     | 4   | -8   | -8                   | 0  |
| H36300 Rent Accounts                              | 0                      | 10  | 10   | 0                    | 10   |
| H36400 Accountancy                                | 0                      | 4   | 4  | 0                    | 4  |
| H37210 Under Occupation                           | 170                    | 53  | -116   | -83                  | -33  |
| H40001 Repairs - Central Recharges                | 2                      | 19  | 17   | 0                    | 17   |
| H40004 Responsive Repairs - Hostels               | 385                    | 560   | 175  | 284                  | -109                                       |
| H40101 Water Rates Payable                        | 31                     | 10  | -21  | 0                    | -21  |
| H40104 HousMgmtRechg Central                      | 109                    | 201   | 92   | 0                    | 92   |
| H40111 Other RentCollection                       | 138                    | 119   | -18  | 0                    | -18  |
| H40206 HousMgmtRechg Energ                        | 1,123                  | 1,291   | 168  | 0                    | 168  |
| H40208 Special Services Cleaning                  | 3,173                  | 3,425   | 251  | 129                  | 123  |
| H40209 Special Services Ground Maint              | 2,065                  | 1,633   | -432   | 0                    | -432                                       |
| H40210 Special Services Television Aerials        | 0                      | 41  | 41   | 0                    | 41   |
| H40211 Sp Serv DoorEntrySys                       | 0                      | 5   | 5  | 0                    | 5  |
| H40212 HRA Pest Control                           | 295                    | 86  | -209   | 0                    | -209                                       |
| H40213 Estate Controlled Parking                  | 145                    | 36  | -109   | -67                  | -42  |
| H40303 Supporting People Payments                 | 1,852                  | 1,012   | -839   | -842                 | 2  |
| H40309 Commercial Property - Expenditure          | 0                      | 53  | 53   | 27                   | 26   |
| H40401 Bad Debt Provision - Dwellings             | 768                    | 2,726   | 1,958  | 3,663                | -1,705                                     |
| H40404 Bad Debt Provision - Leaseholders          | 19                     | 1,475   | 1,456  | 221                  | 1,235                                      |
| H40405 BAd Debt Provision - Commercial            | 0                      | -95   | -95  | 0                    | -95  |
| H40406 Bad Debt Provisions - Hostels              | 68                     | 56  | -12  | -68                  | 56   |
| H40801 HRA- Council Tax                           | 357                    | 574   | 217  | 216                  | 1  |
| S14400 Supported Housing Central                  | 289                    | 205   | -84  | -82                  | -2   |
| <b>UE0722 Managed Services Expenditure TOTAL</b>  | <b>11,312</b>          | <b>13,988</b>                                 | <b>2,676</b>                                     | <b>3,574</b>         | <b>(898)</b>                               |
|   | £000's                 | £000's  | £000's   | £000's               | £000's                                     |
| <b>UE0731 Retained Services Expenditure</b>       |                        |   |  |                      |  |
| H25600 Housing Delivery Team                      | 0                      | 96  | 96   | 0                    | 96   |
| H38002 Anti Social Behaviour Service              | 608                    | 590   | -18  | 0                    | -18  |
| H39601 Interest Receivable                        | -302                   | -76   | 226  | 0                    | 226  |
| H40112 Corporate democratic Core                  | 598                    | 557   | -41  | 0                    | -41  |
| H40301 Leasehold Payments                         | -142                   | -78   | 64   | 0                    | 64   |
| H40305 Landlords Insurance - Tenanted             | 324                    | 342   | 18   | 0                    | 18   |
| H40306 Landlords - NNDR                           | 137                    | 48  | -89  | 0                    | -89  |
| H40308 Landlords Insurance - Leasehold            | 1,561                  | 1,440   | -121   | 0                    | -121                                       |
| H40501 Capital Financing Costs                    | 16,412                 | 10,760  | -5,652   | 0                    | -5,652                                     |
| H40601 Depreciation - Dwellings                   | 20,097                 | 19,334  | -763   | 0                    | -763                                       |
| H40805 ALMO HRA Management Fee                    | 39,076                 | 39,144  | 68   | 0                    | 68   |
| H40900 Community Benefit Society (CBS)            | 0                      | 57  | 57   | 0                    | 57   |
| H49000 Housing Revenue Account                    | 11,596                 | 11,605  | 9  | 0                    | 9  |
| H60002 GF to HRA Recharges                        | 3,233                  | 3,343   | 110  | 24                   | 86   |
| H60003 Estate Renewal                             | 0                      | 441   | 441  | 0                    | 441  |
| H60004 HIERS/ Regeneration Team                   | 1,002                  | 864   | -138   | 0                    | -138                                       |
| H88888 Housing HRA                                |                        |   |  |                      |  |
| <b>UE0731 Retained Services Expenditure TOTAL</b> | <b>94,200</b>          | <b>88,467</b>                                 | <b>(5,733)</b>                                   | <b>24</b>            | <b>(5,757)</b>                             |
| <b>Balance of HRA Account</b>                     | <b>0</b>               | <b>(2,165)</b>                                | <b>(2,165)</b>                                   | <b>4,233</b>         | <b>(6,398)</b>                             |

## APPENDIX 3

| Scheme Ref. No.            | Scheme Name                             | 20/21 Full year Revised Budget (£'000) | 20/21 Final Outturn (Draft) (£'000) | 20/21 Variance (Underspend) / Overspend (£'000) | 20/21 Capital Slippage (C/F) (£'000) | Reason for carry forward request   |
|----------------------------|---|--|-------------------------------------|---|--------------------------------------|--|
| 101                        | Primary Sch - repairs & maintenance     | 8,700                                  | 4,609                               | (4,091)   | 4,091                                | Contractually Committed Works  |
| 102                        | Primary Sch - mod & enhance (Inc SEN)   | 12,289                                 | 4,889                               | (7,400)   | 7,400                                | Ongoing contractual commitment on incomplete project work for Building Services , Roofs, Windows and external works  |
| 103                        | Primary Sch - new places                | 379                                    | 17                                  | (362)   | 362                                  | ongoing contractual commitments for incomplete Parkview and Highgate wood bulge works  |
| 104                        | Early years                             | 205                                    | 0                                   | (205)   | 205                                  | Contractually Committed Works  |
| 109                        | Youth Services                          | 400                                    | 171                                 | (229)   | 229                                  | Contractually Committed Works  |
| 110                        | Devolved Sch Capital                    | 510                                    | 510                                 | (0)   | 0                                    |  |
| 114                        | Secondary Sch - mod & enhance (Inc SEN) | 7,650                                  | 2,403                               | (5,247)   | 5,247                                | ongoing contractual commitment on incomplete project work for Fortismere Secondary School- 6th Form Condition ( Urgent works - window repairs /replacement and fire safety works)<br>Gladesmore Secondary School - Removal/Replacement of Temporary Block (Pending options appraisal)<br>Urgent Condition works at Hornsey School for Girls, Highgate Wood Secondary School and Park View Secondary School<br><br>Strategic Education Sites Masterplan & Options Appraisal for<br>Fortismere Secondary School<br>Hornsey School for Girls<br>Highgate Wood Secondary School<br>Park View Secondary School<br>Gladesmore Secondary School |
| 117                        | Children Safeguarding & Social Care     | 495                                    | 0                                   | (495)   | 495                                  | Contractually Committed Works  |
| 121                        | Pendarren House                         | 1,972                                  | 441                                 | (1,531)   | 1,531                                | ongoing contractual commitments for incomplete Phase 2 works   |
| 123                        | Wood Green Youth Hub                    | 250                                    | 25                                  | (225)   | 225                                  | Delayed project commencement, so reduced spend to date, however this will be accelerated through the next FY.  |
| 199                        | P1 Other (inc Con't & Social care)      | 223                                    | 0                                   | (223)   | 223                                  | To undertake the Strategic Education Sites Masterplan & Options Appraisal for Bruce Grove Youth Space and Stonecroft Day Nursery   |
| <b>People - Children's</b> |   | <b>33,074</b>                          | <b>13,066</b>                       | <b>(20,007)</b>                                 | <b>20,007</b>                        |  |



| Scheme Ref. No.        | Scheme Name                                       | 20/21 Full year Revised Budget (£'000) | 20/21 Final Outturn (Draft) (£'000) | 20/21 Variance (Underspend) / Overspend (£'000) | 20/21 Capital Slippage (C/F) (£'000) | Reason for carry forward request   |
|------------------------|---|--|-------------------------------------|---|--------------------------------------|--|
| 201                    | Aids, Adap's & Assistive Tech - Home Owners (DFG) | 2,679                                  | 922                                 | (1,757)   | 902                                  | This is a specific grant and has to be used for the stated purposes  |
| 207                    | New Day Opp's Offer                               | 547                                    | 481                                 | (66)  | 66                                   | Contractually Committed Works  |
| 208                    | Supported Living Schemes                          | 4,059                                  | 102                                 | (3,957)   | 3,956                                | The capital budget is to be used to deliver on the creation of additional accommodation which in turn underpins MTFS savings.  |
| 209                    | Assistive Technology                              | 1,508                                  | 249                                 | (1,259)   | 1,259                                | Due to delays caused by the pandemic the carry forward request is to cover outstanding contractual commitments and to complete the programme implementation and includes AT equipment (ongoing procurement) as well as Installation of equipment and associated resources and infrastructure requirements. |
| 210                    | Capitalisation of LA Community Equipment's        | 0                                      | 855                                 | 855   | 0                                    | Overspend relates to scheme 201 and has been offset accordingly  |
| 211                    | Community Alarm Service                           | 177                                    | 177                                 | 0   | 0                                    |  |
| 212                    | Linden House Adaptation                           | 581                                    | 546                                 | (35)  | 35                                   | This is a specific grant and has to be used for the stated purposes  |
| 213                    | Canning Crescent Assisted Living                  | 4,830                                  | 190                                 | (4,640)   | 4,640                                | The scheme is contractually committed  |
| 214                    | Osborne Grove Nursing Home                        | 3,000                                  | 217                                 | (2,783)   | 2,783                                | Carry forward to enable the scheme to proceed  |
| 216                    | Homelessness Hub                                  | 0                                      | 1                                   | 1   | 0                                    |  |
| 217                    | Burgoyne Road (Refuge Adaptations)                | 500                                    | 14                                  | (486)   | 486                                  | This capital budget is required to deliver a new women's refuge which is in design development.  |
| 218                    | Social Emotional & Mental Health Provision        | 300                                    | 0                                   | (300)   | 300                                  | Project in business case development phase, therefore funding needs to be carried forward to 2021/22   |
| <b>People - Adults</b> |   | <b>18,181</b>                          | <b>3,755</b>                        | <b>(14,426)</b>                                 | <b>14,426</b>                        |  |

| Scheme Ref. No. | Scheme Name            | 20/21 Full year Revised Budget (£'000) | 20/21 Final Outturn (Draft) (£'000) | 20/21 Variance (Underspend) / Overspend (£'000) | 20/21 Capital Slippage (C/F) (£'000) | Reason for carry forward request   |
|-----------------|------------------------|--|-------------------------------------|---|--------------------------------------|--|
| 301             | Street Lighting        | 1,300                                  | 1,087                               | (213)   | 213                                  | The continued series of lockdowns has impacted on supply chains for equipment which is slowing the rollout of the Standard Street Lighting programmes, this accelerated in the last quarter and the ability of the suppliers to deliver products deteriorated. A significant element of the equipment ordered in the last 5 months of the year did not arrive in time to allow it to be installed within the 2020/21 financial year and therefore implementation had to be reprogrammed to 2021/22. Contractual commitments have been made to buy this equipment and undertake the works which will now be completed in 2021/22 meaning that the funding will still be required. |
| 302             | Borough Roads          | 4,805                                  | 4,462                               | (343)   | 343                                  | The continued series of lockdowns is increasingly impacting on supply chains for the contractor and delays to material delivery is slowing down the programmes, this accelerated in the last quarter as the ability of the suppliers to deliver products, like kerbs, paving slabs and asphalt, deteriorated. Contractual commitments have been made to buy these materials and undertake the works which will now be completed in 2021/22 meaning that the funding will still be required.  |
| 303             | Structures (Highways)  | 1,490                                  | 964                                 | (526)   | 526                                  | Programme covers two projects, the largest of which North Hill is now completed and final accounts agreed. The Second project is still under development and has been delayed due to the covid situation and resolving design issues on the listed structure with Heritage England. Meaning that the works will not be able to move to implementation until 2021/22. The retaining wall remains subject to temporary interim measures and risks further detonation and even full closure of the road if permanent repairs are not made.  |
| 304             | Flood Water Management | 620                                    | 536                                 | (84)  | 84                                   | The continued series of lockdowns has impacted on supply chains for the contractor and delays to material delivery is slowing down the implementation programmes, this accelerated in the last quarter as the ability of the suppliers to deliver products, deteriorated. Contractual commitments have been made to buy these materials and undertake the works which will now be completed in 2021/22 meaning that the funding will still be required.  |
| 305             | Borough Parking Plan   | 624                                    | 231                                 | (393)   | 393                                  | Full C/F required - Programme deferred due to COVID-19 restrictions that delayed CPZ process.  |

| Scheme Ref. No. | Scheme Name  | 20/21 Full year Revised Budget (£'000) | 20/21 Final Outturn (Draft) (£'000) | 20/21 Variance (Underspend) / Overspend (£'000) | 20/21 Capital Slippage (C/F) (£'000) | Reason for carry forward request   |
|-----------------|--|--|-------------------------------------|---|--------------------------------------|--|
| 307             | CCTV   | 2,211                                  | 1,257                               | (954)   | 954                                  | The carry over to 21/22 request is due to slippage in instructions and completions on work packages prioritised for 20/21 which will be carried over due to delays in delivery as a result of COVID-19 impact. Cameras funded through NCIL funding have been delivered but not yet installed. The slippage was due to the need to configure fly-tipping analytics in order to ensure that the specialist cameras would fully function in fly-tipping hot spot locations across the borough. Installation will commence summer 21. The change of location for new control room also meant that there was a 6 months slippage. We are now on track to deliver on a new Control Room by Q3 21/22. The carryover will therefore cover delivery the outstanding works packages from 20/21, NCIL funded cameras and the new control room (core &shelling and fit out). |
| 309             | Local Implementation Plan(LIP)                           | 2,360                                  | 1,359                               | (1,001)   | 949                                  | C/f required to meet contractual commitments   |
| 310             | Developer S106 / S278                                    | 750                                    | 131                                 | (619)   | 619                                  | This funding is very specific in nature and will at some point be spent in line with the conditions imposed by planning.   |
| 311             | Parks Asset Management:                                  | 392                                    | 259                                 | (133)   | 133                                  | This is NCIL funded projects that need to be completed in 2021/22  |
| 313             | Active Life in Parks:                                    | 1,048                                  | 264                                 | (784)   | 784                                  | Mainly NCIL funded projects that need to be completed in 2021/22.  |
| 314             | Parkland Walk Bridges                                    | 2,620                                  | 368                                 | (2,252)   | 2,252                                | Funding required to complete delayed works in this and next financial year.  |
| 317             | Down Lane MUGA   | 413                                    | 356                                 | (57)  | 57                                   | Required to pay retention and other remedial landscape works.  |
| 320             | LCP - Dynamic Purchasing System                          | 0                                      | (3)                                 | (3)   | 0                                    |  |
| 321             | MOPAC - Crime & Disorder Reduction                       | 49                                     | 0                                   | (49)  | 49                                   | Awaiting confirmation from MOPAC if this can underspend be spent in 21/22, or whether this has to be returned (as per original grant determinations). Seeking confirmation of countering grant conditions.   |
| 322             | Finsbury Park  | 711                                    | 176                                 | (535)   | 535                                  | Need to fund contractual commitments   |
| 323             | Parking Strategy   | 1,258                                  | 298                                 | (960)   | 960                                  | Full C/F required - Programme deferred due to COVID-19 restrictions that delayed Transformation projects   |
| 325             | Parks Vehicles   | 720                                    | 0                                   | (720)   | 720                                  | The carry forward is requested to ensure that there is budgetary provision for the replacement of parks vehicles with appropriate electric vehicles  |
| 328             | Street & Greenspace Greening Programme                   | 293                                    | 110                                 | (183)   | 183                                  | 2020/21 scheme delayed due to shielding and working restrictions   |
| 329             | Park Building Carbon Reduction and Improvement Programme | 250                                    | 0                                   | (250)   | 250                                  | Project resources not available to progress due to pandemic.   |

| Scheme Ref. No.                              | Scheme Name   | 20/21 Full year Revised Budget (£'000) | 20/21 Final Outturn (Draft) (£'000) | 20/21 Variance (Underspend) / Overspend (£'000) | 20/21 Capital Slippage (C/F) (£'000) | Reason for carry forward request  |
|--|---|--|-------------------------------------|---|--------------------------------------|---|
| 331  | Updating the boroughs street lighting with energy efficient Led light bulbs | 3,500                                  | 2,849                               | (651)   | 651                                  | The continued series of lockdowns has impacted on supply chains for equipment which is slowing the rollout of the LED Street Lighting programme. With the delay to the CMS contract additional LED Lanterns had hoped to be installed to offset this delay. Equipment is however coming in slower than expected and therefore we are expecting a larger impact on the outturn for the year that projected previously. Contractual commitments have been made to buy these materials and undertake the works which will now be completed in 2021/22 meaning that the funding will still be required. |
| 332  | Disabled Bay/Blue Badge   | 374                                    | 22                                  | (352)   | 352                                  | Full C/F required - Programme deferred due to COVID-19 restrictions that delayed project  |
| 333  | Waste Management  | 70                                     | 0                                   | (70)  | 70                                   | Due to the impact of COVID-19 progress on the roll out of the waste containment programme has slipped. There is now a need to revise previously completed survey to ensure that the locations allow for compliance with COVID-19 guidance on pavement space. Waste team is working with Highways to resolve these issues as soon as possible in order for the installation to commence across the sites identified. The carryover will enable completion of the waste containment project by Q2 21/22.  |
| 336  | New River Acquisition   | 3,100                                  | 3,264                               | 164   | 0                                    | Overspend offset from Capital programme contingency pot   |
| 335  | Street space Plan   | 270                                    | 0                                   | (270)   | 270                                  | Carry forward full amount into new financial year. TfL funding confirmed late in December 2020 and March 2021 and focus has been on using that external funding due to TfL deadlines.   |
| 419  | NPD Phase 2 LBH Match Funding   | 3                                      | (2)                                 | (5)   | 5                                    | C/f required to meet contractual commitments  |
| 119  | School Streets  | 1,107                                  | 602                                 | (505)   | 505                                  | C/f required to meet contractual commitments  |
| 444  | Marsh Lane  | 10,310                                 | 6,256                               | (4,054)   | 4,054                                | C/f required to meet contractual commitments  |
| 447  | Alexandra Palace - Maintenance  | 470                                    | 470                                 | 0   | 0                                    | N/A   |
| 451  | Alexandra Palace -West Yard   | 1,430                                  | 1,430                               | 0   | 0                                    | N/A   |
| 472  | JLAC Match Fund   | 1,250                                  | 370                                 | (880)   | 880                                  | C/f required to meet contractual commitments  |
| 606  | Hornsey Library Refurbishment   | 2,216                                  | 2,425                               | 209   | 0                                    |   |
| 621  | Libraries IT and Buildings upgrade  | 2,751                                  | 631                                 | (2,120)   | 1,911                                | C/f required to meet contractual commitments  |
| 652  | Libraries - Re-imaging our Libraries offer for a better future              | 650                                    | 0                                   | (650)   | 650                                  | Delays to the libraries upgrade scheme has had a knock on effect to this scheme.  |
| <b>Place - Safe &amp; Sustainable Places</b> |   | <b>49,416</b>                          | <b>30,173</b>                       | <b>(19,243)</b>                                 | <b>19,351</b>                        |   |

| Scheme Ref. No. | Scheme Name   | 20/21 Full year Revised Budget (£'000) | 20/21 Final Outturn (Draft) (£'000) | 20/21 Variance (Underspend) / Overspend (£'000) | 20/21 Capital Slippage (C/F) (£'000) | Reason for carry forward request  |
|-----------------|---|--|-------------------------------------|---|--------------------------------------|---|
| 401             | Tottenham Hale Green Space                                    | 1,002                                  | 1,386                               | 384   | 0                                    | Overspent to be offset from scheme 402  |
| 402             | Tottenham Hale Streets  | 4,721                                  | 1,046                               | (3,675)   | 3,291                                | All of the Capital Slippage shown here is required to be carried over for future years spend in order to deliver a planned programme of works which are largely underway and are phased across several years.   |
| 4003            | Tottenham Hale Housing Zone Funding                           | 2,332                                  | 2,260                               | (72)  | 72                                   | C/f required to meet contractual commitments  |
| 404             | Good Economy Recovery plan                                    | 250                                    | 13                                  | (237)   | 237                                  | To ensure delivery of approved projects as part of our response to COVID impact on businesses and in delivery of the Good Economy Recovery Plan. Projects with delayed start due to second lockdown and restrictions.   |
| 406             | Opportunity Investment Fund                                   | 926                                    | 384                                 | (542)   | 542                                  | includes external funding for loans scheme to support local business growth. Applications paused during pandemic but new applications being received and key part of recovery. Loan scheme approved to be an ongoing facility and carry forward required to be able to continue deliver the scheme and support local businesses |
| 411             | Tottenham Heritage Action Zone (HAZ)                          | 314                                    | 2                                   | (312)   | 312                                  | This ischeme is grant funded so the grant needs to be carried forward   |
| 415             | North Tott Heritage Initiative                                | 653                                    | 293                                 | (360)   | 360                                  | C/f required to meet contractual commitments  |
| 418             | Heritage building improvements                                | 2,500                                  | 911                                 | (1,589)   | 1,589                                | C/f required to meet contractual commitments  |
| 421             | HRW Acquisition   | 20,290                                 | 2,552                               | (17,738)  | 17,738                               | The HRW Acquisitions budget relates to acquisitions over the period of the lifetime of the project and in accordance with the total required budget set out in the Property Cost Estimate, which remains unchanged. As such, underspend from 20/21 will be required in future years.  |
| 427             | White Hart Lane Public Realm (LIP)                            | 0                                      | 52                                  | 52  | 0                                    | The overspend is to be offset from scheme 309   |
| 429             | Site Acq (Tott & Wood Green)                                  | 50,267                                 | 7,945                               | (42,322)  | 42,322                               | The request to carry forward is to maintain the Council's ability to make opportunistic acquisitions  |
| 434             | Wood Green Regeneration                                       | 113                                    | 44                                  | (69)  | 69                                   | Carry forward requested for the continuity of the projects listed in Scheme 480.  |
| 435             | Wood Green Station Road                                       | 0                                      | 410                                 | 410   | 0                                    | Overspent to be offset from scheme 480  |
| 438             | Vacant possession Civic Centre (Woodside House Refurbishment) | 169                                    | 147                                 | (22)  | 22                                   | C/f required to meet contractual commitments  |
| 445             | Hornsey Town Hall   | 0                                      | 1                                   | 1   | 0                                    | This overspend will be met from the contingency   |
| 450             | Winkfield Road (Maya Angelou Centre)                          | 61                                     | 53                                  | (8)   | 0                                    |   |
| 452             | Low Carbon Zones  | 87                                     | 36                                  | (50)  | 50                                   | The carry forward request is to support the School Streets projects.  |

| Scheme Ref. No. | Scheme Name  | 20/21 Full year Revised Budget | 20/21 Final Outturn (Draft) | 20/21 Variance (Underspend) / Overspend (£'000) | 20/21 Capital Slippage (C/F) | Reason for carry forward request   |
|-----------------|--|--------------------------------|-----------------------------|---|------------------------------|--|
| 455             | Replacement Cloud based IT solutions for Planning, Building Control & Land Charges | 0                              | 10                          | 10  | (10)                         | This negative carry forward will be met through reducing the 2021/22 budget  |
| 464             | Bruce Castle   | 1,557                          | 0                           | (1,557)   | 1,557                        | Requested to ensure that there is sufficient capital for match funding bids to improve the castle. This is a self financing scheme   |
| 465             | District Energy Network (DEN)  | 1,480                          | 649                         | (831)   | 831                          | C/f required to meet contractual commitments   |
| 468             | Keston Road (Community Centre Reprovision)   | 75                             | 75                          | 0   | 0                            |  |
| 470             | Wood Green HQ, Library & Customer Service Centre                                   | 3,107                          | 319                         | (2,788)   | 2,788                        | The carry forward request is to support the accommodation strategy   |
| 471             | Tailoring Academy Project  | 20                             | 5                           | (15)  | 15                           | C/f required to meet contractual commitments   |
| 473             | Enterprising Tottenham High Road (ETHR)  | 500                            | 323                         | (177)   | 177                          | The ETHR programme, funded by the GLA, has been extended by 12 months to March 2022, hence our proposal to reprofile funding into 21-22  |
| 474             | Tottenham High Road Strategy   | 500                            | 616                         | 116   | (116)                        | This negative carry forward will be met through reducing the 2021/22 budget  |
| 475             | Heart of Tottenham (HOT)   | 160                            | 253                         | 93  | (93)                         | This negative carry forward will be met through reducing the 2021/22 budget  |
| 477             | Strategic Regeneration Initiatives & Community Assets                              | 0                              | 29                          | 29  | 0                            | This negative carry forward will be met through reducing the 2021/22 budget  |
| 478             | Wood Green Good Growth Fund  | 121                            | 71                          | (50)  | 50                           | C/f required to meet contractual commitments and grant conditions  |
| 479             | 54 Muswell Hill Health Centre  | 1,040                          | 4                           | (1,036)   | 100                          | The scheme has changed so that now the NHS will be delivering the capital works so a Haringey budget is no longer required. The carry forward is required to meet some commitments and fees.                             |
| 480             | Wood Green Regen (2)   | 4,880                          | 170                         | (4,710)   | 4,300                        | C/f required to meet contractual commitments and grant conditions  |
| 481             | Strategic Investment Pot   | 850                            | 6                           | (844)   | 844                          | C/f required to meet grant conditions  |
| 482             | Strategic Property   | 3,929                          | 0                           | (3,929)   | 3,929                        | This carry forward is requested to enable improvements to be made to the commercial property estate  |
| 483             | Production Valley Fund (SIP)   | 711                            | 68                          | (643)   | 643                          | C/f required to meet grant conditions  |
| 488             | Liveable Seven Sisters (LSS)   | 477                            | 0                           | (477)   | 477                          | Underspend to reprofiled for 21-22. Delays with page Green Common SLA with Parks and Highways combined with changes in resources have delayed delivery start to august 2021. Also part of FHSF programme (match funding) |
| 493             | Bruce Grove Yards (BGY)  | 30                             | 4                           | (26)  | 26                           | Underspend to be reprofiled into 21-22. Project delayed due to impact of Covid-19 on parking survey.   |

| Scheme Ref. No.                          | Scheme Name                                  | 20/21 Full year Revised Budget | 20/21 Final Outturn (Draft) | 20/21 Variance (Underspend) / Overspend (£'000) | 20/21 Capital Slippage (C/F) | Reason for carry forward request   |
|--|--|--------------------------------|-----------------------------|---|------------------------------|--|
| 4001                                     | Maintenance of Tottenham Green Workshops     | 700                            | 69                          | (631)   | 631                          | Refurbishment of TGW due in 2021/22  |
| 4002                                     | Northumberland Park estate area public realm | 500                            | 0                           | (500)   | 500                          | This carry forward is requested to enable continued work on improving the northumberland Road public realm         |
| 4005                                     | SME Workspace Intensification                | 320                            | 204                         | (116)   | 116                          | To deliver projects delayed due to pandemic. Programme of delivery now being progressed                            |
| 4006                                     | Acquisition of head leases                   | 10,000                         | 20                          | (9,981)   | 9,981                        | Carry forward required to fund potential acquisition of headleases in 2021/22. Acquisitions underpin MTFs savings. |
| 4009                                     | Additional Carbon Reduction Project          | 1,500                          | 0                           | (1,500)   | 1,500                        | This scheme has been delayed due to Covid and the carry forward is required to support carbon reduction            |
| 4010                                     | Selby Urban Village Project                  | 684                            | 387                         | (297)   | 297                          | This carry forward is required to enable the scheme to continue  |
| 4011                                     | Commercial Property Remediation              | 500                            | 391                         | (109)   | 109                          | Ongoing remediation work in respect of commercial portfolio  |
| 4993                                     | Pride in the High Road (PITHR)               | 300                            | 4                           | (296)   | 296                          | C/f required to meet grant conditions  |
| <b>Economy - Growth &amp; Employment</b> |  | <b>117,625</b>                 | <b>21,210</b>               | <b>(96,415)</b>                                 | <b>95,553</b>                |  |

| Scheme Ref. No.                             | Scheme Name                                | 20/21 Full year Revised Budget (£'000) | 20/21 Final Outturn (Draft) (£'000) | 20/21 Variance (Underspend) / Overspend (£'000) | 20/21 Capital Slippage (C/F) (£'000) | Reason for carry forward request  |
|---|--|--|-------------------------------------|---|--------------------------------------|---|
| 509   | CPO - Empty Homes                          | 2,050                                  | 0                                   | (2,050)   | 2,050                                | The carry forward is requested to enable the CPO process to be undertaken should the need arise                       |
| 512   | Wholly Owned Company                       | 5,000                                  | 0                                   | (5,000)   | 5,000                                | The carry forward is requested so that should the company be established there is budgetary provision to enable that. |
| 513   | 54 Muswell Hill Flats                      | 678                                    | 0                                   | (678)   | 0                                    | This scheme is now not proceeding   |
| 514   | Notting Hill Housing Group (4 Ashley Road) | 2,970                                  | 0                                   | (2,970)   | 0                                    | This scheme is now not proceeding   |
| <b>Housing (GF) Homes &amp; Communities</b> |  | <b>10,698</b>                          | <b>0</b>                            | <b>(10,698)</b>                                 | <b>7,050</b>                         |   |

| Scheme Ref. No. | Scheme Name                                | 20/21 Full year Revised Budget (£'000) | 20/21 Final Outturn (Draft) (£'000) | 20/21 Variance (Underspend) / Overspend (£'000) | 20/21 Capital Slippage (C/F) (£'000) | Reason for carry forward request  |
|-----------------|--|--|-------------------------------------|---|--------------------------------------|---|
| 601             | Business Imp Programme                     | 122                                    | 0                                   | (122)   | 122                                  | Continue pilot project for 'virtual whiteboard' trial   |
| 602             | Corporate IT Board                         | 3,015                                  | 1,653                               | (1,362)   | 1,362                                | The carry forward request is made to ensure that there are sufficient resources to deliver on the digital agenda  |
| 603             | ICT Shared Service - Set Up / Seed Money   | 1,434                                  | 0                                   | (1,434)   | 1,434                                | The carry forward request is made to ensure that there are sufficient resources to deliver on the digital agenda  |
| 604             | Continuous Improvement                     | 1,726                                  | 713                                 | (1,013)   | 1,013                                | <p>With the presence of Covid-19 over the last 12-14 months, the need for a stable IT environment with minimum infrastructure changes able to support 3,500 working-from-home users has been the priority. As a consequence, some Evergreening projects/spend have not been fully realised. Now that Haringey Council have hopefully passed this stage and entering a different phase, infrastructure changes will now be progressed. A new profile spend is being finalised and includes some major transformational work that covers replacement of Windows 10 laptops, ensuring a robust and fit-for-purpose BCP and DR infrastructure, a backup and storage environment that can provide a level of resilience against cyber-attacks &amp; malware and discussions around the use of Cloud data centres.</p> <p>Should also be remembered that many of the Evergreening projects are multi-year in duration and the assumption is that any underspend will be used to help fund additional expenditure in future years.</p>   |
| 605             | Customer Services (Digital Transformation) | 561                                    | 90                                  | (471)   | 471                                  | <p>The planned capital works on Wood Green Customer Service Centre were put on hold in 2020/21 due to programme resources being otherwise allocated during the pandemic. The works are still required, especially in light of the capital works to Wood Green Library that will not extend into Customer Services (CS). The CS work will include a refit of the CSC with an improved layout and new furnishings. (c £140k)</p> <p>We additionally still intend to replace our Workforce Planning Tool with a more fit for purpose system that will enable better management of Call Centre resources. An upgrade of the current tool is underway, however it will soon be unsupported, so a replacement is required. This is needed more than ever with staff WFH, and a significant number of them expected to remain at home for all/part of the time (c £80k)</p> <p>We also plan to run the Perform + programme in Customer Services to improve our overall performance in a remote working setting. This programme has already proven useful in ASC, so will be run in Customer Services (c £250k)</p> |



| Scheme Ref. No.                   | Scheme Name                                 | 20/21 Full year Revised Budget (£'000) | 20/21 Final Outturn (Draft) (£'000) | 20/21 Variance (Underspend) / Overspend (£'000) | 20/21 Capital Slippage (C/F) (£'000) | Reason for carry forward request   |
|-----------------------------------|---|--|-------------------------------------|---|--------------------------------------|--|
| 607                               | Financial Management System Replacement     | 1,100                                  | 578                                 | (522)   | 522                                  | Scheme 607 funds a 3 year programme of work on our core finance, HR and procurement systems. Year one has seen significant progress supporting the insourcing of recruitment services with the implementation of a new Applicant Tracking solution, going live as planned. Year 2 and beyond delivers on essential work packages such as procurement, budget and forecasting, self service, system performance improvement and accessible training and skills. The full programme budget of £3m remains on target. |
| 622                               | Customer First                              | 1,601                                  | (0)                                 | (1,601)   | 1,601                                | The carry forward is required to enable the completion of contractual payments for systems (e.g. Midcall, Customer Platform), along with providing resources / capacity to support delivery of change projects within Customer Services (e.g. Debt programme).   |
| 639                               | Ways of Working                             | 330                                    | 102                                 | (228)   | 228                                  | Covid has meant that the ways of working project has been delayed. The scheme will provide project management resources to ensure that project to Council accommodation is delivered.  |
| 640                               | Accommodation Move                          | 92                                     | 92                                  | (0)   | 0                                    | 0  |
| 650                               | Connected Communities                       | 700                                    | 142                                 | (558)   | 558                                  | The carry forward request is made to ensure that there are sufficient resources to deliver this project  |
| 653                               | Capital Support for IT Projects             | 1,800                                  | 1,184                               | (616)   | 616                                  | The carry forward request is made to ensure that there are sufficient resources to deliver on the digital agenda   |
| 654                               | Covid 19 Contingency Budget                 | 4,750                                  | 0                                   | (4,750)   | 0                                    | This contingency is no longer required   |
| 316                               | Asset Management of Council Buildings       | 7,321                                  | 2,750                               | (4,571)   | 4,571                                | The carry forward request is made to ensure that there are sufficient resources to deliver this project  |
| 330                               | Civic Centre Works                          | 2,750                                  | 47                                  | (2,703)   | 2,703                                | Delayed commencement to stage 2, however, a revised programme has been agreed which recoup lost time and will see a greater spend in the next FY. Project works are continuing and Cabinet has approved a completion date of September 2024.   |
| 699                               | P6 - Approved Capital Programme Contingency | 416                                    | (0)                                 | (416)   | 0                                    | This contingency is no longer required   |
| <b>Your Council</b>               |   | <b>27,718</b>                          | <b>7,351</b>                        | <b>(20,367)</b>                                 | <b>15,201</b>                        |  |
| <b>TOTAL GF CAPITAL PROGRAMME</b> |   | <b>256,711</b>                         | <b>75,555</b>                       | <b>(181,156)</b>                                | <b>171,587</b>                       |  |

| Description                                 | Balance at 31/03/20 | Transfer In 2020-21 | Transfer Out 2020-21 | Balance at 31/03/21 |
|---|---------------------|---------------------|----------------------|---------------------|
|   | £'000               | £'000               | £'000                | £'000               |
| General Fund Reserve                        | (15,839)            | (58)                | 0                    | (15,897)            |
| General Fund earmarked reserves:            |                     |                     |                      | 0                   |
| Insurance reserve                           | (6,240)             | (4,000)             | 1,189                | (9,051)             |
| Strategic Budget Planning Reserve           | (1,691)             | (8,800)             | 0                    | (10,491)            |
| Transformation reserve                      | (13,646)            | (2,223)             | 2,167                | (13,702)            |
| Schools reserve                             | (10,325)            | (5,436)             | 2,814                | (12,947)            |
| Services reserve                            | (6,795)             | (3,695)             | 922                  | (9,567)             |
| PFI lifecycle reserve                       | (15,080)            | (1,392)             | 0                    | (16,472)            |
| Debt repayment reserve                      | (5,045)             | 0                   | 0                    | (5,045)             |
| Accommodation Strategy                      | (442)               | 0                   | 0                    | (442)               |
| Urban Renewal                               | (284)               | 0                   | 0                    | (284)               |
| Unspent grants reserve                      | (8,975)             | (3,050)             | 2,844                | (9,180)             |
| Labour market growth resilience reserve     | (513)               | 0                   | 67                   | (445)               |
| Budget resilience reserve                   | (7,303)             | 0                   | 0                    | (7,303)             |
| Collection Fund Smoothing reserve           | 0                   | (20,267)            | 0                    | (20,267)            |
| Covid 19 grant reserve                      | (8,094)             | 0                   | 8,094                | 0                   |
| <b>GF earmarked reserves:</b>               | <b>(84,433)</b>     | <b>(48,862)</b>     | <b>18,098</b>        | <b>(115,197)</b>    |
| DSG Deficit Balance                         | 10,185              |                     | 6,832                | 17,016              |
| <b>Total General Fund Usable Reserves</b>   | <b>(90,087)</b>     | <b>(48,920)</b>     | <b>24,929</b>        | <b>(114,078)</b>    |
| Housing Revenue Account                     | (7,982)             | (13,923)            | 7,582                | (14,323)            |
| Housing Revenue Account earmarked Reserves: |                     |                     |                      |                     |
| Homes for Haringey                          | (709)               | 0                   | 0                    | (709)               |
| HRA earmarked reserves                      | (709)               | 0                   | 0                    | (709)               |
| <b>Total HRA Usable Reserves</b>            | <b>(8,691)</b>      | <b>(13,923)</b>     | <b>7,582</b>         | <b>(15,032)</b>     |

n.b. the HRA transfer from reserves is part of the planned financing of the HRA capital programme for the 2020/21 financial year.

### Description of Reserves Purpose and 2020/21 Usage

**General Fund Reserve** - The purpose of the general fund reserve is to manage the impact of emergencies or unexpected events. Without such a reserve, the financial impact of such events could cause a potential financial deficit in the general fund, which would be severely disruptive to the effective operation of the authority. The reserve should militate against immediate service reductions if there were any unforeseen financial impacts.

**Schools Reserve** - This balance represents the net balances held by the Council's 63 schools. The Secretary of State for Education allows Local Authorities to have within their Scheme for Financing Schools a provision whereby surplus balances that are deemed excessive can be withdrawn from the school in question and applied elsewhere within the Dedicated Schools Budget.

**Transformation Reserve** - This reserve is earmarked for the costs associated with the Council's Transformation programmes including the investment necessary to deliver longer term efficiencies and change, together with the associated costs of redundancies and decommissioning. It also helps manage the risks associated with the future level of flexible capital receipts.

**Services Reserve** - It is Council policy that services may request funds to be carried forward, this is subject to approval by the Cabinet in the year-end financial outturn report. This reserve earmarks those funds to either be carried forward to the following financial year or retained.

**PFI Lifecycle Reserve** - The PFI reserve is increased by PFI grant received in excess of contractual payments.

**Debt Repayment (Treasury) Reserve** - This reserve represents funds the Council has set aside for debt related costs including the potential repayment of debt and for funding of future capital expenditure, and management of risk inherent within the Council's treasury management activities.

**Insurance Reserve** - The Council self-insures a number of risks including liability, property and theft. Insurance claims are erratic in their timings and so the Council maintains a reserve to smooth the charge to the Council's revenue account in the same way as a premium to an external insurance provider would smooth charges to the revenue account. The increase to the reserve level has been made possible by a reduced provision requirement. As the Council carries relatively high levels of excess and it is deemed prudent to use provide greater resilience against future claims.

**Unspent Grants Reserve** - This reserve holds grant income which has been received and recognised in the year they have been allocated to the authority, but which will finance related expenditure in future years. These come with conditions setting out how the funding must be used.

**Labour Market Growth Resilience Reserve** - It is beneficial for the Council to support people into work and this reserve will support activities which achieve that aim.

**Strategic Budget Planning Reserve** - This reserve will be used to smooth the MTFS over the medium term.

**Resilience Reserve** - This reserve is used as a measure to offset non-delivery / delay of planned savings and other budget risks contained within the MTFS. It provides additional robustness and financial resilience for the Council.

**Collection Fund (CF) Reserve** – to manage the impact of C19 on the Collection Fund in terms of losses (including potential losses from the London Pool), but also in terms of the profiling of when the impact of government support and arrears hit the Council's GF.

**Covid 19 Grant** - This grant reserve is to help mitigate the costs and loss of income that will arise from the Covid 19 Pandemic.

**DSG Deficit Reserve** – to hold the brought forward DSG deficits. This balance will be designated as unusable in the Statement of Accounts.

Virements for Cabinet Approval

Appendix 5

| <b>Capital Virements for Quarter 4 (Four) 2020/21</b> |                      |                                    |   |                           |
|---|----------------------|------------------------------------|---|---------------------------|
| <b>Priority</b>                                       | <b>Scheme Number</b> | <b>Scheme Description</b>          | <b>Budget Adjustment (Virement) (£)</b> | <b>Scheme Description</b> |
|   |                      | Local Implementation Plan(LIP)     | 616,023                                 | Budget realignment        |
| Place   | 309                  | Borough Roads                      | 232,000                                 | Budget realignment        |
| Place   | 119                  | School Streets                     | 257,000                                 | Budget realignment        |
|   |                      |                                    | <b>1,105,023</b>                        |                           |
|   |                      |                                    |   |                           |
| Economy   | 427                  | White Hart Lane Public Realm (LIP) | (24,000)                                | Budget realignment        |
| Economy   | 452                  | Low Carbon Zones                   | (22,172)                                | Budget realignment        |
|   |                      |                                    | <b>(46,172)</b>                         |                           |
|   |                      |                                    | <b>1,058,851</b>                        |                           |

| Transfers from Reserves - for noting    |              |                                     |          |                   |                   |                           | Appendix 5   |
|---|--------------|-------------------------------------|----------|-------------------|-------------------|---------------------------|--|
| Period                                  | Priority     | Service/AD Area                     | Rev/ Cap | In year           | Next year         | Reason for budget changes | Description  |
| 3                                       | Your Council | Corporate & Customer Services       | Revenue  | 500,000           |                   | Budget Funding Allocation | Drawdown from Transformation Reserve to cover casework backlogs in Council Tax Revenues and Benefits Operations                                      |
| <b>Virements for Approval (2020/21)</b> |              |                                     |          |                   |                   |                           |  |
| Period                                  | Priority     | Service/AD Area                     | Rev/ Cap | In year           | Next year         | Reason for budget changes | Description  |
| 11                                      | Economy      | Regeneration & Economic Development | Revenue  |                   | 3,313,550         | Budget Realignment        | Realignment of Regeneration budget for 21/22 in line with the current approved restructure   |
| 12                                      | People       | Adults                              | Revenue  | 700,000           |                   | Budget Realignment        | Realignment of the Care purchasing budget to move the costs from Learning Disability support to Mental Health support to reflect 20/21 demand growth |
| 12                                      | Place        | Environment and Neighbourhood       | Capital  | 3,413,149         |                   | Budget Funding Allocation | Allocation of 20/21 LIP Funding  |
| <b>Virements for Approval (2021/22)</b> |              |                                     |          |                   |                   |                           |  |
| 2                                       | Housing      | Housing Demand                      | Revenue  | 16,146,970        | 16,146,970        | Budget Realignment        | Realignment of Housing Demand budget to reflect actual performance   |
| 2                                       | Housing      | Housing Commissioned Services       | Revenue  | 1,464,867         | 1,464,869         | Budget Realignment        | Realignment of Housing Commissioned Services budget to reflect actual performance  |
| 2                                       | Place        | Environment and Neighbourhood       | Revenue  | 361,000           |                   | Budget Funding Allocation | Capital funding for the new Parking Business & Innovation Team for 21/22   |
| 3                                       | Place        | Environment and Neighbourhood       | Revenue  | 683,973           |                   | Grant Funding Allocation  | MOPAC Victims Reduction Unit and LCPF Grant Allocations for 21/22  |
| 3                                       | Your Council | Corporate and Customer Services     | Revenue  | 2,584,711         | 1,389,711         | Budget Realignment        | Consolidation of Customer Services Centres into one cost centre to better align with operational management  |
| 3                                       | People       | Childrens                           | Revenue  | 320,000           | 320,000           | Budget Realignment        | Realignment of staffing and placement budgets within the Disabled Children's Team  |
| 3                                       | Housing      | HRA                                 | Capital  | 65,278,000        |                   | Budget Realignment        | Realignment of HRA Major Works Capital budget to reflect planned spend including transfer of £1.1m to Aids and Adaptations budget                    |
| <b>Total 2021/22</b>                    |              |                                     |          | <b>91,452,670</b> | <b>22,635,100</b> |                           |  |

**Write off Summary Report Quarter 4**

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.

This quarterly summarised report is for information purposes only and, the debts that have been written off for the Financial Period 1<sup>st</sup> January 2021 – 31<sup>st</sup> March 2021 (Qtr. 4) relate to delinquent accounts, where all forms of recovery action have now been fully exhausted. The sums 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 4 Summary: -**

The table below summarises the write offs by service type, financial value and volume.

| Quarter 4 Write Off, Financial Period 1 January 2021 - 31st March 2021 |             |             |             |             |             |                 |             |         |               |
|--|-------------|-------------|-------------|-------------|-------------|-----------------|-------------|---------|---------------|
| Service  | Council Tax | NNDR        | HBOP        | HRA Rent    | Leaseholder | Commercial Rent | Sundry Debt | Parking | Total         |
| <b>Under £50k</b>  | £202,008.08 | £140,980.70 | £418,617.25 | £197,115.71 |             | £7,823.09       | £133,140.79 |         | £1,099,685.62 |
| <b>Volume</b>  | 234         | 18          | 307         | 117         |             | 1               | 56          |         | 733           |
| <b>Over £50k</b>   |             |             |             |             |             |                 |             |         | £0.00         |
| <b>Volume</b>  |             |             |             |             |             |                 |             |         | 0             |
| <b>Total Value</b>   |             |             |             |             |             |                 |             |         | £1,099,685.62 |
| <b>Total Volume</b>  | 234         | 18          | 307         | 117         | 0           | 1               | 56          | 0       | 733           |

The Council Wide write off for Quarter 4 relates to Council Tax, Business Rates, Housing Benefit Overpayments, Housing Rent Accounts, Commercial Rents & Sundry Debt.

The **Council Tax** write off for this period comprises of 46% ‘*Absconded Charge Payers*’, with the remaining 54% being made up of ‘*Petty Amounts*’, ‘*Insolvency*’, ‘*Deceased*’ and ‘*Statute Barred*’.

**Business Rates** write offs for Quarter 4, compromise mainly of ‘*Insolvency*’ **£111k** and ‘*Absconded Charge Payers*’ **£28k** and with one account being ‘*Statute Barred*’ **£691**.

The Quarter 4 **£418k Housing Benefit Overpayment** write offs relate to ‘*Insolvency*’, ‘*Deceased*’, ‘*Whereabouts Unknown*’, ‘*Recommended by Legal*’, ‘*Statute Barred*’ and ‘*Uneconomic to Pursue*’.

All the accounts were reviewed to ensure that all methods of recovery had been exhausted.

The **Commercial Rent** Team submitted 1 write off as ‘*Uneconomic to Pursue*’ totalling £7k.

The **£197k** worth of **Housing Rent Account** write offs relate mainly to ‘*Statute Barred*’ and ‘*Deceased*’ accounts, these are for their General Needs and Temporary Accommodation tenants. All accounts were reviewed to ensure that recovery methods had been exhausted.

The Quarter 4 **Sundry Debt** write offs are mainly for ‘*Deceased*’ accounts, this is part of an ongoing review that the team are carrying out within the Adults Social Care accounts. This review will continue into the new financial year with a larger volume and value submitted in Quarter 1.