

Report for: Cabinet – 19 July 2022

Title: 2021-22 Finance Update and Provisional 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 Decision

1. Describe the issue under consideration

- 1.1 This report sets out the provisional outturn for 2021/22 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 2022 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 As a result of the Covid-19 (C19) pandemic, last year the Government issued the Accounts and Audit (Amendment) Regulations 2021 which extended the statutory audit deadlines for both 2020/21 and 2021/22 for authorities such as Haringey. Therefore, the statutory deadline for publishing the 2021/22 draft Statement of Account (SoA) is 31 July.

2021/22 Outturn Position

- 1.4 The overall provisional **General Fund** revenue outturn is a small underspend position. This shows an improvement to the forecasts provided at Qtr3 which was expected and, as anticipated, has relied on the utilisation of all the corporate contingency budget.
- 1.5 The direct impact of Covid on the general fund forecast at circa £12.5m throughout the year has largely been offset by Government grants and income compensation as expected. Clearly the consequential impacts remain and are likely to impact at least in 2022/23 and potentially beyond and with no associated additional emergency grant.
- 1.6 The base budget (non-Covid) pressure at Qtr 3 was forecast at £9.4m and at that time it was expected that some reduction would come through from the

services ahead of the outturn and any remaining pressure would be covered by the utilisation of the unused corporate contingency budget.

- 1.7 The outturn position now presented is in line with this premise. The priority service areas have shown a net improvement to the Qtr3 forecast of around £6m which is comprised of a number of positive movements the largest of which being revisions to bad debt provisions and additional income collection. After taking other corporate changes into account, largely the corporate contingency budget, the net impact has enabled the council to break even without the need to draw down the planned £1.8m from the Strategic Budget Planning reserve.
- 1.8 While a balanced budget has been achieved it belies the significant budget pressure felt during the year particularly in the two social care directorates which between them overspent against agreed budgets by £16.0m. It must be recognised that much of this has been caused by the direct and indirect impact of the pandemic which has led to significant step up in demand since the original budgets were set coupled with increased placement and other costs.
- 1.9 Overall, the General Fund closed 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 has improved from the £6.7m reported in Qtr3 and ended £3.7m overspent. The overspend essentially remained within the High Needs block. 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, and increased demand outstripping increases in funding provided. A dialogue is underway between the Council, EFSA and government as to our position and how it will be addressed.
- 1.11 The £3.7m overspend has been added to the existing £17.0m deficit, leaving a total deficit of £20.7m on the Council's balance sheet as an unusable reserve. Reduction of this balance cannot currently be met from Council's General Funds unless explicit agreement is given by the Secretary of State.
- 1.12 The Housing Revenue Account reports an end of year outturn variance of £2.189m. This represents an adverse movement of £1.881m on the position reported in quarter 3. Notwithstanding this, the Council has been able to increase its working balance for the HRA to £20m in line with the strategy agreed in the March Budget report.
- 1.13 Turning to Capital, the 2021/22 capital programme outturn was £214m (48% of approved budget) which was broadly in line with the forecast at Qtr3 excluding enabling budgets where the timing of expenditure is uncertain and allow the Council to respond rapidly to opportunities or to fulfil prior decisions associated with the Highroad West acquisition programme. The Council has an ambitious programme, including its significant housebuilding and acquisitions programme, and this level of spend signifies a significant level of delivery of key infrastructure and assets for the borough. The HRA outturn which is

£124m of the above is the largest level of spend on social housing in the borough in many years.

2. Cabinet Member Introduction

- 2.1 This report confirms that the Council's General Fund effectively came in on budget for 2021/22. As forecast throughout the year, the direct impact of Covid, was largely offset by Government support and the base budget pressures, in the end, were able to be offset but not without the full application of the corporate contingency budget. This has enabled the Council's general reserve to be maintained intact and without the need to draw down the planned £1.8m from the Strategic Budget Planning reserve.
- 2.2 This is important as many of the pressures felt during 2021/22 will inevitably continue into the new year with the social care budgets in particular continuing to see high demand coupled with increased placement and other costs. The impact of inflation will create further budgetary pressure for both the council and our communities. Having been able to maintain Council reserves at similar levels to the prior year provides a further level of resilience on top of the growth that was added to 2022/23 budgets.
- 2.3 The new year will require a tight financial grip from the outset with c. £20m savings to deliver, the effects of Covid still being felt, an extremely challenging economic landscape and uncertainty about the level of Government funding available beyond 2022/23.

3. Recommendations

- 3.1 Cabinet is recommended:
- a) To note the provisional revenue and capital outturn for 2021/22 as detailed in the report;
 - b) To approve the capital carry forwards in Appendix 3;
 - c) To approve the appropriations to/from reserves at Appendix 4;
 - d) To approve the budget virements as set out in Appendix 5;
 - e) To note the debt write-offs approved by officers in Quarter 4 2021/22 as set out in Appendix 6;
 - f) To accept the £1.28m SAFE Taskforce (Support, Attend, Fulfil, Exceed) grant funding as set out in Section 7;
 - g) To accept a grant from the Arts Council under the MEND programme of £588,900 to improve the fabric of Bruce Castle Museum as set out in Section 7.

4. Reasons for decision

- 4.1 A strong financial management framework, including oversight by members and senior management is an essential part of delivering the Council's priorities and statutory duties.

4.2 It is necessary at year end to resolve the treatment of related balance sheet accounts, in light of the experience during the year and knowledge of the Council's future position and requirements.

5. Alternative options considered

5.1 The Director of Finance, as Section 151 Officer, has a duty to consider and propose decisions in the best interests of the authority's finances and that best support the delivery of the agreed 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 2021/22

6.1. The table below shows the provisional revenue outturn figures for 2021/22. 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 – Revenue Budget Monitoring Provisional Outturn 2021-22

Priority	Revised 2021/22 Budget	Outturn Before Reserve Transfers	Net Revenue Transfers To / (From) Reserves	Revised Outturn	Revised Outturn to Budget Variance	Q3 Forecast to Budget Variance	Forecast Variance Movement Between Q3 and Outturn
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
People - Childrens	66,986	75,911	(749)	75,162	8,176	8,065	111
People - Adults	88,054	95,397	374	95,771	7,717	8,736	(1,019)
Place	30,798	33,523	(1)	33,522	2,724	5,946	(3,221)
Housing	17,461	20,977	(1,055)	19,922	2,461	1,224	1,236
Economy	5,479	6,520	(241)	6,279	799	3,047	(2,248)
Your Council-Service	9,736	10,804	(1,143)	9,661	(75)	853	(928)
Your Council-Corporate	30,558	11,032	9,625	20,657	(9,901)	(6,077)	(3,824)
Assumed C19 Grants		(11,600)		(11,600)	(11,600)	0	(11,600)
General Fund - Priorities	249,072	242,564	6,809	249,373	302	21,795	(21,493)
External Finance	(249,076)	(242,987)	(6,809)	(249,797)	(721)	0	(721)
General Revenue Total	(5)	(424)	0	(424)	(419)	21,795	(22,214)
DSG	5	3,717		3,717	3,712	6,689	(2,976)
HRA	0	2,189	0	2,189	2,189	308	1,882
Haringey Total	0	5,483	0	5,483	5,483	28,791	(23,308)

6.2. The overall variance against the Qtr3 variance shown above in the General Fund is largely due to the following: -

- Application of Covid 19 government grants and sales, fees and charges compensation
- Utilisation of the corporate contingency budget
- Adjustments to bad debt provisions and improved income collection
- Non-draw down of planned £1.8m from Strategic Budget Planning reserve

6.3. A significant amount of the £6.8m net transfer of reserves to the GF relates to the planned use to offset business rates income losses manifesting in 2021/22 for which grant was received in 2020/21.

7. Grant Acceptance

DfE Grant for a Haringey SAFE Taskforce (Support, Attend, Fulfil, Exceed)

- 7.1 Haringey has been identified by the Department for Education (DfE) as one of 10 local authority areas to receive £1.28M of targeted funding to tackle serious youth violence over the next three years. This SAFE Taskforce is led by local schools and will deliver targeted interventions to young people mainly between the ages of 10-14 to reduce truancy, improve behaviours, and reduce the risk of individuals failing to enter education, employment or training (NEET).
- 7.2 Schools have asked the Council to host the programme on behalf of the Taskforce and have asked the Director of Children's Services to chair the SAFE Taskforce Board. Schools have been keen to build on local successes and the three interventions agreed to date by the SAFE Taskforce include:
- Expanding the primary transition outreach pilot project to target young people aged 10-11 at risk of exclusion and supporting them to have a successful transition to senior school.
 - Expanding the secondary outreach project for young people at risk of exclusion aged 11-14 with a focus on cognitive behavioural approaches which have been shown to be effective.
 - Expanding the successful social workers in schools (SWIS) model to those schools that do not currently have social workers and have young people at risk of serious youth violence as identified in our needs analysis.
- 7.3 The taskforce will also be reviewing options for a final intervention, a social skills project or a mentoring project, to be delivered by a local third sector partner.
- 7.4 All interventions are required to have an evidence-based approach to demonstrate effectiveness and impact. The Delivery Plan requires DfE approval for the grant funding to be released and this is currently in progress. The programme and the interventions will be monitored and evaluated at intervals during the 3-year duration by an external evaluator appointed by the DfE.

Arts Council England grant (MEND Estate Programme)

- 7.5 The council has been successful in its application to Arts Council England (ACE) under the national MEND Estate programme and have been awarded £588,900 towards a major restoration project to improve and carry out essential interventions to the historic fabric and mechanical services at Bruce Castle Museum & Archive.
- 7.6 To comply with the terms and conditions of the grant, the council is required to confirm its financial contribution towards the project. The overall cost of the project is £1.531m. ACE have awarded a grant of £0.589m and Haringey is committing £0.942m towards this capital works project (scheme no. 464 in the capital programme).

8. Dedicated Schools Grant (DSG) Over budget £3.713m (Q3 £6.69m)

- 8.1 The in-year DSG outturn deficit position compared with Qtr3 has decreased by £3.0m from £6.7m to £3.7 and the cumulative DSG deficit is £20.7m. The £3.0m movement between Q3 and outturn is as a result of a favourable movement of £2.1m on the High Needs Block (HNB) and £879k on the Early Years (EY) block. The HNB movement is due to reclassification work between High Needs Block (HNB) and general fund codes (£1.0m); HNB in-year demand lower than forecasted as a result of management actions (£0.6m); and alternative HNB funding sources for pupil placements (£0.5m). The EY movement follows the notification of the DfE 2021/22 EY recoupment relating to 2020/21 and the final in-year position, the Early Years closing balance is £879k.

DSG Position at Outturn 2021-22

Blocks	Opening DSG at 01/04/21	Budget	Outturn 2021/22	Outturn Variance 2021/22	Closing Balance
	£m	£m	£m	£m	£m
Schools Block	0	136.3	136.3	-	-
Central Block	0	2.9	2.9	-	-
High Needs Block	17.0	43.4	48.0	4.6	21.6
Early Years Block	0	19.6	18.7	-0.9	-0.9
Total	17.0	202.2	205.9	3.7	20.7

- 8.2 The main driver for the pressure in the High Needs block remains the increasing number of Education, Health and Care Plans (EHCP) in recent years. In addition, approximately 25% of our children who are looked after have an EHCP. Where we have children who are looked after with an EHCP and who require an out of borough placements e.g. specialist residential, the social and financial cost is higher than in borough.
- 8.3 The DSG reserve is ringfenced and outside the council's general fund reserves for 2021/22.
- 8.4 The cumulative HNB DSG deficit is £21.6m. The Council has produced a DSG Management Plan which is being coproduced with various stakeholders and shared with the DfE, detailing the various actions the Council is taking to manage the level of DSG overspend. The plan is a live document which will continue to be shared periodically with the DfE.

9. 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 government recognised that the C19 pandemic would continue to impact on tax revenue receipts during 2021/22 and they provided a number of interventions to residents and businesses foremost being:
- Increased reliefs – particularly for retail, leisure and hospitality (with local authorities reimbursed by Section 31 grants);
 - Grants to local businesses
 - Household Support Fund

Council Tax

- 8.2 The in-year collection rate for 2021/22 showed a significant improvement on the prior year. A figure of 96.09% was achieved against a target of 95.5%, an over achievement of 0.59%. The Council tax surplus/deficit is distributed between the Council (79.9%) and its preceptor the GLA (20.1%) based on respective shares.
- 8.3 In terms of the Council Tax fund performance overall, which includes actual taxbase numbers, CTRS claimants, write offs and bad debt provisions, there is an estimated deficit of £1.6m in 2021/22 which compares to an actual surplus in 2020/21 of £0.8m. The latter is recognised in the 2021/22 outturn figures whilst the 2021/22 actual deficit will impact on the 2022/23 budgets.

Business Rates

- 8.4 The in-year collection rate for 2021/22 also showed an improvement on the prior year. A figure of 92.79% was achieved against a target of 92.0% an overachievement of 0.79%. Under the Business Rates Retention Scheme the business rates collected by the Council are distributed so that the Council receives 30%, DLUCH receives 33% and the GLA receives 37%.
- 8.5 In terms of the Business Rates fund performance overall which includes actual hereditaments, mandatory and discretionary reliefs, write offs and provisions, there is an estimated deficit of £12.17m in 2021/22 which compares to an actual deficit £14.56m in 2020/21. The latter is recognised in the 2021/22 outturn figures whilst the 2021/22 actual deficit will impact on 202/23 budgets. This deficit will largely be covered by Government grant.

9. Capital Programme Outturn

- 9.1 The Council's capital programme is significant, reflecting the ambitious plans by the organisation. The total capital programme for the Council (including the HRA) was £659m, however within this budget there are a number of enabling budgets which allow the Council to respond swiftly to opportunities or to fulfil prior decisions associated with the Highroad West acquisition programme and would therefore not be expected to be spent unless such opportunities arise. The table below shows the outturn for the approved capital programme.

Table 2 – 2021/22 Approved Capital Programme Provisional Outturn

Priority	2021/22 Revised Budget QTR.1	2021/22 Revised Budget QTR.2	2021/22 Revised Budget QTR.3	2021/22 Revised Budget QTR.4	2021/22 Final Outturn	Variance Btw Outturn & Revised Budget QTR.4	2021/22 Enabling Budgets QTR.4	2021/22 Enabling Outturn QTR.4
	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)
People - Children's	41,340	41,024	41,024	41,024	25,592	(15,432)	0	0
People - Adults	14,673	14,673	16,673	15,673	7,303	(8,369)	0	0
Place - Safe & Sustainable Places	42,730	43,894	44,994	46,418	29,366	(17,052)	0	0
Economy - Growth & Employment	42,249	42,800	43,306	43,306	15,268	(28,038)	192,322	6,600
Housing (GF) Homes & Communities	0	0	0	0	0	0	13,050	377
Your Council	27,307	26,931	26,931	26,931	12,834	(14,097)	3,110	455
Total GF Capital Budget	168,298	169,321	172,928	173,352	90,364	(82,989)	208,482	7,431
Housing (HRA) Housing Revenue Account	277,033	277,033	277,033	277,033	124,080	(152,953)	0	0
Total Capital Budget =	445,331	446,354	449,961	450,385	214,443	(235,942)	208,482	7,431

9.2 Adjusted for enabling budgets, the capital programme had a budget of £450m, and delivered £214m (48%) against this which is a significant level of delivery of key infrastructure and assets for the borough, in difficult circumstances. The HRA delivered a £124m outturn which is the highest level of spend on social housing in the borough in many years. The majority of capital budgets which did not deliver in full are recommended to be to be carried forward to future years.

9.3 Capital expenditure is financed through a variety of sources, such as grants from bodies, contributions from developers (S106 and S278), applying capital receipts, utilising revenue reserves, and borrowing. Around 70% of the programme was financed via borrowing, which was in line with the Council's plans. Capital schemes funded by borrowing carry ongoing revenue costs to the Council which become a cost to the General Fund unless the scheme generates other revenue savings to offset these costs. The revenue implications of the programme are factored into future years' budgets.

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 (£0.352m) approved for write off by the Director of Finance under his delegated authority in Qtr 4. These have been adequately provided for in the Council's Bad Debt Provision.

11. Reserves

- 11.1 The Council holds an un-earmarked General Fund reserve. It also has a number of other earmarked reserves, which are set aside to provide contingency against unplanned events, fund one-off planned expenditure and help smooth uneven spend patterns. The Council is required to annually review the adequacy of its' reserves which it did in March as part of the 2022-27 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 2021/22.
- 11.2 As also described in Section 1, the improvement since Qtr3 in the final provisional GF outturn means the budgeted drawdown of £1.8m from the Strategic Budget Planning reserve will no longer be required and can be utilised in a future year. This reserve was specifically created as a tool to manage the impact of financial plans from one year to another and remains at £10.5m.
- 11.4 A new Collection Fund Smoothing reserve was created as part of the 2020/21 year end process. This reserve is largely made up of S31 grant received from Government to compensate the Council for the impact of the expanded retail and nursery reliefs as part of the National response to C19 along with 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. The Collection Fund Smoothing reserve will also be used to offset any contribution required to 2020/21 London Pool losses which will take some time to finalise as there are still outstanding audits to complete before the final 2020/21 Pool outturn can be confirmed.
- 11.5 Excluding the Collection fund Smoothing reserve, which is held to deal with the accounting for business rates and council tax income timing, the movement in the GF earmarked reserves has remained relatively constant.
- 11.6 A summary of the purpose of each reserve along with all the proposed in year movements to/from all reserves and resultant estimated closing position at 31/03/2022 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 2021/22 accounts audit.

12 **Contribution to strategic outcomes**

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

13 **Statutory Officer Comments (Director of Finance (including procurement), Head of Legal and Governance (Monitoring Officer), Equalities)**

13.1 **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.

13.2 **Strategic Procurement**

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

13.3 **Legal**

The Head of Legal & Governance (Monitoring Officer) 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.

13.4 **Equality**

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

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

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

This report sets out the provisional outturn for 2021/22 for the General Fund, HRA, DSG and the Capital Programme compared to budget. It provides explanations of significant under/overspends and also includes proposed transfers to/from reserves, revenue and capital carry forward requests and any budget virements or adjustments. The recommendations in the report are not anticipated to have a negative impact on any groups with protected characteristics. In addition to this the Councils saving programme is subject to an equality assessment, which acts to mitigate against any potential impacts for those living and working in the Borough.

14 **Use of Appendices**

Appendix 1 – Revenue Directorate Level Outturn

Appendix 2 – HRA Outturn

Appendix 3 – Capital Outturn, Carry Forward Requests and Financing

Appendix 4 – Appropriations to / from Reserves

Appendix 5 - Budget Virements

Appendix 6 – Debt Write-Off

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

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

- Budget management papers
- Medium Term Financial Planning Reports

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

Directorate Level Outturn 2021/22					Appendix 1
PRIORITY	Revised 2021/22 Budget Less Depreciation	Outturn Less Depreciation	Outturn to Budget Variance(excl reserves)	Q3 (P9 Forecast to Budget Variance)	Movement in Forecast Variance
PEOPLE : CHILDREN'S	66,985,805	75,911,448	8,925,643	8,065,413	860,229
Childrens	54,448,611	62,667,971	8,219,360	7,713,129	506,231
Children's Commissioning	3,329,190	3,627,720	298,530	302,307	-3,778
Children's Public Health	6,004,600	6,236,260	231,660	0	231,660
Schools & Learning	3,203,404	3,379,497	176,093	49,977	126,116
PEOPLE : ADULTS	88,053,842	95,397,229	7,343,387	8,736,025	-1,392,639
Adults Social Care	72,036,277	79,077,100	7,040,823	8,294,433	-1,253,610
Adults Commissioning	4,526,070	5,864,320	1,338,250	441,592	896,658
Adults Public Health	11,491,495	10,455,808	-1,035,687	0	-1,035,687
PLACE	30,797,799	33,522,863	2,725,064	5,945,618	-3,220,554
Environment & Neighbourhood	23,480,682	25,825,507	2,344,825	5,774,198	-3,429,373
Culture and Libraries	5,562,117	5,942,356	380,239	167,420	212,819
Chief Finance Officer (Alexandra Palace)	1,755,000	1,755,000	0	4,000	-4,000
ECONOMY	5,479,330	6,520,245	1,040,915	3,047,321	-2,006,406
Housing Regeneration & Planning	258,720	142,961	-115,759	0	-115,759
Housing	113,257	49,820	-63,437	0	-63,437
Planning Building Standards	2,418,041	2,084,953	-333,088	421,510	-754,598
Property & Capital Projects	-2,030,251	-840,443	1,189,808	2,625,883	-1,436,075
Regeneration & Economic	4,719,563	5,082,955	363,392	-72	363,464
HOUSING	17,461,071	20,976,924	3,515,853	1,224,471	2,291,382
Housing Demand	8,121,253	13,597,918	5,476,665	-2	5,476,667
Housing Commissioned Services	-197,380	-2,716,044	-2,518,664	1,225,365	-3,744,029
Commissioning	8,950,374	9,723,758	773,384	-892	774,276
Environment & Neighbourhood	586,824	371,292	-215,532	0	-215,532
YOUR COUNCIL	40,293,825	9,655,132	-30,638,694	-5,224,048	-25,414,645
Chief Finance Officer	30,687,978	142,774	-30,545,203	-6,077,115	-24,468,088
Corporate Governance	1,930,934	2,356,541	425,607	160,000	265,607
Corporate & Customer Services	302,430	290,461	-11,969	0	-11,969
Chief Executive	455,128	1,210,178	755,050	161,355	593,695
Strategy & Communication	6,433,858	4,748,670	-1,685,188	171,980	-1,857,168
Human Resources	546,466	802,642	256,176	455,672	-199,496
IT Digital Services	-53,407	-75,552	-22,145	-240,047	217,902
Transformation & Resources	809,370	964,724	155,354	144,074	11,280
Strategic Procurement	-818,931	-785,306	33,625	33	33,592
PRIORITY TOTAL	249,071,672	241,983,839	-7,087,833	21,794,800	-28,882,633

Priority: People -Children; overspend of £8.176m (Q3 £8.065m)

The Children and Young People Service is reporting a pressure of £8.1m against a budget of £67m, an increase of £0.1m from the Q3 position.

A large proportion (£3.4m) of the budget pressure relates to a COVID-19 pressures in the services. This pressure has been driven by a significant increase in social care activity with additional numbers and unit cost increases for placement costs and SEND transport. In addition, there has been income loss across a few services such as Pendarren and Children's Centres.

Safeguarding and Social Care is reporting a pressure of £6.6m. This pressure is largely due to the increasing complexity and cost of placements and an increase in staffing and legal pressures linked to child protection cases in the service.

Early Help and Prevention service is reporting a pressure of £2.5m which is a combination of SEN transport pressures and shortfalls in Nursery and Children centres' income.

Priority: People–Adults and Public Health; Overspend £7.717m (Q3 £8.736m)

Adults and Public Health spent £95.397m against a budget of £88.054m leading to an adverse variance of £7.717m at Q4. This represents a reduction in pressure of £1.019m from the £8.736m variance at Q3.

For **Adult Social Care**, the Q4 adverse variance is £7.420m which is comprised of £2.2m COVID-19 related pressure, £1.3m base budget pressure and £4.650m savings and mitigations slippage. Non-recurring grant funding of circa £1.0m is offsetting some of the pressures within the service. There has also been a £1.100m one-off favourable adjustment as a result of reducing bad debt provisions, which is the main driver of the improvement in outturn position compared to Q3.

Pressures have arisen due to continued increased activity especially through short-term channels and complexity of care package costs due to legacy COVID-19 pressures. Furthermore, there have been increases in demand across all 3 service areas, with the largest in Mental Health. There has been significant slippage in demand mitigation projects and current demand has not been reduced in line with expectations because the original modelling assumptions have been challenged by COVID-19 and difficulty in separating additional COVID-19 demand and base budget demand.

Adults Commissioning overall variance at Q4 is £0.297m which has experienced a favourable movement since Q3 (£0.442m) of £0.145m due to additional grant funding. Pressure within the service is comprised of £0.105m staffing pressure and £0.153m pressure from circular rents.

Adults Public Health is projected to break even with additional COVID-19 related expenditure being met by specific government grants.

It should be noted that there is an additional risk of a further increase in demand due to COVID-19 for packages of care that we are unable to quantify at this point in time: pressures arising through additional clients, care complexity, increased hours and carer breakdown. Dealing with COVID-19 continues to create unforeseen pressures on the service which ASC and health partners are dealing with. The impact and pressure are likely to change over the coming months as we begin to understand long-term and legacy implications of COVID-19. This poses additional risks to the budget position for 2022/23 and beyond as emergency funding measures are ceasing.

Priority: Place – Overspend £2.724m (Q3 £5.946m)

Place Priority is forecasting an overspend of £2.724m at outturn; an improved position on P9 of £3.221m.

Parking & Highways is showing an improved position of £1.864m. This is mainly due to a decrease in the Bad Debt Provision at year-end and an improvement in parking revenue income around School Streets and Business Permits and reduced staffing costs from continued vacancies; partly off-set by a reduction to pay & display and residential & other permit income and an increase in permit refunds. Highways has also seen an improvement from a newly realised agreement to recover Highways Match Day costs from Tottenham Hotspur FC for 21-22 and an improvement TMO income, as well as a reduction against previous energy and contractual cost forecasts.

Community Safety Waste & Enforcement is showing an improved position of £0.336m. This is mainly due to an improvement in waste from increased income and improved debt recovery around Bulk Bin Hire portfolio since insourcing of invoicing process. There was also an improvement in licencing income and additional recharges to COMF Grant; though this was partly off-set by a worsened position in Community Safety due to reduced CCTV Recharges.

AD Environment & Neighbourhoods (E&N) is showing an improvement of £0.520m. This is mainly due to a decrease on Bad Debt Provision for E&N as a whole plus reduced staffing costs and an increase in recharges.

Parks & Leisure is showing an improved position of £0.250m. This is mainly due to increased Q4 grounds maintenance income, increased lettings & events income, reduced business rates costs and a decrease on commercial rent bad debt provision held for parks buildings.

OPS FM is showing an improved position of £0.341m. This was due to reduced staffing costs and a previous underestimate of recharges of non-COVID costs.

Priority: Economy – Overspend of £0.799m (Q3 £3.047m)

The favourable variance of £2.248m between Qtr3 and outturn is mainly as a result of the following factors.

In the planning service, greater income was generated from an increased number of small planning applications. In addition, a review of the property rents activity indicated that there could be a reduction in the bad debt provision. This, combined with a review of development costs and the reprofiling of works within the corporate landlord function, improved the position in the Capital Projects and Property area.

The Regeneration and Economic Development area improved its position through the receipt of external grant, and the reprofiling of activity.

Priority: Housing

Housing (GF) - Over budget £2.461m (Q3 Over budget £1.224m)

Housing General fund reports an end of year outturn adverse variance £2.461m. This is £1.237m higher than the adverse variance reported in Qtr 3. Overall, the £2.461m Housing GF net adverse variance is predominantly due to the rental income collection performance, reflected in the end of year adjustment for bad debt provision amounting to a net increase of £2.357m. A wide ranging and fully detailed strategic income collection action plan has been produced to improve, monitor, and increase performance.

Housing (HRA) – Net adverse £2.189m (Q3 Over Budget £0.309m)

The Housing Revenue Account reports an end of year Outturn variance of £2.189m, which is the net figure of the end of financial year HRA surplus of £6.595m compared to a budgeted surplus of £8,784m. This represents an adverse variance of £1.881m on the position reported in quarter 3.

This movement in variance is largely driven by rental income collection performance, reflected in the end of year adjustment for bad debt provision (BDP) amounting to a net increase of £1.334m. A wide ranging and fully detailed strategic income collection action plan has been produced to improve, monitor and increase performance in this important area

Priority: Your Council Service – under budget £0.075m (Q3 over £0.853m)

The Your Council Services outturn is an underspend of £0.075 which represents an improvement of £0.928m from the Qtr3 projected overspend of £0.853m. This favourable movement is driven by the release of additional bad debt provision on Housing Benefit Subsidy overpayments created during the pandemic which, upon review, is no longer required.

The outturn underspend comprises of £0.285m of Covid-related costs principally around business grant administration and the processing of additional benefit payments, offset by a base budget underspend of £0.360m.

The key base budget variances and their causes are detailed below:

Corporate and Customer Services (£1.5m underspend) – a £1.8m net underspend on Housing Subsidy due to the release of bad debt provision offsetting additional staffing costs predominately in Revenues and Benefits due to ongoing workload pressures

Human Resources (£0.3m overspend) - an overspend on the recruitment insourcing project and higher than expected recruitment activity with Hays between April and July 2021

Finance (£0.4m overspend) – a continued requirement for agency staff to fill key posts in the establishment

Legal Services (£0.4m overspend) - a pressure in Legal Services due to a shortfall in commercial income and higher agency rates.

Priority: Your Council Corporate & C19 Grants– Under budget £21.504m (Q3 under budget £6.08m)

The movement between Qtr3 and the outturn is due to the following:

- Recognition of £11.6m Covid 19 government support consisting of a) the tranche 4 un-ringfenced Covid 19 grant received from Government (£9.1m) and b) the Sales Fees and Charges compensation payment in relation to the period April – June 2021 (£2.5m)
- The impact of the non-utilisation of the corporate contingency budget (£7m) offset by the impact of not utilising the planned £1.8m from the Strategic Budget Planning reserve and a deterioration in the Treasury/Capital financing forecast since Qtr3 (£1.3m)

External Finance – Under budget £0.7m (Q3 Nil variance)

The movement between Qtr3 and outturn is largely due to the late notification of the 2021/22 Public Health grant which meant that the actual grant was c. £0.5m better than the budget assumption.

					Appendix 2
HRA BUDGET 2021/22	2021/22 Revised Budget	EOY 2021/22 Actual Spend	EOY 2021/22 Variance	Q3 2021/22 Forecast Variance	Variance Movement EOY Outturn v Q3
	£000's	£000's	£000's	£000's	£000's
Service Charge Income - Hostels	(320)	(211)	108	83	26
Rent - Hostels	(1,943)	(1,288)	655	537	118
Rent - Dwellings	(82,030)	(82,064)	(34)	(60)	26
Rent - Garages	(861)	(720)	141	78	63
Rent - Commercial	(756)	(625)	132	-	132
CBS - Lease Rental Income	(1,984)	-	(403)	-	(403)
Income - Heating	(617)	(607)	10	(2)	11
Income - Light and Power	(1,016)	(1,088)	(72)	1	(73)
Service Charge Income - Leasehold	(7,562)	(6,794)	768	-	768
ServChgInc SuppHousg	(1,495)	(1,448)	47	(24)	71
Service Charge Income - Concierge	(1,741)	(1,685)	56	141	(84)
Grounds Maintenance	(2,201)	(2,161)	40	(8)	48
Caretaking	(1,943)	(1,893)	50	11	39
Street Sweeping	(2,338)	(2,286)	52	4	48
Water Rates Receivable	(1)	(0)	1	-	1
	(106,809)	(105,256)	1,552	762	790
Supported Housing Central	291	229	(62)	(85)	23
Housing Management WG	24	33	9	-	9
Housing Management NT	28	26	(2)	-	(2)
Housing Management Hornsey	-	28	28	-	28
TA Hostels	252	416	163	175	(11)
Housing Management ST	10	10	0	-	0
Housing Management BWF	12	43	31	-	31
Rent Accounts	-	(9)	(9)	-	(9)
Accountancy	-	4	4	-	4
Under Occupation	171	115	(55)	-	(55)
Repairs - Central Recharges	2	(15)	(17)	-	(17)
Responsive Repairs - Hostels	387	613	226	224	3
Water Rates Payable	31	10	(21)	-	(21)
HousMgmtRechg Cent	110	110	-	-	-
Other RentCollection	138	126	(12)	-	(12)
Management Special - Nth Tott	-	1	1	-	1
HousMgmtRechg Energ	1,128	1,471	342	-	342
Special Services Cleaning	3,189	3,365	176	111	65
Special Services Ground Maint	2,075	1,668	(408)	(222)	(186)
HRA Pest Control	297	261	(36)	-	(36)
Estate Controlled Parking	145	6	(139)	-	(139)
Supporting People Payments	1,861	1,320	(541)	(528)	(13)
Commercial Property - Expenditure	-	46	46	-	46
Bad Debt Provision - Dwellings	2,535	3,687	1,152	-	1,152
Bad Debt Provision - Leaseholders	91	374	283	-	283
Bad Debt Provision - Commercial	-	59	59	-	59
Bad Debt Provisions - Hostels	68	27	(41)	-	(41)
HRA- Council Tax	359	818	460	362	97
	13,204	14,841	1,637	36	1,601

Housing Delivery Team	-	92	92	-	92
Anti Social Behaviour Service	611	601	(10)	-	(10)
Interest Receivable	(304)	-	304	-	304
Corporate democratic Core	601	511	(90)	(90)	-
Leasehold Payments	(142)	(41)	101	-	101
Landlords Insurance - Tenanted	326	354	28	28	(0)
Landlords - NNDR	138	64	(74)	-	(74)
Landlords Insurance - Leasehold	1,939	1,511	(428)	(428)	0
HfH-Insourcing to LBH	-	462	462	-	462
Capital Financing Costs	16,242	15,542	(700)	-	(700)
Depreciation - Dwellings	20,197	20,000	(197)	-	(197)
ALMO HRA Management Fee	39,271	40,356	1,084	-	1,084
Community Benefit Society (CBS)	-	85	85	-	85
GF to HRA Recharges	3,265	2,822	(442)	-	(442)
Estate Renewal	1,370	945	(425)	-	(425)
HIERS/ Regeneration Team	1,307	1,176	(131)	-	(131)
	84,821	84,479	(341)	(490)	149
Use of HRA Reserves	-	(659)	(659)	-	(659)
	0	(659)	(659)	-	(659)
	(8,784)	(6,595)	2,189	308	1,881
Housing Revenue Account budgeted surplus	8,784	8,784	0	0	0
	0	2,189	2,189	308	1,881
	2021/22 Revised Budget	EOY 2021/22 Actual Spend	EOY 2021/22 Variance	Q3 2021/22 Forecast Variance	Variance Movement EOY Outturn v Q3
	£000's	£000's	£000's	£000's	£000's
Managed Services Income TOTAL	(106,809)	(105,256)	1,552	762	790
Managed Services Expenditure TOTAL	13,204	14,841	1,637	36	1,601
Retained Services Expenditure TOTAL	84,821	84,479	(341)	(490)	149
Managed Services HA MIRS	0	(659)	(659)	0	(659)
Balance excluding HRA budgeted surplus	(8,784)	(6,595)	2,189	308	1,881
Surplus HRA Services (within Retained)	8,784	8,784	0	0	0
Balance of HRA Account	0	2,189	2,189	308	1,881

APPENDIX 3						
Scheme Ref. No.	Scheme Name	21/22 Full year Revised Budget (£'000)	21/22 Final Outturn (Draft) (£'000)	21/22 Variance (Underspend) / Overspend (£'000)	21/22 Capital Slippage (C/F) (£'000)	Reason for carry forward request
101	Primary Sch - repairs & maintenance	6,845	6,307	(538)	538	The carry forward is required to fund contractual commitments and allow for additional works in 2022/23
102	Primary Sch - mod & enhance (Inc SEN)	24,126	15,693	(8,432)	8,432	The carry forward is required to fund ongoing contractual commitments on incomplete project work for Building Services , Roofs, Windows and external works at a variety of schools
103	Primary Sch - new places	362	13	(348)	0	There is no requirement for new places so the budget is not needed and is to be transferred to contingency
104	Early years	205	9	(197)		Transferred to contingency pot
109	Youth Services	229	154	(75)	75	The carry forward is required to fund contractually committed works
110	Devolved Sch Capital	531	515	(16)	0	Not required
114	Secondary Sch - mod & enhance (Inc SEN)	5,029	1,843	(3,186)	3,186	The carry forward is required to fund ongoing contractual commitments on incomplete project work for a range of projects at a range of schools
117	Children Safeguarding & Social Care	495	469	(26)	26	The carry forward is required to fund contractual commitments
118	Special Educational Needs Fund (New Provision Fund)	1,024	0	(1,024)	1,024	The carry forward is required to fund works in 2022/23 and is grant funded
121	Pendarren House	858	417	(441)	441	The carry forward is required to fund ongoing contractual commitments for incomplete Phase 2 works
123	Wood Green Youth Hub	1,223	172	(1,050)	1,050	The carry forward is required to fund contractual commitments in 2022/23
199	P1 Other (inc Con't & Social care)	98	0	(98)		Transferred to contingency pot
People - Children's		41,024	25,592	(15,432)	14,772	

201	Aids, Adap's & Assistive Tech -Home Owners (DFG)	3,581	2,080	(1,501)	609	This is a specific grant and has to be used for the stated purposes
207	New Day Opp's Offer	66	283	217		The overspend is to be funded via the approved contingency
208	Supported Living Schemes	456	91	(365)	365	The capital budget is to be used to deliver on the creation of additional accommodation which in turn underpins MTFS savings.
209	Assistive Technology	1,759	315	(1,444)	1,444	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	892	892	0	Overspend relates to scheme 201 and has been offset accordingly
211	Community Alarm Service	177	177	0	0	
212	Linden House Adaptation	35	56	21		The overspend is to be funded via the approved contingency
213	Canning Crescent Assisted Living	3,581	1,751	(1,830)	1,830	The carry forward is required to fund contractual commitments in 2022/23
214	Osborne Grove Nursing Home	1,783	1,134	(649)	649	Carry forward to enable the scheme to proceed to the next stage of design
217	Burgoyne Road (Refuge Adaptations)	736	70	(666)	666	This capital budget is required to deliver a new women's refuge which is in design development.
218	Social Emotional & Mental Health Provision	900	42	(858)	858	Project in business case development phase, therefore funding needs to be carried forward to 2022/23
221	Social Care System Implementation	1,600	413	(1,187)	1,187	The carry forward is required to fund contractual commitments
222	Wood Green Integrated Care Hub	1,000	0	(1,000)	1,000	The carry forward is required to meet Cabinet's decision to contribute to the scheme should it go ahead
People - Adults		15,673	7,303	(8,369)	8,608	

301	Street Lighting	1,513	1,183	(330)	330	The carry forward is required as there was (and remains) a significant problem with delays to materials availability, resource and equipment shortages across the industry relating to Brexit and Covid (street lighting columns are now in excess of 5 month lead in period). Despite pre-emptive ordering equipment could not be obtained in time to spend in year. Commitments remain against this funding which still needs to be delivered to improve the condition of the assets.
302	Borough Roads	4,716	3,906	(811)	811	The carry forward is required as there was (and remains) a significant problem with delays to materials availability, resource and equipment shortages across the industry relating to Brexit and Covid. Despite pre-emptive ordering this has a significant impact on programmes.. Commitments remain against this funding which still needs to be delivered to improve the condition of the assets.
303	Structures (Highways)	526	66	(460)	460	The carry forward is required as there have been delays caused by the heritage status of the bank structure. Progress is being made by the additional specialist consultant planning have required, this has delayed delivery into 22/23.
304	Flood Water Management	909	580	(329)	329	The carry forward is required as there was (and remains) a significant problem with delays to materials availability, resource and equipment shortages across the industry relating to Brexit and Covid. Due to environmental constraints the Queens Wood Flood scheme has had to be delayed into 22/23 to avoid flowering and nesting seasons. Commitments remain against this funding which still needs to be delivered
305	Borough Parking Plan	714	594	(120)	120	Capital carry forward request is to implement parking scheme measures that will support parking strategy policy, MTFS, and parking income.
307	CCTV	1,784	1,760	(24)	24	The programme of works for the roll out of the CCTV throughout the Borough is still ongoing and not due to complete until 2023/2024. There have been delays due to third parties (power and data providers), however the programme of works are still proceeding and require ongoing funding. The key projects and timescales are summarised as follows: 1. New Control Room Sep 21 - Jan 22 [Complete] 2. Roll Out Ongoing to 2023 [5 of the 12 sites are complete] 3. Procurement of equipment and goods New contract to be in place 4. Maintenance Contract New contract in place until November 2025 [4 year period] The programme will increase the overall camera stock and upgrade existing equipment (from 132 to 232 cameras). 2 out of the 12 identified sites have been rolled out.
309	Local Implementation Plan(LIP)	2,594	2,153	(441)	0	This is external funding from TfL and there is no carry forward from previous years.
310	Developer S106 / S278	869	439	(430)	0	Value of the in year spend is based on commissions from planning. With funding availability generally multi year tied in with the programmes of the developments there is no requirement for a carry forward.
311	Parks Asset Management:	458	248	(210)	210	The carry forward is required as a significant portion (£166k) of this underspend relates to NCIL allocation which has been delayed in its delivery due to the pandemic.

313	Active Life in Parks:	1,014	93	(921)	921	The carry forward is required as a significant portion (£166k) of this underspend relates to NCIL allocation which has been delayed in its delivery due to the pandemic.
314	Parkland Walk Bridges	1,133	825	(308)	308	This project now stretches out to 2027/28. The underspend is a result of delays on the Stanhope Road bridge. The full amount is requested to support the longer term project.
317	Down Lane MUGA	57	45	(12)	12	The carry forward is required to pay the final account
321	MOPAC - Crime & Disorder Reduction	49	0	(49)	49	The carry forward is required as this is grant funded.
322	Finsbury Park	135	133	(2)	0	A carry forward is not required
323	Parking Strategy	1,160	262	(898)	898	A carry forward is required as the programme has ben deferred due to COVID-19 restrictions that delayed transformation projects
328	Street & Greenspace Greening Programme	283	208	(75)	75	The carry forward is required as scheme delayed due to shielding and working restrictions
329	Park Building Carbon Reduction and Improvement Programme	1,050	0	(1,050)	1,050	The carry forward is required as project resources not available to progress due to pandemic.
331	Updating the boroughs street lighting with energy efficient Led light bulbs	4,151	3,511	(640)	640	A carry forward is required as there was (and remains)a significant problem with delays to materials availability, resource and equipment shortages across the industry relating to Brexit and Covid (street lighting columns are now in excess of 5 month lead in period). Despite pre-emptive ordering equipment could not be obtained in time to spend in year. Commitments remain against this funding which still needs to be delivered to improve the condition of the assets.
332	Disabled Bay/Blue Badge	552	118	(433)	433	Capital carry forward request to implement dedicated blue bay. Delays last year due to initial slow take up. Proactive initiatives undertaken from the service have resulted with increased take up. Expectation that programme will progress and complete in 2022-23.
333	Waste Management	270	98	(172)	172	A carry forward is required due to the impact of COVID-19 on progress on the roll out of the waste containment programme has slipped.

334	Parks Depot Reconfiguration	400	0	(400)	400	A carry forward is required as the works did commence on this project last year, however this was mainly prelim work, site surveys and permissions. The quality of the parks depots is very poor and needs urgent attention to meet required standards.
336	New River Sports & Fitness	305	274	(31)	31	A carry forward is required to meet contractual commitments.
335	Streetspace Plan	5,100	129	(4,971)	4,971	Carry forward full amount into new financial year. There has been a late confirmation of the matching external funding due to TfL deadlines.
419	NPD Phase 2 LBH Match Funding	5	0	(5)	0	A carry is not required and the budget is transferred to the approved contingency
119	School Streets	1,105	589	(516)	516	A carry forward is required to meet contractual commitments
444	Marsh Lane	8,754	7,654	(1,100)	1,100	A carry forward is required to meet estimated contractual commitments. Any underspend will be transferred to the approved contingency
447	Alexandra Palace - Maintenance	2,921	2,921	0	0	
472	JLAC Match Fund	880	766	(114)	114	A carry forward is required to meet contractual commitments
606	Hornsey Library Refurbishment	16	132	116	0	Overspend relates to scheme 621 and has been offset accordingly
621	Libraries IT and Buildings upgrade	1,996	680	(1,316)	1,200	A carry forward is required to meet contractual commitments
623	Wood Green Library	1,000	0	(1,000)	1,000	A carry forward is required to meet contractual commitments
Place - Safe & Sustainable Places		46,418	29,366	(17,052)	16,174	

401	Tottenham Hale Green Space	1,352	780	(572)	572	A carry forward is require to fund contractual commitments
402	Tottenham Hale Streets	1,759	1,589	(171)	111	A carry forward is require to fund contractual commitments
404	Good Economy Recovery plan	1,637	100	(1,537)	1,537	A carry forward is required as the underspend for GERP is due to prioritising spend of external grant wherever possible also due to delays to recruitment and project delivery, projects will be commissioned to continue to support high streets recovery with a further 600k HSRAP from 21/22 to 22/23
406	Opportunity Investment Fund	542	51	(491)	491	This is a rolling programme of business growth loan. Loan repayments will be recycled and used to support more businesses. This is largely grant funded
411	Tottenham Heritage Action Zone (HAZ)	1,579	507	(1,072)	1,072	This scheme is grant funded so the grant needs to be carried forward
415	North Tott Heritage Initiative	360	284	(76)	76	A carry forward is require to fund contractual commitments
418	Heritage building improvements	1,589	1,322	(267)	267	A carry forward is require to fund contractual commitments
427	White Hart Lane Public Realm (LIP)	0	(8)	(8)	0	Technical accounting carry forward
438	Vacant possession Civic Centre (Woodside House Refurbishment)	0	(1)	(1)	0	Technical accounting carry forward
452	Low Carbon Zones	200	9	(191)	191	A carry forward is require to fund contractual commitments
454	HALS Improvement Programme	304	437	133		The overspend is to be funded via the approved contingency
455	Replacement Cloud based IT solutions for Planning, Building Control & Land Charges	642	249	(393)	393	A carry forward is require to fund contractual commitments
457	Future High Sreet Project	6,302	4,033	(2,269)	2,124	A carry forward is required only grant funding was spent in 21/22 and LBH match funding will be required later in 2022/23

458	SIP - Northumberland PK BB & WorkSpace/Biz Support	252	141	(111)	111	Delivering the broadband project and a business support programme in the east of the borough. And match funding for three building projects that will provide workspace and business spaces so the 111k is required to deliver these projects
459	Wood Green Regen Sites	788	340	(448)	213	A carry forward is require to fund ongoing schemes
464	Bruce Castle	557	6	(551)	551	This is required to go into 2022/23 to complete the ongoing and unfinished works around the fabric of this Grade 1 listed building to improve access and support income generating activities.
465	District Energy Network (DEN)	560	388	(172)	172	A carry forward is require to fund contractual commitments
470	Wood Green Library & Customer Service Centre	7,788	0	(7,788)	7,788	The carry forward request is to support the accommodation strategy
471	Tailoring Academy Project	15	0	(15)	15	A carry forward is require to fund contractual commitments
473	Enterprising Tottenham High Road (ETHR)	1,181	502	(679)	635	The ETHR programme, partly funded by the GLA, has been extended by 12 months to March 2023, hence our proposal to reprofile funding into 22-23
474	Tottenham High Road Strategy	807	839	32	0	Overspend to be picked up in scheme 473
475	Heart of Tottenham (HOT)	173	184	11	0	Overspend to be picked up in scheme 473
478	Wood Green Good Growth Fund	710	494	(215)	215	A carry forward is required to meet contractual commitments and grant conditions
479	54 Muswell Hill Health Centre	100	0	(100)	100	A carry forward is require to fund contractual commitments
480	Wood Green Regen (2)	1,792	360	(1,432)	873	A carry forward is require to fund contractual commitments

481	Strategic Investment Pot	2,031	0	(2,031)	2,031	A carry forward is required to meet grant conditions
482	Strategic Property	5,202	96	(5,106)	4,664	A carry forward is required to enable improvements to be made to the commercial property estate
483	Productive Valley Fund (SIP)	643	731	88	(88)	This overspend will be met from 2022/23 budget provision
4001	Maintenance of Tottenham Green Workshops	681	196	(486)	486	A carry forward is required to fund contractual commitments
4002	Northumberland Park estate area public realm	500	5	(495)	495	A carry forward is required to fund contractual commitments
4005	SME Workspace Intensification	684	213	(471)	471	Delivering the workspace and business spaces work with slippage from 21/22 to 22/23 to deliver these projects
4007	Tottenham Hale Decentralised Energy Network (DEN)	285	191	(94)	94	A carry forward is required as the project is a multi-year project and the underspend is due to slippage in the programme rather than cost savings
4008	Wood Green Decentralised Energy Network (DEN)	485	61	(424)	424	A carry forward is required as the project is a multi-year project and the underspend is due to slippage in the programme rather than cost savings
4009	Additional Carbon Reduction Project	500	0	(500)	500	A carry forward is required as the scheme has been delayed due to various reasons and the carry forward is required to support carbon reduction
4010	Selby Urban Village Project	1,197	617	(580)	580	Programme slippage has occurred as a result of Covid-19 restrictions impacting on ability to engage with the community. Reprofitting of the capital budget required next financial year to reflect the new programme assumptions
4011	Commercial Property Remediation	109	552	442	0	Overspend relates to scheme 482 and has been offset accordingly
Economy - Growth & Employment		43,306	15,268	(28,038)	27,165	

601	Business Imp Programme	122	0	(122)	65	A carry forward is require to fund contractual commitments
602	Corporate IT Board	1,520	2,081	561	0	This overspend will be offset from 2022/23 budget
604	Continuous Improvement	2,245	2,033	(212)	212	A carry forward is require to fund contractual commitments and necessary service improvements
605	Customer Services (Digital Transformation)	471	23	(448)	448	A carry forward is requires as the planned capital works on Wood Green Customer Service Centre were delayed due to programme resources being otherwise allocated during the pandemic.
607	Financial Management System Replacement	2,522	986	(1,536)	1,536	A carry forward is require to fund contractual commitments and necessary service improvements
622	Customer First	101	0	(101)	70	A carry forward is required for the next phase of work to support Customer First / Community Access programme initiation work.
624	Digital Together	500	0	(500)	500	A carry forward is required to fund contractual commitments and necessary service improvements
639	Ways of Working	483	138	(345)	0	A carry forward to the approved contingency is required to support for transformation.
640	Accommodation Move	0	(20)	(20)	0	Technical accounting carry forward
650	Connected Communities	1,258	0	(1,258)	1,258	A carry forward is require to fund contractual commitments
653	Capital Support for IT Projects	784	340	(444)	444	A carry forward is made to ensure that there are sufficient resources to deliver on the digital agenda
316	Asset Management of Council Buildings	9,222	6,151	(3,071)	2,948	A carry forward is require to fund contractual commitments and necessary service improvements
330	Civic Centre Works	7,703	1,102	(6,601)	6,601	Consultant fees and strip out work costs have been spent to date. The bulk of the project budget will not be spent until 2022/23 financial year
Your Council		26,931	12,834	(14,097)	14,082	

421	HRW Acquisition	117,738	2,121	(115,618)	115,618	A carry forward is require to fund contractual commitments
429	Site Acq (Tott & Wood Green)	57,072	3,311	(53,760)	53,760	The request to carry forward is to maintain the Council's ability to make opportunistic acquisitions
430	Wards Corner CPO	10,000	0	(10,000)	0	Not required
4003	Tottenham Hale Housing Zone Funding	532	500	(32)	32	A carry forward is require to fund contractual commitments
4006	Acquisition of head leases	6,981	668	(6,313)	0	A carry forward is not required as this capital programme project is no longer proceeding
509	CPO - Empty Homes	8,050	377	(7,673)	7,673	The carry forward is requested to enable the CPO process to be undertaken should the need arise
512	Wholly Owned Company	5,000	0	(5,000)	5,000	The carry forward is requested so that should the company be established there is budgetary provision to enable that.
698	Responsiveness Fund	2,000	0	(2,000)	2,000	A carry forward is require to fund contractual commitments
699	P6 - Approved Capital Programme Contingency	1,110	455	(655)	578	A carry forward is required to support the approved contingency in 2022/23
Enabling Budgets		208,482	7,431	(201,051)	184,662	

TOTAL GF CAPITAL PROGRAMME (Excl. Enabling Budgets)		173,352	90,364	(82,989)	80,801	
TOTAL GF CAPITAL PROGRAMME (Incl. Enabling Budgets)		381,834	97,795	(284,039)	265,462	
202	HRA - P2 Aids, Adap's & Assist Tech - Council	1,100	986	(114)	114	This carry forward relates to contractual commitments
550	New Homes Acquisition	75,441	38,646	(36,795)	0	No capital slippage required, as zero-based budget adopted in 2022/23
551	Existing Home Acquisitions - TA	33,877	23,199	(10,678)	0	No capital slippage required, as zero-based budget adopted in 2022/23
552	HRA – P5 Carbon Reduction	5,892	213	(5,679)	0	No capital slippage required, as zero-based budget adopted in 2022/23
553	HRA – P5 Fire Safety	15,329	6,882	(8,447)	0	No capital slippage required, as zero-based budget adopted in 2022/23
554	Broadwater Farm Project	14,529	7,169	(7,360)	7,360	This carry forward relates to contractual commitments
590	HRA - P5 Homes for Haringey (HFH)	64,178	30,931	(33,247)	0	No capital slippage required, as zero-based budget adopted in 2022/23
599	New Homes Build Programme	66,687	16,053	(50,634)	0	No capital slippage required, as zero-based budget adopted in 2022/23
TOTAL HRA CAPITAL PROGRAMME		277,033	124,080	(152,953)	7,474	
OVERALL TOTAL (Excl. Enabling Budgets)		450,385	214,443	(235,942)	88,275	
OVERALL TOTAL (Incl. Enabling Budgets)		658,867	221,875	(436,993)	272,936	

Capital Programme Outturn – Priority Narrative

The tables above provide a scheme level analysis of the outturn versus the quarter 4 budget position along with 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** capital programme continued to deliver on phase 2 of the improvements to primary school building services such as boilers, roofs, windows etc at a number of schools as well as phase 2 of the refurbishment of the Pendarren outdoor centre. Overall spend was £25.6m and there is a variance of £15.4m, or 38% which has arisen through delays related to turbulence in the construction market due to inflation, supply chain issues and labour shortages.
- The **Adults Services** capital programme has spent £7.3m which related to continued spend on aids and adaptations, the delivery of Canning Crescent and the continued development of the Osbourne Grove Nursing Home scheme. There is a variance of £8.4m, or 53%, which has a number of elements as described in the appendix 3.
- The **Place** capital programme spent £29.4m in total. The big areas of spend are works to our highways, streets and lighting of £13.5m, £7.7m on the new Marsh Lane depot, and £3m on Alexandra Palace. There is a variance of £17.1m, or 37%. The most significant one is the Streetspace plan where late grant allocations from TfL meant that it was not necessary to spend the budgeted community infrastructure levy and it will be carried forward.
- **Economy’s** capital programme has spent £15.3m on a range of projects. The largest spend has been under the future high street fund at £4m with the rest of the programme spend spread over a large number of projects. The budgets within the Economy capital programme contain a number of enabling budgets where the timing of expenditure is uncertain and allow the Council to respond rapidly to opportunities or to fulfil prior decisions associated with the Highroad West acquisition programme. Adjusting for the enabling budgets there is a variance of £28m or 65% which has a number of elements as described in appendix 3.
- The total **Housing GF** capital programme is composed entirely of enabling budgets so there is no variance as such. Appendix 3 has details of the budget carry forwards.
- The **HRA** reports a full year capital spend of £124m against a revised budget of £277m. In what was a difficult year globally, the Council was able to carry on with its capital programme recording the highest level of spend in recent years (£124m), in maintaining its existing stock, acquiring new & existing homes, building new homes, and towards redevelopment of BWF estate. The Council acquired an additional 60 existing homes for provision of

accommodation to homeless households and completed the building of 107 new social rent homes in 2021/22.

- The **Your Council** budget spent a total of £13.3m. The main areas of spend are Asset Management of Council Buildings of £6.2m, ICT investment £5.5m and £1.2m on the new Civic Centre. There is a variance of £16.8m, or 56% and is described in appendix 3.

Of the total GF 2021/22 budget variance of £284.0m, £265.5m has been requested to be carried forward as detailed in the tables above.

Capital Programme Financing Outturn

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.

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 of 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.

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.

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	2021/22 Revised Budget (£'000)	2021/22 Actual (£'000)	2021/22 Variance (£'000)
General Fund Funding (Excluding Enabling Budgets)			
External	41,256	20,879	(20,378)
Borrowing - LBH	97,598	61,963	(35,635)
Borrowing - LBH Self-Financing	34,298	7,413	(26,885)
LBH - Capital Receipt	200	109	(91)
	173,352	90,364	(82,989)
General Fund Funding (Enabling Budgets only)			
External	128,270	2,621	(125,650)
Borrowing - LBH	3,110	455	(2,655)
Borrowing - LBH Self-Financing	77,102	4,356	(72,746)
LBH - Capital Receipt	0	0	0
	208,482	7,431	(201,051)
HRA Funding			
Grants (GLA + Other Grants)	46,920	15,674	(31,246)
Major Repairs Reserves	20,197	20,000	(197)
Revenue Contributions	8,784	5,000	(3,784)
RTB Capital Receipts	10,163	4,583	(5,580)
Leaseholder Contributions to Major Works	8,848	2,441	(6,407)
S.106 Contributions	1,000	857	(143)
New Homes Sales Receipts	2,258	0	(2,258)
Borrowing	178,863	75,525	(103,338)
	277,033	124,080	(152,953)
Overall Total (Excl. Enabling Budgets)	450,385	214,444	(235,942)
Overall Total (Incl. Enabling Budget)	658,867	221,875	(436,992)

Flexible Use of Capital Receipts Outturn

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 2021 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 2021/22 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			
	2021/22	2021/22	2021/22
	Budgeted	Actual	Variance
	(£'000)	(£'000)	(£'000)
Capital receipts brought forward	9,165	9,165	0
Net capital receipts in year	267	267	0
Total	9,433	9,433	0
Use of capital receipts	(4,954)	(4,978)	(24)
Capital receipts carried forward	4,479	4,455	(24)

Appendix 4 – Appropriations to / from Reserves

Description	Balance at 31/03/21	Transfer In 2021-22	Transfer Out 2021-22	Balance at 31/03/22
	£'000	£'000	£'000	£'000
General Fund Reserve	(15,827)	(419)	0	(16,246)
General Fund earmarked reserves:				0
Insurance reserve	(9,051)	0	803	(8,248)
Strategic Budget Planning Reserve	(10,491)	0	0	(10,491)
Transformation reserve	(13,702)	(27)	3,103	(10,626)
Schools reserve	(12,947)	(4,074)	4,188	(12,833)
Services reserve	(9,567)	(1,112)	1,631	(9,048)
PFI lifecycle reserve	(16,472)	(1,386)	0	(17,858)
Debt repayment reserve	(5,045)	0	0	(5,045)
Accommodation Strategy	(442)	0	0	(442)
Urban Renewal	(284)	0	0	(284)
Unspent grants reserve	(9,180)	(1,536)	3,948	(6,768)
Labour market growth resilience reserve	(445)	0	0	(445)
Budget resilience reserve	(7,303)	0	0	(7,303)
Collection Fund Smoothing reserve	(22,229)	(7,854)	15,507	(14,576)
Covid 19 grant reserve	0	0	0	0
GF earmarked reserves:	(117,159)	(15,989)	29,180	(103,969)
Total General Fund Usable Reserves	(132,986)	(16,408)	29,180	(120,215)
Housing Revenue Account	(14,161)	(5,939)	0	(20,100)
Housing Revenue Account earmarked Reserves:				
Homes for Haringey	(710)	0	659	(51)
HRA earmarked reserves	(710)	0	659	(51)
Total HRA Usable Reserves	(14,870)	(5,939)	659	(20,150)

Reserve Purposes:

General Fund General Reserve:

The purpose of the general 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 mitigate against immediate service reductions if there were any unforeseen financial impacts.

General Fund Earmarked Reserves:

- a. **Schools Reserve** - This balance represents the net balances held by the Council's 61 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.

- b. **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.
- c. **Services Reserve** - It is Council policy that services may request funds to be carried forward, 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.
- d. **PFI lifecycle Reserve** - The PFI reserve is increased by PFI grant received in excess of contractual payments. This will be utilised to fund future years' PFI related costs.
- e. **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.
- f. **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.
- g. **Unspent Grants Reserve** - This reserve holds grant income recognised in the CIES when received, but which will finance related expenditure in future years. These come with conditions setting out how the funding must be used.
- h. **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.
- i. **The Strategic Budget Planning Reserve** – This reserve is a key tool for managing the impact of financial plans from one year to another. This reserve requires balances to be at different levels year to year depending on the demand as identified through previous and current budget plans.
- j. **Resilience Reserve** - This reserve will be used as a one-off measure to offset non-delivery / delay of planned savings and other budget risks contained within the MTFs. It will provide additional robustness and financial resilience for the Council.

- k. **The Collection Fund Smoothing Reserve** – This reserve helps to manage the impact of the C19 pandemic 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 General Fund. As local tax revenue has become a more significant source of income for the authority over recent years, this reserve will be vital tool beyond the pandemic to smooth funding streams across the MTFS period.

- l. **Homes for Haringey Reserve:** This reserve is earmarked for Homes for Haringey and it helps to fund the Company’s innovation, growth and unforeseen cost pressures. The use of this reserve is regulated by the Management Agreement with the Council. Homes for Haringey may request the Council to consider proposals to use this reserve during the financial planning process.

Virements for Cabinet Approval

Appendix 5

Transfers from Reserves & Contingencies (2021/22) - for noting

Period	Priority	Service/AD Area	Rev/ Cap	In year	Next year	Reason for budget changes	Description
12	All	Various	Revenue	2,056,990	2,056,990	Transfer from Contingency	Funding of 2021-22 Pay Award at 1.75%
12	Your Council	Transformation and Resources	Revenue	390,000		Transfer from Reserves	Drawdown from Transformation Reserve to fund performance software licence costs

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

2	All	Various	Revenue	1,495,004	1,495,004	Transfer from Contingency	Funding of 1.25% NI Levy commencing April 2022
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Virements for Approval (2021/22)

12	Place	Highways	Capital	1,424,411		Budget Funding Allocation	Additional 21/22 TfL LIP funding to reflect the value of work done
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Virements for Approval (2022/23)

3	Your Council	Strategy and Communications	Revenue	561,000	330,000	Budget Realignment	Realignment of the Strategy and Communications budgets to reflect current staffing establishments
3	Place	Environment and Neighbourhoods	Revenue	3,670,217	3,670,217	Budget Realignment	Realignment of Parking & Highways Service budgets to reflect service need.
3	People	Childrens	Revenue	1,883,521		Budget Adjustment	Reallocation of DSG Early Years budgets to reflect lower 22/23 DSG allocation

Total 2022/23

11,481,143

7,552,211

Write off Summary Report - Quarter 4

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

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

This quarterly report is for information purposes only, which details the debts that were submitted for write off for the Financial Period 1st January 2022 to 31st March 2022 (**Q4**). These relate to delinquent accounts where all forms of recovery action had 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.

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

Quarter 4 Write Off, Financial Period 1st Jan 2022 - 31st Mar 2022									
Service	Council Tax	NNDR	HBOP	HRA Rent	Leaseholder	Commercial Rent	Sundry Debt	Parking	Total
Under £50k	£12,458.62	£0.00	£151,678.97	£100,201.36	£0.00	£29,311.31	£58,065.25	£0.00	£351,715.51
Volume	73	0	119	34	0	6	24	0	256
Over £50k	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
Volume	0	0	0	0	0	0	0	0	0
Total Value	£12,458.62	£0.00	£151,678.97	£100,201.36	£0.00	£29,311.31	£58,065.25	£0.00	£351,715.51
Total Volume	73	0	119	34	0	6	24	0	256

The category composition of the above write offs is shown below:

Write off reason	Sundry Debt	CTAX	Commercial Rent	HBOP	HRA Rent
Bankruptcy/ 'Company Insolvent'	0%	1%	0%	0%	0%
Compassionate Ground	8%	0%	17%	0%	0%
Debtor Deceased / No Probate Granted	79%	1%	0%	18%	0%
Gone Away/Whereabouts Unknown	0%	21%	0%	1%	0%
Recommended by Legal	0%	0%	49%	1%	0%
Statute Barred	0%	0%	17%	77%	100%
Petty Amount	0%	77%	0%	0%	0%
Uneconomic to Pursue	13%	0%	17%	3%	0%

The cumulative write off totals for 2021-22 are as follows:

Write Off Summary, Financial Year 1st April 2021 - 31st March 2022								
Service	Council Tax	NNDR	HBOP	Leaseholder	Commercial Rent	Sundry Debt	Parking	Total
Under £50k	£133,446.14	£149,349.16	£473,935.18	£0.00	£29,311.31	£715,987.25	£14,683,305.52	£16,577,061.79
Volume	336	57	480	0	6	107	84602	85771
Over £50k	£0.00	£721,663.34	£52,463.70	£0.00	£204,086.76	£603,541.63	£0.00	£1,581,755.43
Volume	0	10	1	0	2	3	0	16
Total Value	£133,446.14	£871,012.50	£526,398.88	£0.00	£233,398.07	£1,319,528.88	£14,683,305.52	£18,158,817.22
Total Volume	336	67	481	0	8	110	84602	85787