

/Report for: Cabinet 16 July 2024

Title: 2023-24 Provisional Financial Outturn

**Report
authorised by: Taryn Eves, Director of Finance**

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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 2023/24 for the General Fund, HRA, DSG and the Capital Programme compared to the original budget agreed by Council in March 2023. It provides explanations of significant under/overspends and also includes proposed transfers to/from reserves to enable a balanced budget, the 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 2024 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 on the accounts.
- 1.3 The deadline to publish the unaudited accounts is 31 May 2024 with the deadline of 30 September 2024 for the completion of the audit. The draft accounts were published on 28 June 2024 and the external audit by KPMG is due to take place during July and August 2024. In response to the significant outstanding historical audit opinions across the sector, the Department for Levelling Up, Housing and Communities (DHLUC) has undertaken consultation on how this issue is addressed. As part of this they are considering changing the date for publishing the 2023/24 audited accounts to 31 May 2025 (previously 30 September 2024). Haringey has unaudited accounts for the years 2020/21 – 2022/23.

2023-24 Provisional Outturn Position

General Fund (GF)

- 1.4 It is a matter of concern to report that the outturn for the Council's General Fund was a £19.2m overspend. Although this represents a small (£1.6m) improvement to the Quarter 3 forecast, it will still require a considerable **unplanned** drawdown from reserve balances over and above the budgeted £3.5m.

- 1.5 The Directorate budgets as a whole have seen a worsening in net spend of close to £8m since Quarter3. Of this, £4.3m related to Children's Services, £5.4m for Environment and Resident Experience (E&RE). These have been offset by overall improvements of £1.9m across the remaining Directorates. The majority of the E&RE adverse movement was driven by pressures against the Housing Benefit (HB) account totalling £3.3m. The pressures within the HB account was highlighted in Quarter 3 but since the actual figure could not be determined at that time, a holding allowance of £4m was included against a corporate code pending the final outturn figures. The £4.3m adverse movement in Children's was not forecast at Quarter 3 and relates to an increase in placement spend and a transfer of costs from the DSG to the GF. It is likely that the majority of this will continue into 2024/25 adding additional, unbudgeted pressure in the new financial year and will need to be considered as part of developing the 2025/26 draft budget.
- 1.6 The corporate budgets ended the year with an under spend of £2.7m. This was largely due to forecast underspends across treasury and capital financing budgets as interest rates continue to be high and consistently above 5% during the year and a strong focus on reducing the capital programme spend and reducing borrowing costs. These together with the £8m corporate contingency budget have been used to offset services pressures and redundancy costs which previously would have been funded through the use of capital receipts flexibilities but is no longer allowed under a change in guidance. The Council also received some additional external income through grants and business rates which is also mitigating the overall overspend.
- 1.7 Without these considerable corporate contributions, the final outturn would have been significantly worse. Although the 2024/25 budget and financial plans for future years contain a general corporate contingency of £7.4m, other one off underspends and additional income received in 2023/24 are not expected to continue into 2024/25 and early indications show that at least £5.2m of the 2023/24 overspend pressures will continue into 2024/25. These are predominantly within Children's (£3.3m placement pressures; £700,000 Early Help, Prevention and SEND) along with around £1.2m in Housing Demand. Additional budget was built into both of these services as part of 2024/25 financial planning process however, based on these provisional outturn figures, these look likely to have been insufficient.
- 1.8 More positively, the agreed 2023/24 savings programme has delivered 77% (84% Quarter 3). This continues the trend of recovery following a dip in the delivery of savings during the Covid19 pandemic and overall the forecasting of delivery across the whole Council has remained consistent. This has been more challenging for the Adult Health and Communities Directorate in the context of the ongoing increase in demand for these services. This performance is important as it shows a council wide understanding and ownership of savings delivery. Continuing this approach will be crucial during 2024/25 where the agreed savings programme totals £20m.
- 1.9 Although, the economic outlook looks more positive across the new financial year with CPI inflation at 2.3% in April 2024 (8.7% April 2023), this reduction in the increase in prices does not always translate across to council services.

However, the lack of real growth in wages since the beginning of austerity more than 12 years ago is still likely to place pressure on residents' ability to meet outgoings potentially increasing arrears levels for the Council. The competition for employees in key sectors such as social care, are likely to keep placement costs high and scarcity of housing supply is expected to maintain pressure in remaining within agreed budgets.

- 1.10 In summary, overall, the General Fund closed £19.2m over budget despite considerable corporate contributions. Full details are set out in Appendix 1. This has required an unbudgeted drawdown from reserve balances which were already within the lowest quartile in London. The General Fund balance has been maintained at the opening level of £15.1m however, earmarked reserves now stand at only £52.2m and many of these have associated commitments. Going forward, these reserve balances will need to increase to support the management of the risks and uncertainties facing the Council and maintain its financial sustainability.
- 1.11 In summary, this means that the Council starts the 2024/25 financial year under budgetary pressure and with significantly reduced reserves balances, any on going use of reserves is not sustainable. Work has already progressed on developing the 2025/26 draft budget and all services are working to address the financial challenge facing Haringey over the next few years. The Council is in a position to develop a long term sustainable plan and remain in control of its financial position and all services will be reviewing all its spend to ensure every £1 is offering value for money and being delivered as efficiently as possible to deliver the outcomes in the Corporate Delivery Plan.

Capital

- 1.12 The 2023/24 General Fund capital programme outturn was a spend of £71.6m, excluding the Enabling budgets¹ which equates to spend of only 56% of the approved budget and £18.5m less spend than was forecast at Quarter 3. The movement between Quarter 3 and the end of the year relates primarily to the Placemaking and Housing programmes (£34.0m) - the Future High Street project due to the delays in acquiring property and with the delays caused by the uncertainty of the extent of Reinforced Aerated Autoclave Concrete in the Children's programme. Full details are set out in Appendix 3.
- 1.13 The HRA spent £158.8m (57%) of its £279.7m revised capital budget. This represents an underspend of 43% against the budgeted sum. A conscious decision was taken in year to pause and delay schemes where possible to avoid the impact of increased material and construction costs as well as the on-going high interest rate levels, all of which were adversely affecting schemes' viability.

Dedicated Schools Grant (DSG)

¹ Enabling Budgets are put in place to provide the capacity to proceed with major property schemes with less certainty on expenditure profiling.

- 1.14 The final outturn for the Dedicated Schools Grant (DSG) was a net £1.9m overspend. The High Needs Block (HNB) overspend of £2.9m continues to be driven by the high number of Education Health and Social Care Plans but was largely in line with the plan as set out within the Safety Valve Programme.
- 1.15 The final position for the Early Years block is an £849,000 underspend. Every year the Department for Education (DfE) allocates indicative funding based on two actual Spring Census counts of pupil numbers and one based on estimates. Following a review of actual pupil numbers for the 2023/24 Spring term, the DfE then recoup money through a clawback adjustment. Any money not clawed back is then ringfenced in a reserve for future spending.
- 1.16 At an individual school level, the number of schools in deficit on 31st March 2024 has increased from 24 to 33 with only 12 schools returning an in year surplus. Overall school balances fell from an overall £4.7m surplus to £200,000 deficit by 31st March 2024 continuing the trend over the past 3 years. Haringey like most London boroughs is seeing a significant decline in primary school rolls, as a result of population trends of declining numbers of school age children.

Housing Revenue Account (HRA)

- 1.17 The HRA outturn was a surplus of £5.528m compared to the budgeted surplus of £8.238m and therefore the HRA reports an end of year outturn variance of £2.710m. This is a small improvement compared to that reported at Quarter 3 (3.082m) but the financial position on the HRA remains challenging and work will shortly start on developing the draft budget for 2025/26 and review the 30-year Business Plan.
- 1.18 The main drivers of the variance continue to be the costs associated with legal disrepair cases, underachievement of rental income and the increase in need for health and safety compliance works resulting from changing regulations.
- 1.19 This final outturn position includes a £4.922m drawdown from the HRA reserves, of which £3.6m is for Legal Disrepair, £980,000 for fire stopping and bin chutes works and £300,000 for the continuation of the Tenants Hardship Fund. The additional funding is targeted at reducing the backlog of disrepair cases and carrying out repairs and voids works to minimise the budget pressures in future years. Full details are set out in Appendix 2.

2. Cabinet Member Introduction

- 2.1 Haringey, like many other local authorities, has seen an unsustainable rise in the cost of children's care, adult social care and temporary accommodation for homeless households. This is reflected very clearly in our outturn for 2023/24.

- 2.2 An overspend is disappointing and needs to be addressed. We took significant measures within the 2023/24 financial year to help mitigate rising costs, such as the deliberate reduction of our capital programme, but it is recognised that we need to replenish our reserves and deliver the wider savings plans that have been put forward. The budget process for 2025/26 and the MTFS are already underway.
- 2.3 Much of the budget pressure was consistently reported throughout the year and our 2024/25 budget planning sought to address this. However, this report now highlights a c.£5m additional un-forecast spend pressure that is highly likely to continue into the new financial year, mainly around children's placement costs and temporary accommodation.
- 2.4 The national economic outlook looks to be stabilising, with inflation rates now close to the 2% target and interest rates forecast to start falling across the year. However, the lack of real growth in wages since the beginning of austerity more than 12 years ago is still likely to place pressure on residents' ability to meet outgoings. Although wages in Haringey now match the London average, there are a larger number of JSA (Jobseekers Allowance) and ESA (Employment & Support Allowance) claimants than the London average and Haringey has the fourth largest proportion of residents earning below the London Living Wage of all London boroughs.
- 2.5 These factors will continue to add financial challenges for our residents, which in turn may increase the need for support from council services. In the last year, we delivered 77% of our agreed savings programme, which is positive, however the agreed target for this year is £20m and in the face of the financial challenges outlined above, it is imperative that we collectively work together to ensure that these are delivered as planned.
- 2.6 Last year's capital programme for the GF (General Fund) and HRA (Housing Revenue Account) were both well underspent. In part this is due to a conscious decision to avoid incurring high debt repayment costs by delaying spending, but we will need to continually review the programme and look to reduce on the GF revenue budget.
- 2.7 We face an extremely challenging year ahead and we must all work to take the appropriate action to mitigate the budgetary pressures as far as possible, ensure the savings programme is delivered and focus on careful and transparent financial planning for the next iteration of the MTFS, which is already well underway.

3. Recommendations

- 3.1 Cabinet is recommended to:
- a) Note the provisional revenue and capital outturn for 2023/24 as detailed in the report;
 - b) Approve the capital carry forwards as set out in Appendix 3;
 - c) Approve the transfers to/from reserves as set out in Appendix 4;
 - d) Approve the budget transfers as set out in Appendix 5;

- e) Note the debt write-offs approved by officers in Quarter 4 of 2023/24 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 review the use of reserves and balances in light of the financial position during the year and knowledge of the Council's future position and requirements.

5. Alternative options considered

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

6. Provisional Revenue Outturn 2023-24

- 6.1. Table 1 shows the provisional revenue outturn figures for 2023/24 by Directorate, including the impact of proposed movements to/from reserves on the final position and the movement from the outturn forecast at Quarter 3 (Period 9).

Table 1 – Revenue Budget Monitoring Provisional Outturn 2023-24

Management Area	Revised 2023/24 Budget £'000	Outturn Before Reserve Transfers £'000	Net Revenue Transfers To/(From) Reserves £'000	Revised Outturn £'000	Revised Outturn to Budget Variance £'000	Qtr.3 Forecast to Budget Variance £'000	Forecast Variance Movement Between Q3 and Outturn £000
Children's Services	74,620	79,297	404	79,701	5,081	716	4,365
Adults, Health and Communities	118,281	135,892	(2,506)	133,386	15,105	16,149	(1,044)
Environment and Resident Experience	28,143	32,239	914	33,153	5,011	(463)	5,474
Placemaking & Housing	7,624	6,749	982	7,731	107	0	107
Culture Strategy & Engagement	9,553	8,753	127	8,880	(673)	(160)	(513)
Corporate Budget Service	3,836	4,067	(302)	3,765	(71)	409	(480)
Directorate Service Total	242,057	266,997	(381)	266,616	24,560	16,651	7,909
Corporate Budgets - Non Service	37,750	35,041	0	35,041	(2,709)	4,150	6,859
General Fund - Directorate Service & Non Service	279,807	302,038	(381)	301,657	21,851	20,801	14,768
External Finance	(279,807)	(282,410)	0	(282,410)	(2,603)	0	(2,603)
General Revenue Total	0	19,629	(381)	19,248	19,248	20,800	(1,553)
DSG	0	1,885	0	1,885	1,885	2,498	(614)
HRA	0	2,710	0	2,710	2,710	3,082	(372)
Haringey Total	0	24,223	(381)	23,843	23,842	26,381	(2,538)

- 6.2. More detailed commentary on these final positions, the drivers of any variations and any significant movements since the last report to Cabinet in March (Quarter 3) can be found in Appendix 1.
- 6.3. The overspend on services is £24.6m largely as a result of placement cost pressures within Adults and Children's Social Care and demand and scarcity of supply within Housing Demand. Additionally, within Environment and Resident Services, higher than forecast bad debt provision was required in parking and housing benefit alongside reduced housing benefit subsidy payments received from Government. Corporate budgets which include investment income, borrowing costs and the corporate contingency of £8m have underspent by £2.709m and additional income through grants and the Collection Fund (business rates and Council Tax) means that overall, the General Fund finished the year with a £19.2m overspend. This overspend will need to be met by an unplanned drawdown from earmarked reserves.
- 6.4. Indications are that a number of the service pressures will continue into 2024/25 and corrective action will need to be identified, agreed and implemented for the authority to retain spending within the 2024/25 budgets agreed by Full Council on 3 March 2024. An update will be reported to Cabinet in September 2024 as part of the Quarter 1 report.

Outturn 2023/24 Savings

- 6.5. Table 2 shows the overall delivery of agreed 2023/24 savings by Directorate. Overall, £13.562m (77%) has been delivered against the target figure which is a slight deterioration of £1.166m compared to the forecast of £14.728m (84%) delivered that was reported in Quarter 3.

Table 2 – 2023/24 MTFS Saving Delivery

Management Area	2023/24 Savings Target £'000	Full Year Savings £'000	Net Variance £'000	Non Delivery £'000	Amber Non Delivery £'000	Red Non Delivery £'000
Children's Services	1,630	1,630	0	0	0	0
Adults, Health and Communities	6,848	4,149	(2,699)	(2,699)	0	(2,699)
Environment and Resident Experience	7,629	7,057	(572)	(572)	(352)	(220)
Placemaking & Housing	470	370	(100)	(100)	0	(100)
Culture Strategy & Engagement	434	356	(78)	(78)	(78)	0
Cross-Cutting	500	0	(500)	(500)	(500)	0
Total	17,511	13,562	(3,949)	(3,949)	(930)	(3,019)

- 6.6. Following a review of assumed savings as part of setting the 2024/25 budget, £2.015m of the non-achieved savings were considered no longer achievable, largely within Adults social care and have been removed from the budget. Some of these were stretch targets, deemed unachievable and some found to be a reduction in debt levels which do not result in cashable savings that can be removed from budget lines. The remainder are expected to deliver in full during 2024/25.

7. Dedicated Schools Grant (DSG) and Schools Budget – overspend of £1.885m (Qtr3 £2.498m)

- 7.1 The DSG consists of four blocks – high needs, early years, schools and central services. The overall closing position on 31 March 2024 is an overspend of £1.885m.
- 7.2 The overspend on the High Needs Block of £2.9m but this is largely in line with the plan within the Safety Valve Programme that is in place between 2023 and 31st March 2028.
- 7.3 The final position for the Early Years block is that £849,000 is being transferred to earmarked reserves pending confirmation from the DfE on monies to be repaid. Every year the DfE allocates indicative funding based on two actual Spring Census counts and one based on estimates. Following a review of actual 2023/24 Spring term pupil numbers in July 2024, the DfE are expected to recoup money through a clawback adjustment.
- 7.4 The number of schools in the borough in deficit on 31st March 2024 has increased from 24 to 33 with only 12 schools returning an in-year surplus. Overall school balances reduced from a £4.7m surplus to £200,000 deficit by 31st March 2024 continuing the trend over the past 3 years. Haringey like

most London boroughs is seeing a significant decline in primary school rolls, following reducing population trends of school age children.

Table 3 - DSG Reserve Position at Outturn 2023-24

Blocks	DSG Balance at 01/04/23 £m	Budget 2023/24 £m	Block Transfer £m	Outturn 2023/24 £m	Outturn Variance 2023/24 £m	Safety Valve 2023/24 £m	In Year Movement 2023/24 £m	Closing Balance 31/03/24 £m
Schools Block	0.000	137.004	(1.098)	135.906	0.000	0.000	0.000	0.000
Central Service Block	0.000	2.710	0.000	2.710	0.000	0.000	0.000	0.000
High Needs Block	11.866	54.476	1.098	58.496	2.922	(4.070)	(1.148)	10.718
Early Year Block	(0.317)	21.218	0.000	20.369	(0.849)	0.000	(0.849)	(1.166)
Total	11.549	215.408	0.000	217.481	2.073	(4.070)	(1.997)	9.552

- 7.5 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 also have an EHCP. Where we have children who are looked after with an EHCP and who require an out of borough placements e.g. specialist residential, the social and financial cost is higher than in borough.
- 7.6 As a result of the high level of deficit on the HNB, intervention support ([Safety Valve](#)) was agreed with the DfE to reduce the cumulative deficit and reach a positive position by 2027/28. To deliver the required improvement over the next five years the Council has developed a DSG Management Plan which is being coproduced with various stakeholders. The plan has been approved by DfE and as a result financial support of £29.9m is being provided. In 2023/24 the Council received £4.07m of the funding. The cumulative High Needs Block (HNB) DSG deficit at 31st March 2024 is £10.718m.

8. Collection Fund – Council Tax & Business Rates

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

Council Tax

- 8.2 The 2023/24 in year council tax collection performance was 95.31% (target 96.5%). The Council tax surplus/deficit is distributed between the Council (78.2%) and its preceptor the GLA (21.8%) based on respective shares. There is an estimated surplus of £2.61m for 2023/24, which compares to a deficit of

£140,000 in 2022/23. The latter is recognised in the 2023/24 outturn figures whilst the 2023/24 actual surplus will be recognised in 2024/25.

Business Rates

- 8.3 The 2023/24 in year business rates collection performance was 93.6% (target 96.0%). Under the Business Rates Retention Scheme the business rates collected by the Council are distributed across the Council (30%), DHLUC (33%) and the GLA (37%).
- 8.4 There is an estimated surplus of £2.12m in 2023/24, which compares to a deficit of £940,000 in 2022/23. The latter is recognised in the 2023/24 outturn figures whilst the 2023/24 actual surplus will be recognised in 2024/25.

9. Capital Programme Outturn

- 9.1. The overall capital budget can and does change through the year from that agreed by Council at its budget setting meeting. A range of factors contribute to this movement: the incorporation of the previous year's brought forwards into the budget, new grants being received mid-year, and live budgeting which realigns and reprofiles resources in the light of scheme progress.
- 9.2. The approved capital programme is composed of schemes that have varying levels of predictability to their spend profiles. Capital maintenance programmes such as borough roads, street lighting and the disabled facilities grant works have a rhythm and regularity to them that makes forecasting the outturn accurately a relatively easy process.
- 9.3. Construction schemes are less predictable because 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. These include:
- Extensive stakeholder engagement which can result in amendments to the original design and timescales
 - Some schemes require planning permission that can entail scheme design or delivery changes
 - The tendering processes may not always deliver a contractor on time or an acceptable price due to market conditions
 - The actual construction timetable itself is subject to external events such as the weather.
 - In recent years, there have also been significant issues with delays to materials availability across the construction industry.
- 9.4. In addition, there are some schemes within the capital programme that rely on third parties completing tasks or agreeing to actions over which the Council has limited or no control. These budgets are known as Enabling budgets and their spend profile is extremely unpredictable. Table 4 below shows movement in the approved capital programme from the original budget to the final revised budget at Quarter 4. Appendix 3 also sets out the requested carry forwards from service areas with reasons supporting the request.

- 9.5. In total the General Fund capital programme (excluding enabling budgets) spent £71.6m against a budget of £127m, 56.4%.

Table 4 – Approved Capital Programme

Priority	2023/24 Revised Budget Qtr.1 £'000	2023/24 Revised Budget Qtr.2 £'000	2023/24 Revised Budget Qtr.3 £'000	2023/24 Revised Budget Qtr.4 £'000	2023/24 Final Outturn £'000	Variance Btw Outturn & Revised Budget Qtr.4 £'000
Children's Services	34,664	16,952	16,952	16,952	12,551	(4,401)
Adults, Health & Communities	18,505	10,454	10,454	10,454	9,374	(1,080)
Environment & Resident Experience	33,551	20,470	20,563	21,422	16,995	(4,427)
Placemaking & Housing	93,811	56,602	59,262	58,885	24,737	(34,148)
Culture, Strategy & Engagement	28,283	19,209	19,322	19,322	7,909	(11,413)
Total GF Capital Budget (Excluding Enabling Budgets)	208,813	123,686	126,553	127,035	71,566	(55,469)
Placemaking & Housing (Enabling Budgets only)	135,138	86,578	113,278	87,503	2,575	(84,928)
Housing Revenue Account (HRA)	279,726	279,726	279,726	279,726	158,783	(120,943)
Total GF Capital Budget (Enabling Budgets only)	414,864	366,304	393,004	367,229	161,358	(205,871)
Total Capital Budget	623,677	489,990	519,557	494,264	232,923	(261,340)

- 9.6. As has been reported elsewhere, the Council faces severe financial challenges, and the cost of the capital programme is a significant contributor to the ongoing financial challenge. There are two proposed changes to the treatment of the outturn on the capital programme. Firstly, the historic practise of rolling forward unspent budgets without challenge is no longer sustainable. It is proposed that the carry forwards set out in Appendix 3 are agreed but that they are reviewed again as part of the wider annual review of the capital programme. Secondly, it is proposed that all overspends in 2023/24 will need to be offset from budgets in 2024/25, and only on an exceptional basis from budgets in 2025/26. The following paragraphs provide a high-level commentary on each service area.

9.7. Children's Services: Budget £16.952m: Outturn £12.51m: Variance £4.4m underspend.

- 9.8. Overall, the Children's Services capital programme spent 74% of the budget allocated. There are three schemes with significant variances:

- Primary School Repairs and maintenance underspend was £1.335m. The scheme was adversely affected by delays to the preparation of

tenders in 2023/24 so there was limited spend. These projects are now in procurement and expected to be delivered in 2024/25.

- Primary School Modernisation and Enhancements underspend was £1.424m. A number of schemes were delayed when some capital schemes were paused to reassess affordability.
- Secondary School Modernisation and Enhancement underspend was £2.080m. A focus on delivering the works required to remediate the RAAC found in schools has resulted in some other schemes being delayed.

9.9. Adults, Health & Communities: Budget £10.454m: Outturn £9.374m Variance £1.08m.

9.10. Overall, the Adults, Health and Communities capital programme spent 90% of the budget allocated. There are three schemes with significant variances:

- Aids, Adaptations and Assistive Technology and the capitalisation of Local Authority community equipment budgets need to be considered together as they are both funded through the disabled facilities grant. Taken together there is a combined underspend of £538,000. This unspent grant will be carried forward into 2024/25.
- Assistive Technology budget underspent by £525,000 due to difficulties with its supply chain's ability to deliver equipment.
- Canning Crescent project underspent by £900,000 in 2023/24. This is due to the need to procure a new contractor when the originally appointed contractor went into administration.

9.11. Environment & Resident Experience: Budget £21.422m: Outturn £16.995m: Variance £4.427m.

9.12. Overall, the Environment and Resident Experience capital programme spent 79% of the budget allocated. There are 27 schemes in this directorate's capital programme and there are comments against all the schemes in Appendix 3. The single largest variance relates to the Streetspace Plan that covers a range of interventions and which is funded by Strategic Community Infrastructure Levy.

9.13. Placemaking & Housing: Budget £58.55m: Outturn: £24.737m: Variance £34.148m.

9.14. Overall, the Placemaking and Housing capital programme (excluding enabling budgets) has spent 42% of the budget allocated. There are 33 schemes in this directorate's capital programme and there are comments against all the schemes in Appendix 3. There are eleven schemes significant variances:

- Tottenham Green Spaces & Tottenham Hale Streets should be taken together. The schemes have a total underspend of £4.3m which has arisen due to a variety of delays mainly around securing 3rd party agreement. These schemes are now largely committed.
- The Good Economy Recovery Plan is carrying forward mainly unspent grant.
- The Future High Street Fund is underspent by £7.887m. The Council, with DHLUC agreement prioritised the spending of the grant element of the programme and the carry forward is the Council's agreed match funding.
- Strategic Investment Pot (SIP) is a 100% (£1.2m) grant programme that need to be carried forward. The underspend is due to the programme being refocussed on work place provision.
- Enterprising Tottenham High Road (£1.123m) is grant funded scheme and committed to the Tampery scheme that has been delayed due to a range of factors, including negotiations with the GLA.
- Liveable Seven Sisters' (£1.0m) delivery time has been extended due to extensive local consultation (Shaping Tottenham) that has allowed the consultation to feed into the programme.
- Small and Medium Enterprise Workspace Intensification (£1.739m) programme procurement has been delayed as a result of the review in scope of the scheme.
- Wood Green District Energy Network is currently under review
- Selby Urban Village project (£3.788m) has been through a number of design reviews in order to bring the scheme within the budget envelope that has delayed delivery.
- Asset Management of Council Buildings (£3.247m). There are number of contractual commitments that will need to be honoured but currently there are requirements on the budget for urgent health and safety works

9.15. Culture, Strategy & Engagement: Budget £19.3m: Spend £7.91m: Variance £11.4m.

9.16. Overall, the CSE programme has spent 40% of the budget allocated. There are five schemes with significant variances.

- Corporate IT Board (£2.662m) has been largely committed but is being reprofiled.
- Financial Management System Replacement (£1.277m) has been largely committed and is being reprofiled.
- Libraries IT & Building Upgrade has been committed to Muswell Hill Library and spend is expected in 2024/25.
- Wood Green Library (£1.5m) – Delays in the wider Libraries upgrade have meant that the Wood green project has also had to be reprofiled
- Civic Centre Works (£1.786m). A change in the procurement approach will result in a reprofiling of this scheme.

9.17. Enabling Budgets: Budget £87.5m: Outturn £2.575m: Variance £84.928m.

9.18. Overall, the enabling budgets spent 3% of the budget allocated. This level of spend is not surprising as budgets are largely dependent on the actions of third parties and therefore the incidence and timing of spend is very difficult to forecast. Details are set out in Appendix 3.

9.19. Housing Revenue Account: Budget £279.7m: Outturn £158.8m: Variance £120.943m.

9.20. Overall, the HRA spent 56.7% of the budget allocated and therefore an underspend of £120m on its capital programme. In comparison to prior years, this variation is high and is mainly due to delays in schemes and pausing of schemes. This was driven by the rises in cost of materials and high interest rates, impacting on viability of many schemes. It is expected that most of these schemes will progress in 2024/25 as inflation starts to reduce.

9.21. Of the total GF 2023/24 budget variances of £140.4m, £139.4m has been requested to be carried forward as detailed in Appendix 3.

Capital Programme Financing Outturn

9.22. Capital expenditure is financed through a variety of sources: grants from central government, grants and contributions from the GLA, contributions from developers (S106 and S278), applying capital receipts, utilising revenue reserves, and borrowing.

9.23. 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.

- 9.24. 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. Should the level of budgeted in-year capital spend not be achieved this will impact on the actual level of capital financing costs incurred.
- 9.25. The General Fund capital programme and the HRA capital programme are funded differently so they have been separated out in Table 5.

Table 5 – Sources of Capital Funding

General Fund Funding (Excluding Enabling Budgets)			
Source of Funding	2023/24 Revised Budget £'000	2023/24 Actual £'000	2023/24 Variance £'000
External	51,245	29,990	(21,255)
Borrowing - LBH	64,256	37,699	(26,557)
Borrowing - LBH Self-Financing	11,532	3,877	(7,655)
Total	127,033	71,566	(55,468)
General Fund Funding (Enabling Budgets only)			
External	75,800	1,742	(74,058)
Borrowing - LBH	3,698	587	(3,112)
Borrowing - LBH Self-Financing	8,005	247	(7,758)
Total	87,503	2,575	(84,928)
HRA Funding			
Grants (GLA + Other Grants)	62,411	55,309	(7,102)
Major Repairs Reserves	21,457	22,901	1,444
Revenue Contributions	8,238	0	(8,238)
RTB Capital Receipts	9,556	7,050	(2,506)
Leaseholder Contributions to Major Works	7,979	1,268	(6,711)
S.106 Contributions	3,500	0	(3,500)
New Homes Sales Receipts	0	0	0
Buy Back Contribution	0	483	483
Borrowing	166,585	71,772	(94,813)
Total	279,726	158,783	(120,943)
Overall Total	494,262	232,923	(261,339)

Flexible Use of Capital Receipts Outturn

- 9.26. Capital receipts are usually 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 for some revenue expenditure (this flexibility does 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 2023 set a strategy for the flexible use of capital receipts. The table below highlights the use of the flexibility. During 2023/24, £13.1m of new capital receipts were received and £5.3m were used. Significant spend was incurred for demand management in care services (£700,000), Waste strategy review (£485,000) and Corporate support to improvement/change programmes (£1.8m).

Table 6 - Flexible Use of Capital Receipts.

Capital Receipts	Actual 2023/24 £'000
Capital receipts brought forward	6,503
Capital receipts in year	13,109
Total	19,612
Use of capital receipts in year	(5,327)
Capital receipts carried forward	14,286

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 totalling £6.461m written off in Quarter 4 and the summary for the full year. None of the individual debts were above £50,000 and therefore have been approved for write off by the Director of Finance under their delegated authority. All debts have been adequately provided for in the Council's bad debt provisions.

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.
- 11.2 The Council is required to annually review the adequacy of its reserves which was last reported in March 2024 as part of the 2024/25 Budget and 2024/2029 MTFS report. That report confirmed the maintenance of a General Fund un-earmarked reserve of £15.1m and this balance has been retained at the end of the year.
- 11.3 However, as reported in Section 1 of the report, the significant General Fund overspend for the 2023/24 financial year has required an **unplanned** drawdown from earmarked reserves of £19.248m. This is over and above the planned drawdown of £3.5m that was reported when the budget was set in March 2023 and therefore a total of £22.8m of reserves has been utilised to balance the budget for 2023/24.

- 11.4 Members have previously been advised of the relatively low reserve balances held by the authority compared to other similar authorities. Even before the end of the 2023/24 financial year Haringey was in the lower quartile of London Boroughs and this latest drawdown is likely to mean that the Council's relative position has deteriorated. The balance as at 1 April 2024 is £52.3m. Of this, a significant level has associated commitments, including a further £5.01m is already committed to balance the 2024/25 financial year when the budget was set in March 2024. This level of reserve balances significantly increases the authority's risk profile and hampers its ability to invest in innovation and transformation, both of which are even more important in the current challenging financial climate facing the whole local government sector.
- 11.5 The financial planning process for 2025/26 and across the medium term is already underway and the Council is facing at least a £30m budget gap for the next four years, of which at least £17m is in 2025/26. Ongoing use of reserves to balance the budget is no longer sustainable and therefore positive and timely progress on identifying deliverable budget solutions is critical. Part of the financial planning strategy must include a plan to re-build reserve balances.
- 11.6 Finally, it should be noted that, due to the fact that the Council currently has three years unaudited accounts (2020/21 – 2022/23), there is risk that the currently reported reserve balances may change when the 2023/24 accounts are signed off by the Council's external auditor.
- 11.6 A summary of the purpose of each reserve along with all the proposed in year movements to/from all reserves and final balances as at 31 March 2024 are shown in Appendix 4. These are not expected to change materially however, the reserve position will not be finalised until the completion of the External Audit of the 2023/24 accounts.
- 12 **Contribution to the Corporate Delivery Plan 2022-2024 High level Strategic outcomes**
- 12.1 The Council's budget aligns to and provides the financial means to support the delivery of the Corporate Delivery Plan outcomes. Going forward, the alignment of financial plans with the Corporate Delivery Plan will be further strengthened.
- 13 **Carbon and Climate Change**
- 13.1 There are no direct implications on the Carbon and Climate Change agenda included in this report.
- 14 **Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)**

Finance

- 14.1. This is a report by the Chief Finance Officer (CFO) and the financial implications arising have been highlighted throughout the report.
- 14.2. Although the development of the 2023/24 budget was robust and based on a set of assumptions underpinned by data and evidence known at that time, the provisional outturn figures presented in this report demonstrate that the underlying pressures increased during the course of the year. Some of these pressures are one-off, largely related to non-delivery of savings and increased demand for services which have been addressed in the 2024/25 budget but there remains a risk that pressures will be over and above that which was assumed. Work is underway as part of the Quarter 1 monitoring process to understand any ongoing impact.
- 14.3. Furthermore, the impact of inflation persisting significantly above the 2% target and not falling at the rate forecast by Government when the 2024/25 Budget was set, suggests that additional price pressures are likely to be seen across **all** Directorates, not just the care services. It is also likely that the trend of increasing debt arrears will grow as residents and business also continue to be impacted by the high cost of living. The cost implications of meeting the additional demand for temporary housing and increasing interest rates, as the Bank of England seeks to reduce prevailing inflation rates, will have implications for financing our capital programme.
- 14.4. These pressures are being experienced across the sector and many London boroughs are also seeing this level of overspend and are highlighting overspends across one or more of Adults or Children's social care and temporary accommodation.
- 14.5. All of these factors means that the financial position remains challenging. Work has already progressed on developing the 2025/26 draft budget and all services are working to address the financial challenge facing Haringey over the next few years. The Council is in a position to develop a long term sustainable plan and remain in control of its financial position and all services will be reviewing all its spend to ensure every £1 is offering value for money and being delivered as efficiently as possible to deliver the outcomes in the Corporate Delivery Plan.

Strategic Procurement

- 14.6. Strategic Procurement notes the contents of this report and will continue to work with services to enable cost reductions through a review of contract spend and market management activities.

Legal

- 14.7. The Head of Legal & Governance has been consulted in the preparation of this report and makes the following comments.
- 14.8. Pursuant to Section 28 of the Local Government Act 2003, the Council is under a statutory duty to monitor during the financial year its expenditure and

income against the budget calculations. If the monitoring establishes that the budgetary situation has deteriorated, the Council must take such action as it considers necessary to deal with the situation. The Council must act reasonably and in accordance with its statutory duties and responsibilities when taking the necessary action to reduce the overspend.

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

Equality

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

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

- 14.11. 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.

- 14.12. Although it is not enforced in legislation as a protected characteristic, Haringey Council treats socioeconomic status as a local protected characteristic.

- 14.13. This report sets out the provisional outturn for 2023/24 for the General Fund, HRA, DSG and the Capital Programme compared to budget which was set in March 2023. 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 Council's saving programme for 2023/24 was subject an equality impact assessment (EQiA) before being approved and the recommendations in the report are not anticipated to have a negative impact on any groups with protected characteristics.

15 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

16 Background Papers

None

Appendix 1 – Revenue Directorate Level Outturn

Directorate Level Outturn 2023/24						Appendix 1
Management Area	Revised 2023/24 Budget Less Depreciation	Outturn Less Depreciation	Net Revenue Transfers To / (From) Reserves	Outturn to Budget Variance (incl reserves)	Q3 Forecast to Budget Variance	Movement in Forecast Variance
CORPORATE BUDGETS - NON SERVICE	37,750,162	35,041,246	0	-2,708,916	4,149,520	-6,858,436
CORPORATE BUDGETS - SERVICE	3,836,036	4,066,765	-301,838	-71,109	409,035	-480,144
Legal & Governance	3,660,737	3,892,690	0	231,953	372,300	-140,347
Chief Executive	332,000	277,218	0	-54,782	0	-54,782
Corporate Finance	-156,701	-103,143	-301,838	-248,280	36,735	-285,015
DIRECTOR OF CULTURE, STRATEGY & ENGAGEMENT	9,553,302	8,753,327	126,961	-673,014	-160,160	-512,854
Strategy & Communication	287,652	397,649	48,300	158,297	6,550	151,747
Human Resources	1,720,386	893,793	0	-826,593	51,058	-877,651
Digital Services	1,799,077	1,318,437	54,184	-426,456	-397,531	-28,925
Transformation & Resources	495,840	690,466	0	194,626	70,000	124,626
Libraries	4,392,577	4,558,481	0	165,904	80,128	85,776
Culture, Museums & Archives	857,770	894,500	24,477	61,207	29,634	31,573
DIRECTOR OF ENVIRONMENT & RESIDENT EXPERIENCE	28,142,543	32,239,295	914,266	5,011,018	-463,240	5,474,258
Parking & Highways	-4,182,340	-3,302,496	0	879,844	-883,278	1,763,122
Community Safety, Waste & Enforcement	22,347,761	21,001,933	870,118	-475,710	-211,130	-264,580
E&N Management & Support	1,853,018	1,963,357	0	116,339	98,214	18,125
Parks & Leisure	2,818,840	3,305,292	44,148	530,600	394,761	135,839
Operational Facilities Management	339,490	768,911	0	429,421	297,801	131,620
Corporate & Customer Services	4,965,774	8,496,298	0	3,530,524	-159,609	3,690,132
DIRECTOR OF ADULT, HEALTH & COMMUNITIES	118,280,705	135,892,487	-2,506,404	15,105,378	16,149,301	-1,043,923
Director of Adult & Social Services	73,250,459	85,385,467	-544,108	11,590,901	12,842,065	-1,251,164
Housing Demand	10,768,243	15,383,885	-1,106,133	3,509,509	2,908,891	600,618
Director of Public Health	19,325,469	19,100,432	198,012	-27,025	0	-27,025
Assistant Director for Commissioning	14,936,534	16,022,702	-1,054,175	31,993	398,346	-366,352
DIRECTOR OF CHILDREN'S SERVICES	74,620,025	79,297,047	403,590	5,080,612	715,905	4,364,707
Director of Children Services	2,526,742	2,361,606	62,996	-102,140	-101,430	-710
Commissioning	1,939,887	2,414,665	-661,240	-186,462	-13,751	-172,711
Prevention & Early Intervention	19,000,453	20,049,930	633,172	1,682,649	248,910	1,433,739
Children & Families	47,177,180	51,122,160	12,631	3,957,611	891,342	3,066,269
Assistant Director for Schools	3,975,764	3,348,687	356,031	-271,046	-309,166	38,120
PLACEMAKING & HOUSING	7,623,978	6,749,000	982,430	107,452	0	107,452
Director of Housing_Regen_Place	298,056	35,173	0	262,883	-10,996	6,757,693
Capital Projects and Property	-1,408,323	-2,097,546	932,939	-243,716	29,358	214,358
Planning_Building Standards & Sustainability	3,424,827	3,655,961	-88,516	-142,619	-18,363	160,981
Regeneration & Economic Development	5,309,419	5,155,412	138,007	16,000	0	-15,999
MANAGEMENT TOTAL	279,806,752	302,039,167	-380,995	21,851,421	20,800,361	1,051,060

Corporate Budgets: Non-Service Under Budget £2.709m (Qtr3 Over Budget £4.150m)

At Quarter 3, an additional budget pressure assumption of £4m was added to the corporate budget line. This was to recognise a number of potential additional costs that could materialise in year but at that time remained uncertain. These included:

- On-going uncertainty over the impact of inflation and high cost of living on service areas;
- A number of services were highlighting pressures related to income collection which at the year end was likely to lead to an increase in the bad debt provision;
- Complexity and complications being highlighted in the authority's housing benefit subsidy entitlements.

These pressures did materialise at the year end and through increased overspend in Directorates, particularly in relation to the Housing Benefit account (£3.3m) and bad debts provision (£1.7m).

The provisional outturn is a £2.709m underspend on the Corporate Budgets (Non Service line). The main variations include:

- £8m unapplied contingency budget;
- £4.2m underspend across treasury and capital financing budgets due to high interest rates (5%+) and higher than anticipated investment income and a strong focus on reducing the capital programme spend which reduced borrowing costs;
- £900,000 of additional external income and a review of historic balances no longer needed to be held.

These underspends have been offset by a number of overspends, including:

- Redundancy costs and an increase in the corporate bad debt provision top up (£1.8m);
- Increased bank charges, the apprenticeship levy and external audit fees (£550,000), all of which have been addressed in the 2024/25 budget; and Additional provisions in relation to property related claims, previously reported as a contingent liability.

External Finance

Under Budget £2.6m (Qtr3 Balanced)

The variation from budget since the last quarter is a result of:

- Late notification of grant funding from Government and some unexpected payments relating to the Business Rates Retention Scheme (£700,000).
- The higher than anticipated income for Council Tax and Business Rates compared to when setting the budget.

Corporate Budgets – Services

Under Budget £71,000 (Qtr3 Over Budget £409,000)

The £486,000 improvement in the Corporate budgets (services) line was predominately driven by an increase of £458,000 in the Strategic Procurement underspend to £586,000 at the year end. This was due to a change in funding source for the London Construction Programme (LCP) framework project which utilised flexible capital receipts and a high level of vacancies being held in Procurement Operations awaiting implementation of the restructure.

The financial position of Legal and Governance improved by £140,000 and was distributed across all the Service areas (Local Democracy, Legal Services, Coroners and Registrars) and the Chief Executive Officer budget underspent by £55,000. However, these underspends were offset by an increase in the overspend in Finance to £338,000 due to the increased cost of agency staff required to fill key roles at the Business Partner and Principal Accountant levels. Permanent recruitment is underway.

CULTURE, STRATEGY AND ENGAGEMENT

Under Budget £673,000 (Qtr3 Under Budget £0.160m)

The Culture Strategy and Engagement outturn underspend of £675,000 represents an improvement of £513,000 against the reported position at Quarter 3.

The main movement was within Human Resources (£896,000) where there was a combination of lower than anticipated levels of externally commissioned training and recruitment advertising spend and higher than anticipated vacancies in the Employment and Reward Team. This offset pressures in Strategy, Communications and Collaboration where staffing and running costs (£152,000), legal expenditure (£64,000) and Libraries energy costs (£72,000) were all higher than anticipated.

Environment & Resident Experience

Over Budget £5.011m (Qtr3 Under Budget -£463,000)

Following a series of principle accounting adjustments the outturn position for the Directorate was an overspend of just over £5m. Given the diverse nature of the services, the financial position on the different services are set out separately below.

OPS02 Parking & Highways

Over Budget £880,000 (Qtr3 Under Budget £880,000)

The net overspend of £880,000 is mainly a result of the increase in the bad debt provision on Penalty Charge Notices (£1.610.000) and a required accounting change in respect of parking permit income (£1.800.000). Significant over achievement of income and holding vacancies in the CCTV, processing and compliance teams mitigated the majority of the impacts of these changes alongside offsetting increased salary costs, unbudgeted costs for energy inflation in respect of street lighting and unbudgeted rental costs.

Salary costs in the Business Hub and street lighting inflation costs are expected to continue into 2024/25.

OPS03 Community Safety, Waste & Enforcement

Under Budget £478,000 (Qtr3 Under Budget -£200,000)

The underspend of £478k in OPS03 Community Safety, Waste & Enforcement is mainly attributable to a £397k underspend in waste management client from higher income achieved, a £357k underspend in ASB & Enforcement Team due to lower staffing costs, a £120k underspend in Street Trading due to lower staffing costs, offset by an overspend of £230k in Waste Enforcement Team due to higher staffing costs and an overspend of £99k in Street Trading due to lower than budgeted for rent income.

OPS07 Parks & Leisure

Over Budget of £531,000 (Qtr3 Over Budget £396,000)

The overspend of £531k in OPS07 Parks & Leisure is mainly attributable to a £346k overspend in New River from a shortfall in leisure centre income and higher NNDR costs than budgeted for, a £148k overspend in Finsbury Park due to security costs, a £121k overspend in Bereavement Services due to a shortfall in income and a

£121k overspend in Events due to an income shortfall, offset by other minor underspends within the service.

OPS08 Operational Facilities Management

Over Budget £429,000 (Qtr3 Over Budget £298,000)

The overspend of £429,000 is mainly a result of increased staffing and security costs and an increase in the cost of materials against an original budget pressure resulting from an error in budget profiling. These pressures are very likely to roll forward into 2024/25 but a recharge on the basis of full cost recovery will be explored to ensure the true cost of internal OFM services are reflected and accounted for.

OPS09 Corporate & Customer Services

Over Budget £3.582m (Qtr3 Over Budget -£160,000)

The movement of the financial position since Quarter 3 is a result of pressures in Housing Benefit (HB) which accounts for £3.3m of the final variance. This pressure had been held corporately and therefore does not represent a material change to the financial position between Q3 and Outturn, however as the service do hold a budget for this stream it has created a variance in the service position quarter on quarter.

This overspend is due to the need to increase the existing provision for bad debts those clients still receiving incorrect benefits (£1.6m) plus the impact of reduced subsidy mainly driven by local authority error overpayments. The service has initiated reviews of the main drivers of the errors in particular and strategies to recover any arrears as soon as possible.

The pressure was anticipated at Quarter 3 but there remained uncertainty on the actual figure.

CHILDREN'S SERVICES

Over Budget £5.081m (Qtr3 Over Budget £716,000)

Overall, the Directorate overspent by £5.081m, an adverse movement of £5.1m since Q3. The main reasons for the variations are set out below.

Children and Families

(Final budget £47.2m, Draft Outturn £51.1m, adverse variance of £3.9m, an adverse movement of £3.1m from Q3). A reported forecast pressure of £900,000 on placements and staffing had been reported at Quarter 3. The increased costs across placements identified during February and March 2024 (£2.3m) not previously forecast were as a result of data quality issues following the migration to Liquidlogic from Mosaic. In addition, following discussions on joint funding of some placements has resulted in additional costs (£460,000) being borne by the Council and higher than expected costs for intentionally homeless families and those with no recourse to public funds.

Prevention & Early Intervention

(Final Budget £19.0m, Draft Outturn £20.7m, adverse variance of £1.7m, an adverse movement of £1.4m from Q3)

Across the financial year the forecast overspend had been reported consistently at around £300,000. However, at the end of the year two further issues emerged increase the overspend to £1.7m.

Clarification was received from the Education and Skills Funding Agency that recharges to the Dedicated Schools Grant (DSG) for Education Psychology Services were not permissible which resulted in £647,000 of costs now being borne by the General Fund. In addition, in reviewing expenditure for Special Educational Needs Transport it was discovered that no accrual had been made for March 2023 expenditure in the 2022/23 accounts and therefore these additional costs of £600,000 fell in 2023/24, to make the correction it resulted in 13 months expenditure being incurred in 2023/24.

Children's Commissioning

Overall, the children's commissioning function had a small overspend at the year as a result of positive contract management discussions with providers that has resulted in some reduced costs.

Schools General Fund (Final Budget £4.0m, Draft Outturn £3.7m, positive variance of £300,000, no change from Q3)

ADULTS, HEALTH AND COMMUNITIES

Over Budget £15.105m (Qtr3 Over Budget £16.149m)

Overall, the Directorate overspent by £15.105m, a £1.0m improvement compared to Qtr3. The main reasons for the variations are set out below.

Adult Social Services ended £11.6m overspent which was a £1m improvement from Qtr3. The financial pressure on the adult social care placements budgets remained throughout the financial year and this has been addressed as part of the 2024/25 budget growth approved by the Council in March 2024. The price of care packages has remained in line with neighbouring authorities but the pressure on the budget is being driven by increased numbers and increased complexity of need.

Housing Demand (Final Budget £10.8m, Draft Outturn £14.3m, adverse variance £3.5m, £600,000 adverse movement since Q3)

The pressures on temporary accommodation (TA) budgets have remained throughout the financial year, where the increase reported at outturn reflects those ongoing pressures as numbers continue to increase and supply of suitable accommodation remains challenging. Rent income collection levels reached 91% at year end but remains below the target of 96.78%. The income collection levels in TA have been affected by capacity income collection team. Steps have been made to address capacity by recruiting to vacant posts.

Public Health (Final Budget £19.3m, Draft Outturn £19.3m, balanced budget as reported at Q3), balance on public health grant transferred to PH reserve, £243,000.

PLACEMAKING & HOUSING

Over Budget £107,000(Qtr3 Balanced)

Director Of housing Regeneration & Place £0.263m underspend.

The underspend is a result of a £33,000 increase in the recharge the Council could make to the NLWA for the provision of support services. and the release of some of the bad debt provision.

Capital Projects & Property £214,000 overspend.

There was an increase in the bad debt provision in Strategic Property of £184,000 and due to the reductions in the overall level of capital expenditure it was not possible to recharge all costs being incurred to schemes leading to an under recovery of cost. This has been addressed through a lower cost base in 2024/25 to reflect a lower capital programme.

Planning Building Standards, & Sustainability over spend of £161,000

In 2022/23 income was incorrectly credited to this area and in 2023/24 it was reversed out causing an overspend £161,000.

Dedicated Schools Grant (DSG) & Schools

Over Budget £1.885M (Qtr3 Over Budget £2.498m)

- DSG
 - On overall funding of £215.4m, total expenditure incurred was £217.3m. The overspend on the High Needs Block of £2.9m was largely in line with the plan within the Safety Valve. The final position for the Early Years block is that £849K is being transferred to earmarked reserves as it is subject to a clawback adjustment. Every year the DfE allocates indicative funding based on two actual Spring Census counts and one estimated. Following a review of actual 23/24 Spring term by July, the DfE recoup money through a clawback adjustment and any money not clawed back is then ringfenced in a reserve for the Early Years Working Group to allocate.
- Schools
 - At a school level the number of schools in deficit on 31st March has increased from 24 to 33 with only 12 schools returning an in year surplus. Overall school balances fell from £4.7m surplus to £200,000 deficit by 31st March 2024 continuing the trend over the past 3 years. Haringey like most London boroughs is seeing a significant decline in primary school rolls, following population trends of school age children.

Housing Revenue Account (HRA) Over Budget £2.710m (Qtr3 Over Budget £3.082m)

The Housing Revenue Account end of year position is an overspend of £2.710m meaning a surplus of only £5.528m compared to an expected surplus of £8.238m which is a slight improvement of £372,000 compared to that reported in Quarter 3. One of the main reasons is the high cost incurred in the use of external solicitors to deal with disrepairs cases, which increased tremendously in 2023/24. There are also associated cost for tenant's compensation and payments for the works. In addition, there was an underachievement of budgeted income due to voids and an underachievement of income due to delay in completion of Walter Tull House new build scheme. This scheme was expected to complete mid-year 2023/24 delivering 131 units. The scheme was not completed at year end. There are also additional costs due to unplanned investment in existing stock aimed at tackling the issue of damp & mould, and other health and safety compliance works because of our self-referral to the housing regulator

The end of year position includes a £4.922m of HRA Reserve drawdowns which was in 3 tranches - £3.6m for Legal Disrepair, £980,000 for Fire Stopping and bin chutes works & £300,000 for the Tenants Hardship Fund.

The additional funding is targeted at reducing the backlog of disrepair cases and carrying out repairs and voids works to minimise the pressures going forward.

HRA BUDGET 2023/24 - EOY Outturn	2023/24 Budget	EOY 2023/24 Actual Outturn	EOY 2023/24 Variance to Budget
	£000's	£000's	£000's
Housing Revenue Account (HRA) - Income	(126,680)	(124,142)	2,539
Housing Revenue Account (HRA) - Expenditure	118,442	118,613	172
HRA Net Income	(8,238)	(5,528)	2,710
Housing Revenue Account Projected Surplus	(8,238)	(5,528)	2,710
Balance of HRA Account	-	-	-

Appendix 2 – HRA Outturn

HRA BUDGET 2023/24 - EOY Outturn	2023/24 Budget	EOY 2023/24 Actual Outturn	EOY 2023/24 Variance to Budget
	£000's	£000's	£000's
Service Charge Income - Hostels	(270)	(541)	(271)
Rent - Hostels	(1,522)	(1,808)	(286)
Rent - Dwellings	(93,987)	(90,551)	3,436
Rent - Garages	(744)	(756)	(12)
Rent - Commercial	(1,096)	(661)	435
CBS - Lease Rental Income	(2,691)	(3,172)	(481)
Income - Heating	(1,997)	(1,169)	828
Income - Light and Power	(2,491)	(2,105)	386
Service Charge Income - Leasehold	(7,881)	(8,219)	(338)
Serv ChgInc SuppHousg	(1,667)	(1,629)	38
Service Charge Income - Concierge	(1,680)	(1,637)	43
Grounds Maintenance	(2,347)	(2,346)	1
Caretaking	(2,117)	(2,093)	24
Street Sweeping	(2,550)	(2,533)	17
HRA budget release from Reserve	(3,641)	(4,922)	(1,281)
HRA Income	(126,680)	(124,142)	2,539
Supported Housing Central	652	745	93
Housing Management WG	25	10	(15)
Housing Management NT	29	62	33
Housing Management Hornsey	-	29	29
TA Hostels	262	646	384
Housing Management ST	10	-	(10)
Housing Management BWF	12	1	(11)
Rent Accounts		289	289
Accountancy		1	1
Under Occupation	177	59	(118)
Repairs - Central Recharges	2	5	3
Responsive Repairs - Hostels	403	549	146
Water Rates Payable	32	5	(27)
HousMgmntRechg Cent	4,501	4,421	(80)
Other RentCollection	144	142	(2)
HousMgmntRechg Energ	3,140	3,467	327
Special Services Cleaning	4,008	4,064	56
Special Services Ground Maint	1,981	1,916	(65)
HRA Pest Control	321	241	(80)
Estate Controlled Parking	151	12	(139)
Supporting People Payments	1,398	1,399	1
Bad Debt Provision - Dwellings	2,930	3,342	412
Bad Debt Provision - Leaseholders	189	(473)	(662)
Bad Debt Prov - HRA Commercial Properties	-	(25)	(25)
Bad Debt Provisions - Hostels	70	(63)	(133)
HRA- Council Tax	428	1,011	583
Housing Strategy Team	481	416	(65)
Housing Delivery Team	-	91	91
Anti Social Behaviour Service	654	563	(91)
Interest Receivable	(200)	(3,407)	(3,207)
Corporate democratic Core	644	567	(77)
Leasehold Payments	-	80	80
Landlords Insurance - Tenanted	360	458	98
Landlords - NNDR	115	111	(4)
Landlords Insurance - Leasehold	1,361	1,875	514
Capital Financing Costs	18,585	17,244	(1,341)
Depreciation - Dwellings	21,457	22,886	1,429
Community Benefit Society	-	106	106
GF to HRA Recharges	2,536	2,889	353
Estate Renewal	1,204	1,247	43
Regeneration Team	-	300	300
Operational Dir Housing Serv & Buil	7,735	6,849	(886)
Housing Management	13,501	13,894	393
Property Services	27,219	29,500	2,281
Housing Improvement Plan (HIP)	1,700	863	(837)
HRA Expenditure	118,442	118,613	172
HRA Net Income	(8,238)	(5,528)	2,710
Housing Revenue Account Projected Surplus	(8,238)	(5,528)	2,710
Balance of HRA Account	-	-	-

Appendix 3 - Capital Outturn, Carry Forward Requests and Financing

This appendix provides the detail of the Capital Programme on a scheme by scheme basis – comparing the outturn position to the Quarter 4 budget.

The appendix also sets out the requested carry forwards with reasons supporting the request. This is followed by a high-level commentary on each service area. Of the total General Fund underspend of £140.4m, £139.4m has been requested to be carried forward.

Scheme Ref. No.	Scheme Name	23/24 Full year Revised Budget (£'000)	23/24 Final Outturn (Draft) (£'000)	23/24 Variance (Underspend) / Overspend (£'000)	23/24 Capital Slippage (C/F) (£'000)	Funding Source	Reason for carry forward request
101	Primary Sch - repairs & maintenance	5,270	3,166	(2,103)	1,337	E	5 new sets of works were in the process of being tendered and awarded at the end of the 23/24 financial year. The costs of these works were intended to be taken from the budget for that year and there is no room in the budget for the 24/25 financial year to accommodate the essential works to these local authority maintained school sites.
102	Primary Sch - mod & enhance (Inc SEN)	9,197	5,693	(3,504)	3,504	H & E	Fewer projects were delivered in the last FY than originally planned due to the need to review council finances in year. A number of scheme have, therefore, been carried forward into this FY, so that the carry forward will be used to fund their delivery, as well as new schemes due to commence in this FY. These projects address significant health and safety issues that fall to the LA to address, and other condition needs that would put the respective schools at risk of closure if not resolved.
110	Devolved Sch Capital	531	506	(25)		E	This capital grant is passed through to schools
114	Secondary Sch - mod & enhance (Inc SEN)	583	2,662	2,080	(2,080)	H & E	This overspend will be funded by DfE grant to cover the RAAC cost
117	Children Safeguarding & Social Care	26		(26)		H	carry forward not required as spend was charged against the revenue budget
121	Pendarren House	546	150	(396)	28	H	The financial commitment to complete works to the Annex (Phase 2) is circa £28k.
123	Wood Green Youth Hub		8	8		H	Scheme completed
124	In-Borough Residential Care Facility	300	70	(230)	230	S	Carry forward required to enable scheme to continue
125	Safety Valve	500	296	(204)	204	E	This is part of the Safety Valve Programme (funding from the DfE and LBH) for the delivery of School Resource Provisions over a three year programme. The slippage relates to the delayed start in the schools due to the extended consultation process adopted to engage Schools to deliver Resource Provisions. However work is now underway of which with Schools and contracts are in place with Providers to commence work on
Children's Services		16,952	12,551	(4,401)	3,223		

Primary School Repairs and maintenance underspend was £2.103m. The scheme was adversely affected by delays to the preparation of tenders in 2023/24 so there was limited spend. These projects Primary School Modernisation & Enhancements underspend was £3.504m. A number of schemes were delayed when the capital programme was paused to reassess its affordability.

Spend on Secondary School Modernisation & Enhancement exceeded budget by £2.080m, which can be largely attributed to the RAAC works in FY 2023/24. A focus on delivering the works requires to remediate the RAAC found in schools meant that some other schemes have been delayed.

Scheme Ref. No.	Scheme Name	23/24 Full year Revised Budget (£'000)	23/24 Final Outturn (Draft) (£'000)	23/24 Variance (Underspend) / Overspend (£'000)	23/24 Capital Slippage (C/F) (£'000)	Funding Source	Reason for carry forward request
201	Aids, Adap's & Assistive Tech -Home Owners (DFG)	2,678	1,761	(918)	918	E	This underspend is fully offset by overspend on scheme 210
209	Assistive Technology	962	447	(515)	515	H	The A2D programme is underway. Red Alert is the installation provider that has been commissioned and Careium and Chiptec are our preferred suppliers. There has still issues with NRS providing equipment and we are sourcing alternative routes to procure. Although there are issues with providers as a result as so many organisations are ensuring meeting the 2025 deadline for switch over. We have installed 423 (209 by Red Alert) and approximately 977 are remaining. This remains critical as the analogue switch off is imminent, but the programme is on track to meet the required timelines
210	Capitalisation of LA Community Equipment's	0	1,456	1,456	(1,456)	E	This overspend is going to be funded by the DFG grant
211	Community Alarm Service	177	177			H	Not applicable
213	Canning Crescent Assisted Living	1,109	209	(900)	900	H	The carry forward is required to meet contractual commitments.
214	Osborne Grove Nursing Home	267	257	(10)		H	There is no current financial commitment for works at Osborne Grove.
217	Burgoyne Road (Refuge Adaptations)	0	(1)	(1)		E & S	Nil spend. Credit balance is insignificant and relates to GRIR reversal
221	Social Care System Implementation	1,983	1,911	(72)	72	H	There are contractual commitments in place, hence the need for a carry forward
223	Welbourne Health Centre	3,152	3,152			E	Not applicable
225	Locality Hub	126	7	(119)	119	H	Works have been delayed and this money remains committed. Full programme on Forward Plan for Sept Cabinet sign off.
Adults, Health & Communities		10,454	9,374	(1,080)	1,068		

Overall, the AHC capital programme spent 90% of the budget allocated. There are 4 significant variances: Aids, Adaptations & Assistive Technology and the Capitalisation of LA community Equipment budgets need to be taken together as they are both funded via the disabled facilities grant. Taken together there is a combined overspend of £0.538m, which will be funded by DfG grant allocation. Assistive Technology budget underspent by £0.515m due to difficulties with its supply chain's ability to deliver equipment. Canning Crescent project which had an underspend of £0.9m. This is due to the need to procure a new contractor when the originally appointed contract went into administration.

Scheme Ref. No.	Scheme Name	23/24 Full year Revised Budget (£'000)	23/24 Final Outturn (Draft) (£'000)	23/24 Variance (Underspend) / Overspend (£'000)	23/24 Capital Slippage (C/F) (£'000)	Funding Source	Reason for carry forward request
301	Street Lighting	839	845	6	(6)	H	To be offset in future years budgets
302	Borough Roads	7,727	7,812	85	(85)	H & E	To be offset in future years budgets
303	Structures (Highways)	50	420	370	(370)	H	To be offset in future years budgets
304	Flood Water Management	670	646	(24)	24	H	Ongoing resident engagement process as part of the co-production commitments to complete collaborated project work has delayed elements of the work
305	Borough Parking Plan	407	222	(184)	184	H	Ongoing resident engagement process as part of the co-production commitments to complete collaborated project work has delayed elements of the work
307	CCTV	471	342	(129)	129	H	This capital slippages is required to meet contractual commitments
309	Local Implementation Plan(LIP)	1,502	1,591	88	(88)	E	Overspend to be offset from 2024/25 LIP grant award
310	Developer S106 / S278	250	129	(122)	0	E	Scheme currently under implementation and is externally funded
311	Parks Asset Management:	692	772	80	(80)	H	To be offset in future years budgets

Scheme Ref. No.	Scheme Name	23/24 Full year Revised Budget (£'000)	23/24 Final Outturn (Draft) (£'000)	23/24 Variance (Underspend) / Overspend (£'000)	23/24 Capital Slippage (C/F) (£'000)	Funding Source	Reason for carry forward request
313	Active Life in Parks:	1,107	723	(384)	384	H & E	Full carry forward required to meet commitments for NCIL funded Schemes. Some grants haven't been applied against works undertaken in 23/24 which has reduced carry forward position but will need to be used to fund
314	Parkland Walk Bridges	350	491	141	(141)	H	The overspend will need to be funded from future years budget.
322	Finsbury Park	300	274	(26)		S	Capital funded from events income so no request to carry forward.
323	Parking Strategy	0	(2)	(2)		H	Nil spend. Credit balance is insignificant and relates to GRIR reversal
325	Parks Vehicles	360	46	(314)	314	S	Balance to be carried forward in order to fund vehicle purchase subject to identifying revenue savings.
328	Street & Greenspace Greening Programme	78	319	241		H & E	This is being funded by additional grant not recognised in the 2023/24 budget
329	Park Building Carbon Reduction and Improvement Programme	0	(12)	(12)		S	Nil spend. Credit balance is insignificant and relates to GRIR reversal
331	Updating the boroughs street lighting with energy efficient LED Lamps	77	93	16		H	The overspend will need to be funded from future years budget.
332	Disabled Bay/Blue Badge	311	153	(157)	157	H	Ongoing resident engagement process as part of the co-production commitments to complete collaborated project work . This scheme is required to meet Councils objectives and improve the disabled's ability to stay connected to the community and stay involved and active.

Scheme Ref. No.	Scheme Name	23/24 Full year Revised Budget (£'000)	23/24 Final Outturn (Draft) (£'000)	23/24 Variance (Underspend / Overspend) (£'000)	23/24 Capital Slippage (C/F) (£'000)	Funding Source	Reason for carry forward request
333	Waste Management	262	162	(100)	100	H	Continuation of recycling-on-the-go litter bin rollout as part of Destination 50% manifesto pledge. This sum is committed under an ESPO procurement framework contract
334	Parks Depot Reconfiguration	0	6	6	(6)	H	£6k against a post budget pause projection of £50k. Can be offset against underspend on scheme 329.
336	New River Sports & Fitness	30	184	154		H E S	During Budget Pause and in subsequent quarter reporting it has been indicated that spend would be required to maintain the leisure centre in a safe condition and meet revenue income targets. This spend includes £60k of grant funded works.
335	Streetspace Plan	3,773	315	(3,458)	3,458	E	The £5.1 SCIL has been allocated to a number of schemes over a 5 year period, the schemes are to be implemented between 2024-2026 full spend is expected.
338	Road Danger Reduction	1,097	1,014	(83)	83	H	A commitment has been made for this funding; purchase orders raised to the contractor, construction commenced in 23-24 and will be completed in 24-25.
339	Wildflower Meadow Planting	0	33	33		H	The overspend will need to be funded from future years budget.
340	Wolves Lane: Market Garden City	160	160			H	Project completed.
119	School Streets	660	221	(438)	438	H & E	capital slippage request to continue with the programme
444	Marsh Lane	251	38	(214)	214	H	Budget to be transferred to contingency
Environment & Resident Experience		21,422	16,995	(4,427)	4,709		

Overall, the E&RE capital programme spent 79% of the budget allocated. There are a range of variances set out above with only 1 significant variance in the Streetspace Plan budget. This programme has a number of interventions all of which require extensive consultation which can make profiling expenditure uncertain.

Scheme Ref. No.	Scheme Name	23/24 Full year Revised Budget (£'000)	23/24 Final Outturn (Draft) (£'000)	23/24 Variance (Underspend) / Overspend (£'000)	23/24 Capital Slippage (C/F) (£'000)	Funding Source	Reason for carry forward request
401	Tottenham Hale Green Space	2,356	444	(1,912)	1,912	H & E	Cabinet decision for Landscape contractor for £1.3m the Paddock was approved in May 24. Programme has been delayed on the Paddock and is due to start in July 24. Park View Underpass works to the value of £600k due to start on site in Aug 24. Both projects have been delayed due to extended negotiations with Thames Water and Network rail regarding property matters and permissions to work on their assets.
402	Tottenham Hale Streets	4,678	2,241	(2,437)	2,437	H & E	This programme of works is committed and in delivery currently and includes Ashley Road, Burddock Road, Park View Road and Chesnut Road. Works were delayed to accommodate the alignment with DEN Enabling Works. This caused a delay to start of works on-site and also extended the programme.
404	Good Economy Recovery plan	2,890	158	(2,732)	2,732	H & E	This carry forward is composed of two elements: £1.888m of LBH borrowing and £0.884m of grant. It is proposed to move £1.0m of the LBH borrowing to the approved capital contingency in Q1 with the balance being carried forward to the scheme
406	Opportunity Investment Fund	251	188	(63)	63	H	A continuing loans to business offer, also funded by loan repayments
408	Down Lane Park	1,604	1,366	(237)	237	H & E	Works are on-site and progressing well. Underspend is due to delays on-site caused by periods of heavy rainfall through the spring during the earth works.
411	Tottenham Heritage Action Zone (HAZ)	3,775	2,249	(1,526)	1,526	H & E	The HAZ programme is funded by Historic England as part of the grant agreement approved at Cabinet in July 2020. Programme has been delayed by a series of unforeseen circumstances, including the length time required to secure planning permission and relevant legal agreements, and the need to identify cost saving measures, revise the scope of works and/or identify additional sources of funding to address increasing construction costs. Contractual commitments with contractors to spend the moneys are being finalised. All Historic England funding has been spent first and claimed at the end of March 24.
415	North Tott Heritage Initiative	348	0	(348)	348	H	This needs to be moved/virement to scheme 474. Please note that a scheme consolidation exercise is underway to ensure that budget are finalised in areas of delivery.
452	Low Carbon Zones	150	21	(129)	129	E	This funding is Carbon Offsetting funding which has been allocated to address fuel poverty. The funding was to be used to top-up GLA funding. There have been issues with this process and we have redesigned our approach and the
457	Future High Street Project	14,456	6,569	(7,887)	7,887	H & E	The programme is funded by DLUHC/FHSF grant as per grant agreement signed in June 2021. We have spent all FHSF grant first as of March 2024. The remaining spend is committed LBH capital match funding that has been reprofiled into future years to ensure that external funding spend requirements were met. The slippage will support delivery of the programme.
458	SIP - Northumberland PK BB & Workspace/Biz Support	1,525	292	(1,233)	1,233	E	A continuing external funded programme of work on broadband provision, workspace provision at the Wood Green Enterprise Hub and the NRC and SIP funded business support
459	Wood Green Regen Sites	157	323	166	0	H & E	This scheme includes the ongoing Turnpike Lane Improvement Plan and Wood Green Central projects. - The Turnpike Lane Public Realm and Shopfront improvements will include the completion of the design phases (RIBA stage 3-4) and the commencement in January 2025 of construction works for the Shopfront and Public Realm improvements. - Wood Green Central is currently out to tender for the multidisciplinary team to deliver the Wood Green Central Delivery Plan. Work on this to commence Summer 2024 and should conclude in Autumn 2025. Scheme 459 overspend is to be met by schemes 480 which underspent in FY23/24 (all schemes to be merged into one this FY so can, in effect now be considered as one scheme)

Scheme Ref. No.	Scheme Name	23/24 Full year Revised Budget (£'000)	23/24 Final Outturn (Draft) (£'000)	23/24 Variance (Underspend) / Overspend (£'000)	23/24 Capital Slippage (C/F) (£'000)	Funding Source	Reason for carry forward request
465	District Energy Network (DEN)	300	322	22	(22)	S & E	Funding required to complete next phase of the project
471	Tailoring Academy Project	15	9	(6)		E	Final payments for the Fashion Academy
473	Enterprising Tottenham High Road (ETHR)	1,334	211	(1,123)	1,123	H & E	The delivery on the Trampery - 639 will complete Summer 2024 and the slippage is committed to support delivery.
474	Tottenham High Road Strategy	603		(603)	602	H	Match funding to support FHSF primary focus and HAZ as per Cabinet decision on BGPC budget extension in addition to Tottenham Green Market infrastructure to be installed in Summer 2024.
475	Heart of Tottenham (HOT)	0	1	1		H	The project has concluded and the overspend is to be offset by scheme 474. Please note this outstanding from a request in Oct 2020.
478	Wood Green Good Growth Fund	1,017	820	(197)	197	H & E	This scheme includes the ongoing Enterprise Hub and School Streets projects as well as the Nighttime Economy Strategy. - Enterprise Hub - Process of getting into contract with supplier completed
479	54 Muswell Hill Health Centre	100	0	(100)		H	This budget is no longer required as project is no longer going ahead
480	Wood Green Regen (2)	924	356	(567)	401	H & E	This Scheme includes the ongoing Wood Green Common, Penstock Tunnel and Eat Wood Green projects. - Wood Green Common first phase of works commencing on site summer
483	Productive Valley Fund (SIP)	879	317	(562)	562	E	A continuing loans to business offer, also funded by loan repayments
488	Liveable Seven Sisters (LSS)	1,019		(1,019)	1,019	H	Programme has been delayed due to the requirement to undertake a major strategic engagement piece (Shaping Tottenham) before progressing this strand of work. Allowing Shaping Tottenham has fed into the multi-
493	Bruce Grove Yards (BGY)	218		(218)	218	H	Match funding to support FHSF primarily Your Bruce Grove.
4001	Maintenance of Tottenham Green Workshops	1	1	0		H	Not applicable

Scheme Ref. No.	Scheme Name	23/24 Full year Revised Budget (£'000)	23/24 Final Outturn (Draft) (£'000)	23/24 Variance (Underspend) / Overspend (£'000)	23/24 Capital Slippage (C/F) (£'000)	Funding Source	Reason for carry forward request
4002	Northumberland Park estate area public realm	928	539	(389)	389	E	Public realm improvement works are near complete for phase one the of the project. REDB approved a PID for Phase 2 works in March 2024 with a target completion date of March 2025
4005	SME Works pace Intensification	1,911	162	(1,749)	1,749	H & E	Budget for the Opportunity Haringey Workspace Fund with expectations to offer workspace funds to successful projects this year
4007	Tottenham Hale Decentralised Energy Network (DEN)	1,500	1,504	4	0	S & E	Funding required to complete next phase of the project
4008	Wood Green Decentralised Energy Network (DEN)	1,800	481	(1,319)	1,319	S & E	Funding required to complete next phase of the project
4010	Selby Urban Village Project	4,406	618	(3,788)	3,788	S & E	The required cost optimisation and redesign at RIBA Stage 2 to bring down costs meant the budget for 2023/24 to cover design and planning fees was underspent as these activities were delayed by a year. There has also been an a longer approval process for GF and HRA elements of the scheme. This has extended the RIBA 3 design and planning application programme to 2024/25 financial year. The RIBA 2 cost optimisation exercise is now complete and a multidiscipline design team has been instructed to progress with RIBA 3 design and submission of three planning applications which cover the masterplan area. A Gateway 2 report will be submitted for approval ahead of a planning submission this summer.
4011	Commercial Property Remediation	500	28	(472)	472	H	This capital slippage will be transferred to the capital contingency
4014	Walking and Cycling Action Plan (WCAP) LTN delivery	1,200	1,098	(102)	102	E	Ongoing scheme, funding required to make LTN permanent
4015	Walking and Cycling Action Plan (WCAP) Strategic cycle route delivery	642	265	(377)	377	E	ongoing schemes design completed scheme currently at consultation stage funding required to implement the schemes.
4016	Walking and Cycling Action Plan (WCAP) Cycle Parking (Hangers) delivery	200	200	0	0	E	ongoing schemes design completed scheme currently at consultation stage funding required to implement the schemes.
316	Asset Management of Council Buildings	7,197	3,950	(3,247)	3,247	H	Contractual commitments and on going demand for expenditure on the estate require that a carry forward is requested.
Placemaking & Housing		58,885	24,737	(34,148)	34,047		

Tottenham Green Spaces & Tottenham Hale Streets should be taken together. The schemes have a total underspend of £4.3m which has arisen due to a variety of delays mainly centred around getting 3rd party agreement. These schemes are now largely committed. The Good Economy Recovery Plan is carrying forward mainly unspent grant. The Future High Street Fund is underspent by £7.887m. The Council, with DLUH agreement prioritised the spending of the grant element of the programme and the carry forward is the Council's agreed match funding. SIP is a 100% (£1.2m) grant programme that need to be carried forward. Enterprising Tottenham High Road (£1.123m) is grant funded and committed to the Tampere scheme that has been delayed due to a range of factors. Liveable Seven Sisters' (£1.0m) delivery time has been extended due to extensive local consultation (Shaping Tottenham) that has allowed the consultation to feed into the programme. Small & Medium Enterprise Workspace Intensification (£1.739m) programme procurement has been delayed since the focus was changed recently. Wood Green DEN has been the subject of a review that has elongated the programme. Selby Urban Village project (£3.788) has been through a number of design reviews in order to bring the scheme within the budget envelope that has delayed delivery. Asset Management of Council Buildings (£3.247m). There are number of contractual commitments that will need to be honoured and there are continuing calls this budget for urgent health and safety works

Scheme Ref. No.	Scheme Name	23/24 Full year Revised Budget (£'000)	23/24 Final Outturn (Draft) (£'000)	23/24 Variance (Underspend) / Overspend (£'000)	23/24 Capital Slippage (C/F) (£'000)	Funding Source	Reason for carry forward request
602	Corporate IT Board	3,879	1,217	(2,662)	2,662	H	Committed. There is 500k allocated to 607 in 24/25 for Financial Mgt system replacement; and committed Support for Corporate IT projects; Web, Data Driven Council, AI workflow, RPA, Automation for residents, Web-bots, SIP/PCI-DSS secure Payment platforms, SAP enhancements, Call recording; Incident mgt, Lic and asset mgt platform. The underspend against the fund is due to the nature of the projects being associated with investment over more than one-year, multiple years.
604	Continuous Improvement	794	696	(98)	98	H	Continuous improvement has projects that will span more than one year. There has always been agreement that carry over will happen as this is used to continue to fund current projects or fund new ones. No limited to firewall replacement, Upgrade and replacement of the 2 Factor authentication, and upgrade/replacement Adaptive Security appliance are in progress.
605	Customer Services (Digital Transformation)	448	452	4	0	H	This scheme is closed, No further charges are anticipated against this.
607	Financial Management System Replacement	1,613	337	(1,277)	1,277	H	Source to Pay (S2P); Contract has been awarded; and the project is in delivery. Additional budget pressure will be met through additional funding in 24/25 that has been identified. 500k additional funding was secured and placed in scheme 602. The Budget is Fully committed.
621	Libraries IT and Buildings upgrade	2,303	1,277	(1,026)	1,026	H	This budget is contractually committed
623	Wood Green Library	1,498	0	(1,498)	1,498	H	This budget is contractually committed
624	Digital Together	406	138	(268)	268	H	The budget is committed to enable the delivery of the £2.8m Think Haringey First savings - with additional support from FUCR (which has caused a budget pressure 24/25 - due to the loss of FCR 23/24, and end of year financial adjustment due to the overall council out-turn).
653	Capital Support for IT Projects	534	340	(194)	194	H	This is fully committed, with a residual budget pressure as a result of financial adjustments in closure of 23/24; which will need further consideration 24/25 and provides the support required for delivery of BAU Digital IT projects. E.g. Sdwan, Broadband and SIP. - Due to industry changes in delivery of Voice and Data services.
655	Data Centre Move	910	156	(754)	754	H	The Budget is committed with a Key decision being presented for cabinet approval; having undertaken a procurement activity to enable the release savings and the closure of Riverpark House. Additional financial support in 24/25 will provide the budget required by the programme.

Scheme Ref. No.	Scheme Name	23/24 Full year Revised Budget (£'000)	23/24 Final Outturn (Draft) (£'000)	23/24 Variance (Underspend) / Overspend (£'000)	23/24 Capital Slippage (C/F) (£'000)	Funding Source	Reason for carry forward request
656	BT Big Switch Off	1,000	157	(843)	843	H	This is fully committed, Legislative changes – retirement of Copper PSTN services Dec 2025.... Requiring Capital and revenue commitment to remediate the Councils affected services. A significant commitment is required by the council, which is underway, along with new Contractual commitments with Suppliers (likes of Virgin media and BT, 3rd Party to enablement).
657	Corporate Laptop Refresh	400		(400)	400	H	Planning has started re the Windows 11 upgrade and a large number of laptops will need to be replaced. This work was re-profiled, ensuring value for the council and Workforce planning is in place; Capital was re-profiled through Budget fortnight and Capital review taking place in budget setting. Digital Services have under taken market engagement with Procurement to determine the route to Market (Tactical urgency around failing devices in need of replacement (Additional growth in the Council) and the longer term requirement); to enable delivery of Windows 11 and the New corporate offer. The Council have circ 4100 employees.
658	ERP - Full Replacement (Investigation Only)	200	46	(154)	154	H	EA and ERP Board have committed their support, seeking review and discovery phase to develop or re-platforming of the Council finance Platform SAP. The council have agreed to further work and an award of contract to aid the current investigation and review to present the Full business case – with current estimates unbudgeted of £15-20m; as the Councils current platform approaches End of Life and deemed no longer fit for purpose.
659	M365 Additional Functionality	800	131	(669)	669	H	Carry forward required as spend on this project is contractually committed
447	Alexandra Palace - Maintenance	470	470			H	This is a capital grant to the palace for capital maintenance
464	Bruce Castle	50	261	211	(211)	S	This overspend will be offset from future years budget
330	Civic Centre Works	4,016	2,230	(1,786)	1,786	S	The slippage/understand is because the previous forecast project spend, was based on an earlier programme and procurement route than that has been taken, and the current forecast was unable to be updated in time to be reflected in 2023/24's budget. The previous forecast assumed a main contractor appointment would've been in place before the end of the 2023/24 financial year. The change in programme was following the completion of the RIBA Stage 2 design, where an extended value engineering process and re-design was required to bring the project within budget. The carry forward of the slippage is required to fulfil the commitments to the consultancy fees contracts and the future building contract.

Scheme Ref. No.	Scheme Name	23/24 Full year Revised Budget (£'000)	23/24 Final Outturn (Draft) (£'000)	23/24 Variance (Underspend) / Overspend (£'000)	23/24 Capital Slippage (C/F) (£'000)	Funding Source	Reason for carry forward request
421	HRW Acquisition	75,800	1,742	(74,058)	74,058	E	A compulsory purchase order (CPO) was confirmed for HRW Phase A in February 2024. All slippage from 23/24 should be carried forward to cover the costs of future acquisitions. The council is indemnified against these costs by agreement with Lendlease and the same agreement also obliges the council to make these acquisitions.
429	Site Acq (Tott & Wood Green)	0	182	182	0	S	Overspend to be offset in scheme 430 to cover Wards Corner costs.
430	Wards Corner Development	5,332	65	(5,267)	5,085	S	Capital slippage is required, as acquisition of third party property and site surveys are continuing. There is a commitment to deliver on the Cabinet decision of July 2022 for a Council-led approach to the site. Slippage is due to the fact that it is not possible to put a definitive timetable on third party negotiations/acquisitions. Please note there are overspend in scheme 429 (£181,684) relating to Wards Corner.
509	CPO - Empty Homes	2,673	0	(2,673)	2,673	S	Of the 5 properties that were put to Cabinet for CPO in 2023/24 only one remains not brought back into use. This case has been presented to Secretary of State and the owner has appealed. The case is likely to go to public enquiry. The Capital budget is required to evidence to Sof S that the Council has the means to purchase should a positive decision be upheld in our favour. This carry over is therefore required to support this case and any further CPO proposals in 2024/2025 that are presented to cabinet.
699	P6 - Approved Capital Programme Contingency	3,698	587	(3,112)	3,112	H	It is recommended that the contingency is carried forward into 2024/25
Enabling Budgets		87,503	2,575	(84,928)	84,928		
Overall, the enabling budgets spent only 3% of the budget allocated. This level of spend is not surprising as the budget are largely dependent on the actions of third parties. So the incidence and timing of spend is very difficult to forecast.							
TOTAL GF CAPITAL PROGRAMME (Excl. Enabling Budgets)		127,035	71,566	(55,469)	54,465		
TOTAL GF CAPITAL PROGRAMME (Incl. Enabling Budgets)		214,538	74,141	(140,397)	139,393		

Scheme Ref. No.	Scheme Name	23/24 Full year Revised Budget (£'000)	23/24 Final Outturn (Draft) (£'000)	23/24 Variance (Underspend / Overspend) (£'000)	23/24 Capital Slippage (C/F) (£'000)	Funding Source	Reason for carry forward request
202	HRA - P2 Aids, Adap's & Assist Tech - Council	1,139	1,505	366	0		Overspend to be offset from future years budget
550	New Homes Acquisition	45,306	33,294	(12,012)	0		No carry forward required
551	Existing Home Acquisitions - TA	22,698	14,817	(7,881)	7,250		The majority of this underspend relates to delays to start and completion of void works. The properties have been purchased and void works scheduled to be undertaken.
552	HRA – P5 Carbon Reduction	14,579	262	(14,317)	0		No carry forward required
553	HRA – P5 Fire Safety	9,470	9,520	50	0		Insignificant overspend
554	Broadwater Farm Project	28,288	7,369	(20,919)	0		No carry forward required
590	HRA - P5 Homes for Haringey (HFH)	37,443	22,410	(15,033)	0		No carry forward required we have decided not to submit a carry forward request, we have revisited our forecasts from earlier this year and the gap between our forecast spend and budget has narrowed considerably due to slippage on some of our projects. There also a degree of uncertainty around what the final Noel Park pods cost will be and what we will be able to achieve on the project this year.
599	New Homes Build Programme	120,803	69,606	(51,197)	0		No carry forward required
TOTAL HRA CAPITAL PROGRAMME		279,726	158,783	(120,943)	7,250		
OVERALL TOTAL (Excl. Enabling Budgets)		406,761	230,348	(176,412)	61,715		
OVERALL TOTAL (Incl. Enabling Budgets)		494,264	232,923	(261,340)	146,643		

The HRA reports a full year capital spend of £158.8m against a revised budget of £279.7m. The end of year underspend of £120.9m.

Appendix 4 – Appropriations to / from Reserves

APPENDIX 4

RESERVES TABLE	ACTUAL MOVEMENTS				FORECAST MOVEMENTS	
	Balance at 31/03/23	Transfer In 2023-24	Transfer Out 2023-24	Balance at 31/03/24	Forecast Transfers In / Out 2024-25	Balance at 31/03/25
	£'000	£'000	£'000	£'000		
General Fund Reserve	(15,141)	(29)	0	(15,170)	0	(15,170)
Risks and Uncertainties						
Transformation reserve	(8,117)	0	3,081	(5,037)	3,000	(2,037)
Services reserve	(11,196)	(2,332)	1,831	(11,697)		(11,697)
Unspent grants reserve	(11,465)	(3,086)	1,844	(12,706)		(12,706)
Labour market growth resilience reserve	(373)	0	100	(273)		(273)
Strategic Budget Planning Reserve	(6,727)	(15,037)	16,668	(5,096)	5,096	(0)
Collection Fund Smoothing reserve	(1,231)			(1,231)		(1,231)
Resilience reserve	(7,303)	0	7,303	0		0
Total Risks and Uncertainties	(46,412)	(20,455)	30,827	(36,040)	8,096	(27,944)
Contracts and Commitments						
Insurance reserve	(7,535)	0	302	(7,234)		(7,234)
Schools reserve	(7,847)	(1,116)	6,562	(2,400)	1,000	(1,400)
PFI lifecycle reserve	(19,226)	(1,345)	15,037	(5,533)		(5,533)
Debt repayment reserve	(1,073)	0	1	(1,072)		(1,072)
Total Contracts and Commitments	(35,681)	(2,461)	21,903	(16,240)	1,000	(15,240)
Total General Fund Usable Reserves	(97,234)	(22,945)	52,730	(67,449)	9,096	(58,353)
DSG Deficit -Unusable Reserves	11,550	(4,919)	2,922	9,553	0	9,553
Housing Revenue Account						
Housing Revenue Account	(20,520)	(5,753)	5,137	(21,136)	0	(21,136)
Housing Revenue Account earmarked Reserves:						
Haringey Community Benefit Society	(996)	(215)	0	(1,212)	0	(1,212)
Homes for Haringey	(50)	0	0	(50)	50	0
HRA earmarked reserves	(1,047)	(215)	0	(1,262)	0	(1,262)
Total HRA Usable Reserves	(21,567)	(5,968)	5,137	(22,398)	0	(22,398)

Appendix 5 - Budget Virements

Virements for Cabinet Approval

Appendix 5

Transfers from Reserves & Contingencies (2023/24) – for noting

Period	Directorate	Service/AD Area	Rev/ Cap	In year	Next year	Reason for budget changes	Description
9	Various	Various	Revenue	7,613,660	7,613,660	Transfer from Contingency	Draw down from Contingency to fund Pay Award 2023-24
9	Culture, Strategy & Engagement	Digital and Change	Revenue	397,968	397,968	Transfer from Contingency	Draw down from Contingency to cover inflation on Contracts in Digital Services 2023-24
9	Adults, Health and Communities	Director for Public Health	Revenue	1,149,000	1,149,000	Transfer from Contingency	Draw down from contingency to increase Public Health expenditure budgets to reflect growth in Public Health grant

Virements for Approval (2023/24)

8	Environment & Resident Experience	Concessionary Travel	Revenue		10,321,262	Budget Transfer	Transfer of Concessionary Travel budgets from the service to the corporate Non-Service Revenue cost centre
8	Housing Revenue Account	Operational Director of Housing Services	Revenue	1,294,030	1,294,030	Budget Realignment	Realignment of Housing Property Service budgets to better reflect actual performance
8	Housing Revenue Account	Housing Demand	Revenue	1,319,947	1,319,947	Budget Realignment	Realignment of Housing Demand budgets and Temporary Accommodation budgets to reflect actual performance
9	Director of Finance	Budgets and Accounting	Revenue	9,050,000	9,050,000	Budget Realignment	Realignment of Treasury Budgets (Leases and PFIs) to better reflect actual performance
9	Housing Revenue Account	Retained Services Expenditure	Revenue	476,550	476,550	Budget Realignment	Realignment of General Fund to HRA recharges following a detailed review to reflect actual performance
10	Children's Services	Prevention and Early Intervention	Revenue	558,158	558,158	Budget Realignment	Realignment of the SEN Transport Budget to better reflect actual performance
10	Adults, Health & Communities	Director of Public Health	Revenue	1,758,712	1,758,712	Grant allocation	Allocation of 2023-24 Public Health Grant

Total 2023/24

23,618,025

33,939,287

Virements for Cabinet Approval

Appendix 5

Transfers from Reserves & Contingencies (2023/24) – for noting

Period	Directorate	Service/AD Area	Rev/ Cap	In year	Next year	Reason for budget changes	Description
12	Director of Adults, Health and Communities	Various	Revenue	14,852,165		Budget Realignment	Redistribution of expenditure budgets to better reflect growth re demographics, inflation and increase in grant budget
12	Director of Placemaking and Housing	Director of Housing Regeneration and Planning	Revenue	257,200		Budget Realignment	Re-alignment of legal budget to Assistant Director's code

Virements for Approval (2024/25)

2	Director of Finance	Non- service Revenue	Revenue	5,490,000	5,490,000	Budget Transfer	Transfer of Concessionary Fares budget from the service to the corporate Non Service Revenue cost centre
2	Culture, Strategy and Engagement	Human Resources	Revenue	575,034	575,034	Budget Realignment	Realignment of Human Resources budgets to better reflect actual expenditure

Total 2024/25

21,174,399

6,065,034

APPENDIX 6 – Debt Write off

Write off Summary Report - Quarter 4

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

This quarterly report is for information purposes only, which details the debts that were submitted for write off for the Financial Period 1 January 2024 to 31 March 2024 **(Q4)**. These relate to accounts where all forms of recovery action had been fully exhausted.

Council Debt is written off in line with the instructions set out within the Financial Regulations, following Legal advice, Court instruction or in accordance with the Limitations Act 1980. These sums have all been approved by the Director of Finance under their delegated authority and, where appropriate, the Lead Member for Finance. They have been adequately provided for in the Council's Bad Debt Provisions. A summary is shown in Table 7.

Table 7 – Quarter 4 write offs by service type, value and volume

Quarter 4 Write Off, Financial Period 1st Jan 2024 - 31st Mar 2024									
Service	Council Tax	NNDR (Business Rates)	HBOP (Housing Benefit Overpayments)	HRA Rent	Leaseholder	Commercial Rent	Sundry Debt	Parking	Total
Under £50k	£24,321.44	£727,382.27	£94,552.21	£541,322.82	£0.00	£0.00	£151,879.78	£4,921,500.00	£6,460,958.52
Volume	35	72	60	184	0	0	197	0	548
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	£24,321.44	£727,382.27	£94,552.21	£541,322.82	£0.00	£0.00	£151,879.78	£4,921,500.00	£6,460,958.52
Total Volume	35	72	60	184	0	0	197	0	548

There were write off submissions from all areas of the Council except commercial Rent in Quarter 4 with the highest levels being within the Parking Service. The reasons for write offs is shown in Table 8.

Table 8 – Debt Write Offs in Quarter 4 (January 2024 to March 2024)

Q4 2023-24	Leaseholder	Parking	HRA Rent	HBOP	Sundry Debt	Council Tax	NNDR
Write off reason							
Bankruptcy / 'Company Insolvent'				43%		34%	75%
Debtor Deceased			1%	25%	6%	3%	2%
Compassionate Grounds			1%				
No trace / whereabouts unknown		100%	96%	3%		34%	19%
Statute Barred			2%		4%	6%	3%
Petty Amount				27%	88%	23%	1%
Uneconomic to Pursue				2%	2%		
Recommended by Legal							
Total	0%	100%	100%	100%	100%	100%	100%

The cumulative write off totals for 2023-24 are set out in Table 9

Table 9 – Summary of total write offs 2023/24

Write Off Summary, Financial Year 1st April 2023 - 31st March 2024									
Service	Council Tax	NNDR (Business Rates)	HBOP (Housing Benefit Overpayments)	HRA Rent	Leaseholder	Commercial Rent	Sundry Debt	Parking	Total
Under £50k	£96,171.99	£1,294,833.17	£306,380.01	£4,908,866.16	£56,263.87	£0.00	£366,954.33	£11,323,878.00	£18,353,347.53
Volume	172	156	301	3208	43	0	481	25979	30340
Over £50k	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£164,331.14	£0.00	£164,331.14
Volume	0	0	0	0	0	0	2	0	2
Total Value	£96,171.99	£1,294,833.17	£306,380.01	£4,908,866.16	£56,263.87	£0.00	£531,285.47	£11,323,878.00	£18,517,678.67
Total Volume	172	156	301	3208	43	0	483	25979	30342