

Report for: Cabinet – 16 September 2025

Item Number: 9

Title: 2025/26 Finance Update Quarter 1 (Period 3)

Report

Authorised by: Taryn Eves – Corporate Director of Finance and Resources
(Section 151 Officer)

Lead Officer: Frances Palopoli – Head of Corporate Financial Strategy & Monitoring

Ward(s) Affected: N/A

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

1. Introduction

- 1.1 This budget report covers the position at Quarter 1 of the 2025/26 financial year including General Fund (GF) Revenue, Capital, Housing Revenue Account (HRA) and Dedicated Schools Grant (DSG) budgets. The report focuses on significant budget variances compared to when the budget was set in March 2025.

General Fund

- 1.2 The Council's financial position remains extremely challenging and despite setting a budget of £314.4m in March 2025, based on the latest information on expected demand and price increases, the Council is now forecast to spend £348.5m on day to day services, of which 80% of service spend is on supporting the most vulnerable through adult services, children's and education and temporary accommodation. Both demand and price continue to increase more than expected and there is a risk that the assumed use of £37m of Exceptional Financial Support will not be sufficient. In terms of capital investment, it is anticipated that £131.3m on capital investment into schools, roads, the environment and its commercial and operation estate.
- 1.3 This forecast overspend is based on the latest information but there are a number of risks that are being carefully monitored and therefore the end of year outturn remains subject to change. Some risks continue to be driven by external factors, such as inflation and interest rates which place financial challenges on residents and businesses and make it harder for the council to collect income due as well as increasing borrowing costs for capital investment. Shortage in the supply within the housing market and continued reliance on nightly paid emergency accommodation is impacting on costs, with the average increase being 18% compared to the 10% assumption when the

budget was set. Within adult social care services, the drivers of the increase are requests for social care assessments and increased cost the provision of care and support for those eligible for services. The Council is now supporting 4,000 people in adults social care with a care package compared to 3,895 last quarter and the current committed weekly spend is £2.7m per week compared to £2.5m per week when the budget was set.

- 1.4 The £34.1m forecast overspend on services could be partly mitigated from the remaining uncommitted corporate contingency of £6.09m. This could reduce the overspend to £27.3m but this means no further use of contingency in year which given the level of risk across services and three quarter of the year remaining, it is unlikely it will all remain uncommitted by the year end. It is therefore crucial that every possible action is taken to stop and or reduce non-essential spend between now and the end of March 2026. The Council has a legal requirement to deliver a balanced position each year and based on the current level of reserves; this will not be sufficient to address the overspend. It is essential that non statutory spend is controlled and reduced to avoid EFS from Government exceeding the £37m assumed when the budget was set in March 2025. Any use of EFS does not come without on-going financial implications particularly if the Council uses the permission to borrow to fund the gap. At current rates each £1m of EFS used will add £62,000 to revenue costs each year for the next 20 years assuming the principal is repaid at maturity.

Dedicated Schools Grant (DSG)

- 1.5 The Dedicated Schools Grant (DSG) forecast at Quarter 1 stands at a £3.0m overspend. The pressure remains in the High Needs Block (HNB) which supports delivery for children with Special Education Needs and Disabilities (SEND). This position is £1.5m off the target set out in the Safety Valve agreement, where the programme is expected to bring the HNB back into surplus by March 2028. Increased placement costs and greater complexity of need are driving the forecast spend against target and the service are currently undertaking analysis to inform steps to address this overspend.

Housing Revenue Account (HRA)

- 1.6 At Q1, the Housing Revenue Account is forecasting a £600,000 overspend, mainly driven by pressures in repairs, voids (including void units used for emergency temporary housing) and rental income recovery, though mitigating actions are in place. Housing Mechanical & Compliance shows a £200,000 favourable variance due to vacancies and reduced non-essential spend, but this is offset by a £420,000 overspend in repairs, largely from prior year works not accrued. Disrepair budgets remain capped at £2.7m, though rising legal fees and compensation present a key future risk.
- 1.7 Housing Management is projecting a £100,000 underspend, mainly from staffing vacancies and reduced emergency hotel accommodation costs, but future demand from damp and mould casework under Awaab's Law could

increase pressures. Rental income is under-recovering which will be partly offset by lower capital financing costs from capital programme slippage. Minor underspends in Asset Management and HIP further support mitigation. Overall, continued focus on recruitment, procurement, and cost control are in place to manage year-end risks.

Capital

- 1.8 In March 2025, the Council agreed a General Fund capital budget of £184.996m. The revised budget as set out in this report is £184.034m which takes into account £27.167m of budgets which have been carried forward from financial year 2024/25 and proposed slippage of £32.2m from Quarter 1 of 2025/26 into future financial years, given current status of projects. Using this revised budget, the General Fund capital forecast spend at Quarter 1 is £178.6m which is £5.5m under the revised budget.
- 1.9 In March 2025, the Council agreed an HRA capital budget of £333.767m. The revised budget as set out in this report is £341.653m which takes account £7.886m of budgets which have been carried forward from financial year 2024/25. Using this revised budget, The HRA capital forecast spend is £306.2m, which is £35.4m under the revised budget.
- 1.10 A number of budget adjustments are proposed against the general fund capital programme, notably, the external funding adjustments (net increase) amounting to £4.1m and these are mainly:
- (i) £1.1m budget adjustment to reflect the 2025/26 Disabled Facilities Grant award (DFG); and
 - (ii) £2m budget increase to reflect the utilisation of the Strategic Investment Pot 1 & 2 grant award programme (i.e. funding local London partnership).
- 1.11 Other adjustments in 2025/26 include £32.2m General Fund capital budgets being re-profiled into future financial years. These are due to anticipated delays in the delivery of a number of capital projects and programmes. These budget adjustments are detailed in Appendix 8.

Finance Response and Recovery Plans

- 1.12 As a result of the Council's financial position and the reliance on Exceptional Financial Support, Financial Response and Recovery Plans are in place and aimed at taking the necessary action to reduce the reliance on EFS and restore the Council's financial resilience and sustainability. Despite emergency arrangements in place across the organisation and controls on all non-essential spending over £1,000, the financial position of the Council has worsened for the reasons set out above and in more detail in the appendices. Despite this, good progress has been made against the actions in the plan and further details can be found in Section 7 and Appendix 10 of the report.

2. Cabinet Member Introduction

- 2.1 In March, we set a budget that would right size funding for our services. In 2024/25, the cost of social care rose by 8.5% and the cost of temporary accommodation went up by 51% in Haringey.
- 2.2 We increased funding to cater for the overspend on services for the most vulnerable; to match the increased numbers coming to us for support and the increased cost of that support.
- 2.3 However, this financial year we continue to face sustained rises in the cost and need for social care and temporary accommodation. 80% of service spend is now spent on these services in Haringey. This report shows a projected growing overspend, driven primarily by the cost of providing temporary accommodation and adult social care.
- 2.4 The forecast cost of adult social care is expected to be £7.5m higher in Q1 of 2025/26 than the outturn for 2024/25, with a rise in the number of people requiring support packages (up from 3,895 to 4,000). The cost of our local public services this year is now set to be £35m higher than budgeted.
- 2.5 There is also slippage in the delivery of savings. Haringey has been making cuts to services for the past 15 years and we are scraping bottom of the barrel. Dedicated work is being done to realise these savings. We are taking proactive and creative action to look across the council at wherever we can reduce discretionary spending, while maintaining standards.
- 2.6 The Housing Revenue Account (HRA) is affected by the rising cost of repairs and associated works including damp and mould and disrepair cases. A 20% reduction in disrepair cases from peak levels has been observed and a projected 50% case closure by year end, which will contribute to future cost containment in this area. The increased investment is necessary to bring our homes up to standard, so that all our tenants and leaseholders live in homes that are well maintained and comfortable. A place they are proud to call home.
- 2.7 Despite our difficult financial circumstances, we are still ambitious for our borough and we work tirelessly to make the borough fairer and greener with the tools and funds that we have. 98% of all our schools are good or outstanding, Haringey Children's services were graded 'Good' by Ofsted and SEND received the highest possible grading.
- 2.8 Our capital programme is under constant review to reduce the revenue costs of borrowing – and a number of projects have been paused. However, our priority capital investments are continuing – especially where they save us revenue costs in the long-run. We will continue to build new council homes – creating affordable homes that our residents need and reducing the costs that unaffordable housing causes for other public services. We are well on the way to delivering at least 3,000 new, high quality council homes by 2031 – with 724 completed and 2,000 under construction.

- 2.9 Despite all the measures we have and are putting in place, the level of need does not match the funding we have. We continue to lobby and to make the case for fairer funding for boroughs such as ours.

3. **Recommendations**

Cabinet is recommended to:

- 3.1. Note the forecast total revenue outturn variance for the General Fund of **£34.1m** comprising **£24.9m** base budget pressures and **£9.2m** non delivery of savings delivery. (Section 6, Table 1, Table 2 and Appendices 1 to 7).
- 3.2. Approve the revenue budget virements and receipt of grants as set out in Appendix 8.
- 3.3. Note the net DSG forecast of £3.0m overspend. (Section 6 and Appendix 1).
- 3.4. Note the net Housing Revenue Account (HRA) forecast overspend is £600,000 (Section 6 and Appendix 7).
- 3.5. Note the forecast General Fund and HRA Capital expenditure of £484.8m, which equates to 92% of the total 2025/26 quarter one revised budget position. (Section 8).
- 3.6. Approve the proposed budget adjustments and virements to the capital programme as set out in Table 3 and Appendix 8.
- 3.7. Note the debt write-offs approved in Quarter 1 2025/26 which have been approved by the Corporate Director of Finance and Resources under delegated authority, or for those above £50,000, by the Cabinet Member for Finance (Appendix 7) as set out in the Constitution.
- 3.8. Note the Finance Response and Recovery Plans and progress against actions as at Quarter 1 (Appendix 10)
- 3.9. Note the Council's response to the Government's consultation on Fair Funding Review 2.0 which was submitted by the set deadline (Appendix 11).

4. **Reason for Decision**

- 4.1 A strong financial management framework, including oversight by Members and senior management is an essential part of delivering the council's priorities as set out in the Corporate Delivery Plan and to meet its statutory duties. This is made more critically important than ever because of the uncertainties surrounding the Council's uncertain and challenging financial position, which is impacted by Government funding, high demand for services, particularly for the most vulnerable and the wider economic outlook and the ongoing reliance on Exceptional Financial Support.

5. Alternative Options Considered

- 5.1 The report of the management of the Council's financial resources is a key part of the role of the Corporate Director of Finance and Resources (Section 151 Officer) in helping members to exercise their role and no other options have therefore been considered. The remainder of this report and the accompanying appendices sets out the position in more detail,

6. General Fund Revenue Outturn and Un-forecast Risks & Issues

Forecast Revenue Outturn

- 6.1. Table 1 below sets out the end of year forecast as at Quarter 1 for services against the budget that was agreed by full Council in March 2025. These are presented by directorate and illustrate where variances are a result of pressures on the base budget or from the non-delivery of anticipated savings in the year. The forecast of the Dedicated Schools Grant (DSG) and the Housing Revenue Account (HRA) is also shown to provide the overall position.
- 6.2. There is a forecast directorate overspend of £30.1m. The most significant areas of overspend continue to be seen in the demand led services (social care and temporary accommodation) which together account for 67.7% of the total forecast overspend; Housing Demand at 33.5%, Adult Social Care at 22.2% and Children's at 12%.
- 6.3. A further £4.2m is forecast by the Finance and Resources Directorate, predominantly in the property related services. The strategic decision to move to a corporate property model to more effectively and efficiently manage the council's internal estate went live at the beginning of this financial year. The pre-work highlighted historical under-provision of budgets, and these are evident in the Quarter 1 forecast of £676,000 mainly arising from pressure on business rates, energy and security costs. However, the consolidated operations are expected to drive efficiencies, and work must continue to mitigate this current overspend down. In addition, there is a £2.376m overspend forecast in Strategic Property Services (SPS) which manages the council's commercial estate. Extensive work is underway on reviewing the portfolio and review of leases and rent reviews which is leading to increased income. However, this is set in the context of overstated income budgets, therefore a pressure is forecast to remain this year. The ongoing reliance on agency staff means high staffing costs but the expertise is required for the improvement plan on the portfolio and will need to be addressed as part of the 2026/27 budget process in advance of a recruitment exercise that will be planned for next year.
- 6.4. Corporate budgets are forecasting a net £4m overspend of which £5.2m relates to unallocated council-wide savings which are being held centrally until it is clear which services will be impacted. This is partially offset by savings against levies and concessionary fares.

Table 1 – Revenue Budget Monitoring Forecast for Quarter 1 2025/26

Management Area	Revised 2025/26 Budget	Full Year Forecast	Base Budget over/ (under- spend)	Non Delivery of Savings	Q1 Total Varianc e
	£'000	£'000	£'000	£'000	£'000
Children's Services	77,434	81,528	1,634	2,460	4,094
Adult & Social Services	105,251	112,812	7,561		7,561
Housing Demand	29,452	40,882	11,430		11,430
Public Health	19,556	19,556			
Environment & Resident Experience	17,128	18,213	(192)	1,276	1,085
Environment & Resident Experience Housing Benefit	1,829	2,906	1,077		1,077
Culture, Strategy & Communities	11,976	12,471	258	236	494
Finance and Resources	1,435	5,745	4,310		4,310
Directorate Service- Total	264,061	294,112	26,078	3,972	30,051
Capital Financing Charges	25,384	25,384			
Contingency	12,104	17,293		5,189	5,189
Treasury Management Charges	14,259	14,260			
Other Corporate Budgets	35,594	34,439	(1,155)		(1,155)
Exceptional Finance Support	(37,020)	(37,020)			
Corporate Budgets - Non-Service Total	50,322	54,355	(1,156)	5,189	4,033
General Fund-Directorate Service & Non-Service	314,383	348,467	24,922	9,161	34,084
External Finance	(314,382)	(314,382)			
GENERAL FUND TOTAL	1	34,085	24,922	9,161	34,084
DSG	0	2,974	2,974		2,974
HRA	0	573	574		574
HARINGEY TOTAL	0	37,632	28,470	9,161	37,632

- 6.5. The overall £34.1m overspend reflects the application of £3m contingency to Adults to recognise increase in care costs after the agreed budget modelling work had completed. Details of other smaller contingency allocations agreed to date are set out in the Risk, Reserves and Contingency section below.

Progress against 2025/26 Savings

- 6.6. The 2025/26 budget agreed by Council on 3 March included planned savings of £29.4m. It is forecast that 69% of savings are expected to be delivered and £14.8m savings remain ragged Amber or Red.

- 6.7. Through the Financial Recovery Plan, stronger controls for monitoring and reporting on the delivery of all savings have been implemented. This includes additional reporting and challenge around delivering the agreed changes, regular review by the Silver Financial Recovery Group and more focused support as larger cross cutting savings are now being governed and delivered as Category A projects. The Council needs to be in a position that all savings agreed each year are delivered in full and progress continues to be reported to Corporate Leadership Team (CLT) on a monthly basis.
- 6.8. A summary of progress by Directorate/Service is shown in Table 2 below with a more detailed analysis of delivery against the £29.4m found in the Directorate Appendices 1-7.

Table 2 - Total Savings and Management Actions Delivery

Directorate	2025/26 FY Savings £'000s	2025/26 YTD Savings Delivery £'000	2025/26 Projecte d Full Year Savings £'000s	2025/26 Projecte d Full year Shortfall £'000s	Green	Amber	Red
Adults, Housing & Health - Adult Social Care	-3,963	0	-3,963	0	-3,382	-581	0
Adults, Housing & Health - Housing Demand	-3,438	0	-3,438	0	-838	-2,600	0
Adults, Housing & Health - Public Health	-295	0	-295	0	-295	0	0
Children's Services	-3,065	0	-605	2,460	-265	0	-2,800
Environment and Resident Experience	-5,392	0	-4,116	1,276	-4,029	-330	-1,033
Environment and Resident - Experience Council Tax Reduction Scheme	-2,000	0	-2,000	0	-2,000	0	0
Finance & Resources	-3,579	0	-3,579	0	-2,022	-1,357	-200
Culture, Strategy and Communities	-1,701	0	-1,465	236	-1,465	0	-236
Chief Executive's Office	-250	0	-250	0	-250	0	0
Cross Council _ to be allocated to individual services on delivery	-5,749	0	-560	5,189	-100	-360	-5,289
Savings TOTAL	-29,432	0	-20,271	9,161	-14,646	-5,228	-9,558

Cross Council Saving Initiatives

- 6.9. The savings programme includes a number of council-wide initiatives. These include 5% workforce spend reductions factored into directorate savings budgets and £5.7m currently held corporately as work is still ongoing to identify the service budgets where these savings will be realised. These mainly include:

- £3.250m Contract and Procurement
- £1.0m Enabling Services
- £1.29m Commercial Income.

More detail on these savings is set out below.

5% Workforce Savings

- 6.10. The 2025/26 budget for staffing costs is £186m which reflects the agreed 5% reduction equating to £8.5m. Most services are on track to deliver by the year end with the exception of children's services where alternative mitigations will need to be identified. There are however, risks on delivery in other areas and these are highlighted within the individual service appendices. There is no single approach and services are using a range of tools, including:

- Restructures to reduce the number of posts, including senior management.
- Reduce spend on agency staff.
- Holding vacancies for non-essential roles.

In addition, there are tighter controls on recruitment of non-essential roles through the Recruitment Panel. The latest People Report indicates that these measures are having an impact on staffing numbers, particularly agency staff, which fell by almost 200 between September 2024 and June 2025, reducing the annual sum spent on agency staff by more than £10m, to £22.7m annualised cost. During Quarter 1, appointments of permanent staff also slowed down with the result that the total size of the workforce across permanent and temporary staff fell slightly by 1.6%. It is important that the focus to date is maintained to ensure full delivery of the committed staffing savings and to help mitigate the forecast overspend.

Enabling Services

- 6.11. A review of all enabling services is underway to reduce spend on staffing across all services. This will develop new delivery models that will reduce duplication across services and ensure efficient support to all frontline services across the organisation. The first service to be reviewed is 'project management' resource and there is now a pipeline of similar reviews planned over the next two years, including, finance, HR, business support, procurement, digital and communication and engagement. Savings of £2.5m

are planned over the next three years of which £1m is expected in 2025/26. A delay in the commencement of this work means there is some risk to the delivery of the in-year savings and mitigations are being identified. A fuller update will be provided in the Quarter 2 report.

Service Modernisation

- 6.12. Over the next three years, the Council is working to deliver £6.8m of reductions from investment into digital tools and services, of which £2.43m is expected in 2025/26 (this figure includes £430,000 carried over from 2024/25). Delivery is being enabled through the Service Modernisation Programme Service which includes 16 live projects and a pipeline of over 60 additional projects, with a focus on reducing the cost of delivering services and/or improving the resident experience and more efficient ways of working for staff using digital technology. Currently, £900,000 savings have been identified and £1.7m is in the pipeline.
- 6.13. There have been some delays pending the Digital restructure which was implemented on 1 March, but the capacity and resources are now in place and good progress is being made. The priority to date has been on Adult Services, Children's Services and Housing given the high spend in these areas. The implementation of Netcall as a key technology platform to enable user-friendly services with automation and self-service is nearing completion. All services will be subject to review over the next two years and this explains why some Directorate are reporting their proportion of the savings as RED in year.

Income Generation

- 6.14. Income generation is a vital part of the Council's financial sustainability and protecting services so all opportunities need to be identified. Previously approved income opportunities and £500,000 of new opportunities have been combined and being delivered through a new cross Council Income Generation project. Progress has been slow as a result of shortage in resources to drive this forward and a fuller update will be provided at Quarter 2.

Asset Management

- 6.15. A review of the Council's operational and commercial estate is underway and continues to maximise income from the commercial portfolio, efficient use of the operational estate and capital receipts from properties surplus to requirement. Savings are achieved through increased income and reduce borrowing costs on the capital programme. In 2025/26, £868,000 of savings / income are assumed. At Quarter 1, there is some risk in the full delivery and therefore a cautious approach has been taken and rated as Amber but a fuller update will be given in Quarter 2. Given the Council's current financial position, all opportunities must be considered and any stretch on the target.

Capital Financing and Treasury Management

- 6.16. Capital Financing and Treasury Management costs are primarily the costs associated with the borrowing undertaken to finance the Council's Capital Programme. The Council will invest sums it receives in advance of utilisation so as to generate an income in the form interest received. The income and expenditure detailed in the paragraph below are driven by projected activity levels of the Capital Programme and fluctuations in interest rates.
- 6.17. As at the end of Quarter 1, the projected position against the Treasury Management is in line with the budget of £14.26m. This is broken down as follows - General Fund borrowing costs are estimated to be £17.75m with £350,000 of associated non-interest costs and estimated £3.84m of interest receivable on funds invested.
- 6.18. It is also anticipated that the Capital Financing budget of £25.38m will be fully utilised for 2025/26. A component of this charge is the financing cost of the Exception Financial Support (EFS) provided by Central Government. If the assumed £37m EFS for 2025/26 is fully utilised as well as the £10m covering the 2024/25 overspend, then in 2025/26, it is expected that the Council will bear an additional £2.91m (£47m x 6.2%) of capital financing costs it could otherwise utilise elsewhere in the provision of service.

Risks, Reserves and Contingency

Risks

- 6.19. External factors can negatively impact the Quarter 1 forecasts. Inflation remains volatile and the latest reported CPI for June 2025 was 3.6% compared to 3.1% in April 2025 and 1.7% in September 2024. The main driver for the June increase in inflation was transport, particularly motor fuels. The Bank of England (BoE) base rate continues a slow reduction and now stands at 4%, down from 4.25% in May and 5% August 2024. The reduction was expected but is not falling at the pace originally predicted. This means that investment income remains higher than anticipated but so do borrowing costs.
- 6.20. Officers continue to monitor these national indicators and work closely with external treasury advisors to keep abreast of future forecasts notably on bank rates. This is vital given the expected increase in use of Exceptional Financial Support via borrowing.
- 6.21. With inflation remaining above the 2% target, collection of money owed to the Council is likely to remain challenging and therefore additional provision may be required to be made this financial year to cover bad debts. An update on this will be provided in the Quarter 2 report when there will be greater trend data available.
- 6.22. The current overall general fund forecast at Quarter 1 is in line with the 2024/25 provisional outturn. However, this is significantly above the 2025/26 budgeted figure and there also remains an unquantifiable risk that the forecasts themselves are not as accurate as they could be. This is always a

risk but made more significant this year due to the Council's weak financial position. The Finance Response and Recovery plans which together set out actions to reduce the need to draw down on EFS in the current year and beyond and improve financial resilience and sustainability will be critical in helping to mitigate this. Details of these plans and progress is in Appendix 10 of the report.

- 6.23. The Dedicated Schools Grant historic deficit opening balance for 2025/26 was £9.5m, and with an in-year forecast deficit of £2.974m at Q1, the total forecast closing deficit for 2025/26 is £12.5m. This deficit is held separately to the General Fund account. Funding is still passported to schools and the deficit position results in cash out from the Council exceeding available DSG budgets. This will have an impact on the Councils Treasury Budget because the council will have reduced cash balances, therefore less opportunity to receive investment income. The loss of investment income due to forecast DSG deficit balances is estimated to be £500,000 in 2025/26 assuming an average return of 4.00%.
- 6.24. At an individual school level, the number of schools in deficit on 31st March 2025 was 33, with 31 schools returning an in-year surplus. The overall deficit on schools balances at 31st March was £2.6m. In 2025/26, schools across Haringey continue to face financial difficulties in operating within their allocated budgets. Like most London Boroughs, Haringey is seeing a significant decline in primary school rolls and is now seeing the same impact in secondary schools, as a result of population trends of declining numbers of school age children. It is too early in the year to provide year end forecasts, however this is a live issue and an update will be included in the Quarter 2 report. This will also cover the real impact of falling school rolls on the viability of the overall school estate.
- 6.25. In summary, there remains a real risk that the current **£34.1m** forecast overspend could worsen by the year end. This would require additional exceptional financial support from government over and above the £37m already assumed when the budget was set. It is prudent to assume that this would be funded from borrowing which for every £1m adds an additional, £62,000 in revenue costs per annum for 20 years assuming principal is repaid on maturity.
- 6.26. Appendix 1 and Table 4 sets out the full details of service spend and end of year forecasts, together with details of any mitigating action.

Contingency

- 6.27. In total, the 2025/26 budget was set with a £10.1m general contingency to meet any unplanned expenditure and mitigate against any non-delivery of savings or planned income. As at Quarter 1, £3m of this has been transferred

to the adult social care budgets on a permanent basis. This was in recognition that the original budget was set based on the 2024 period 8 data, which was the most up to date at the time. The cost of care in particular has been moving quickly over the last few years and accurately estimating how the markets will react over the next 4-6 months is extremely hard to do. A further £292,000 of corporate contingency has been allocated mainly on a one-off basis to support invest to save projects in the revenues service.

- 6.28. Given the forecast outturn position at Quarter 1, full utilisation of the remaining contingency by year end has been assumed in the projections as the Council must mitigate down as far as possible the use of borrowing through EFS.
- 6.29. The 2025/26 budget also includes £10.2m to cover the estimated cost of the pay award, redundancy costs not able to be met by the service and contractual inflation. This is also assumed to be fully allocated to services during the year and anything residual will be used to offset the overall council overspend.
- 6.30. The pay inflation budget was based on an estimated 3% for all green book staff. This has now been confirmed as 3.2% and work is underway to calculate the required budget allocations. Early estimates suggest an estimated £100,000 above that which was anticipated will be required. This analysis will also calculate the impact on the general fund of the increased employer national insurance as of 1 April. This is estimated to exceed the £2.6m grant funding provided by the government. An update on the outcome of both issues will be provided in the Quarter 2 report.

Reserves

- 6.31. The Councils corporate reserves balance is currently forecast to be £43.1m in March 2026, of which £27.7m is assumed to be committed as presented in the table below. Effectively the only available cash balance at year end is the General Fund Reserve at just over £15.1m.
- 6.32. A forecast of reserve balances to 31 March 2028 is shown in Table 7. This will be updated quarterly on any in year movements and a more detailed forecast in the Budget report to Cabinet in February 2026.

Table 7: Reserves Forecasts to March 2028

	Actual	Forecast		
Reserve	31 March 2025	March 2026	March 2027	March 2028
	£'000	£'000	£'000	£'000
General Fund Reserve	15,140	15,140	15,140	15,140
Risks and Uncertainties				
Transformation Reserve	0	0	0	0
Labour market resilience reserve	186	0	0	0
Budget Planning reserve	1,141	0	3,000	6,000
Collection Fund	1,231	0	0	0
Total Risk and Uncertainties	2,558	0	3,000	6,000
Contracts and Commitments				
Services Reserve	9,358	9,358	9,358	9,358
Unspent grants reserve	10,391	10,391	10,391	10,391
PFI lifecycle reserve	3,959	0	0	0
Debt Repayment Reserve	1,072	1,072	1,072	1,072
Insurance Reserve	5,510	5,510	5,510	5,510
Schools Reserve	1,344	1,344	1,344	1,344
Total Contracts and Commitments	31,634	27,675	27,675	27,675
Grand Total	49,332	43,085	46,085	49,085

7 Financial Response and Recovery Plans

7.1 In light of the Council's financial position and the reliance on Exceptional Financial Support from Government in 2024/25 and 2025/26, emergency financial controls have been put in place across the organisation to reduce non-essential spend. This includes:

- Spending Control Panel who meet twice weekly to consider all non essential spend over £1,000.
- Recruitment Panel who meet fortnightly to consider all non-essential recruitment requests.
- Emergency Planning arrangements across the whole organisation, overseen by GOLD and SILVER arrangements whose focus is on implementation of the Council's Financial Response and Recovery Plans.
- Financial Recovery Cabinet Group meet 6-weekly, chaired by the Leader to ensure clear political oversight of the emergency procedures

7.2 The implementation of the Financial Response and Recovery Plans is aimed at taking the necessary action to reduce the reliance on EFS (Finance Response Plan) and restore the Council's financial resilience and sustainability (Finance Recovery Plan). There are clear links between the

two plans and delivery on the response plan should be considered alongside the recovery plan. It is recognised that the recovery plan will take longer to deliver and outcomes achieved.

- 7.3 The Council has made progress against the actions in these plans, with some completed by Quarter 1 and on track as per the timescales. Progress against these plans are detailed in Appendix 10.

8 Council Debt and Write Offs for Quarter 1

- 8.1 Appendix 9 provides a summary of the council debts which have been written off in Quarter 1, totalling **£1.661m**, of which 88% are Parking debts, and 7.7% are HRA rent debts. Of the parking related debt, circa £1.5m related to cases that had been through the recovery process and the associated warrants were no longer valid (expiring after 12 months) and could not be pursued. Following review of the individual cases, these are deemed extremely unlikely to be recovered and have been approved for write off by the Corporate Director of Finance and Resources (S151 Officer) under delegated authority and as set out in the Financial Regulations.
- 8.2 Under Haringey's constitution debts of £50,000 or more proposed for write off require the approval of the Cabinet Member for Finance and Resources or Cabinet. This quarter there are two such debts totalling **£127,383** which have all been approved by the Cabinet Member for Finance and Resources. Details of these are set out in Appendix 10.
- 8.3 Corporate debt levels continue to rise. Key actions underway include:
- **Strategic Write-Offs:** Implementing a structured write-off process to eliminate debt deemed irrecoverable.
 - **Data-Driven Recovery:** Using propensity-to-pay analytics to prioritise recovery efforts.
 - **Debt Recovery Strategy:** Strengthening internal recovery mechanisms to maximise returns.
 - **External Partnerships:** Exploring external service providers to support early-stage intervention and post-internal recovery efforts.
- 8.4 These measures aim to improve transparency, enhance recovery rates, and ensure resources are focused where they will have the greatest impact.

9 Capital Expenditure Forecast at Quarter One

- 9.1 As shown in Table 3, the Quarter 1 revised budget for the Capital Programme in 2025/26 is £553.8m, which includes the July Cabinet agreed carried forwards. The overall 2025/26 capital programme is £212.1m for General Fund and £341.7m for the HRA.

- 9.2 It is proposed to adjust the General fund capital programme downwards by £28.1m to £184.0m for the reasons set out in para 9.4 below.
- 9.3 After these adjustments, the General fund capital programme is forecast to spend £178.6m (97%) and £306.2m (90%) for the HRA.

Table 3 – 2025/26 Capital Expenditure Summary as at Quarter 1

Directorate	2025/26 Revised Budget (£'000)	2025/26 QTR. 1 Adjustm ents (£'000)	2025/26 Revised Budget (£'000)	2025/26 QTR. 1 Forecast (£'000)	2025/26 Budget Variance (£'000)
Children's Services	30,157	(15,093)	15,064	15,008	(56)
Adults, Housing & Health	13,294	(3,641)	9,653	9,313	(340)
Environment & Resident Experience	26,363	188	26,551	26,276	(274)
Culture, Strategy & Communities	62,547	(6,061)	56,486	61,553	5,068
Finance & Resources	31,525	(2,500)	29,025	19,155	(9,870)
Corporate Items	48,272	(1,016)	47,256	47,256	(0)
General Fund Total	212,158	(28,123)	184,034	178,562	(5,473)
HRA - Housing Revenue Account	341,653	0	341,653	306,221	(35,432)
Overall Total	553,811	(28,123)	525,687	484,782	(40,905)

- 9.4 The Quarter 1 General Fund capital budget has been adjusted downwards by £28.1m. A summary of these movements is as follows and the detail can be found in appendix 8 below:

Reason for Quarter 1 Budget Movement	Amount (£'000)
Reprofiling	(32,211)
External funding adjustments	4,088
Total	(28,123)

- 9.5 The remainder of this section provides a high-level summary of the main areas of spend in the General Fund Capital Programme. Full details and reasons for the variations against budget are set out in the Directorate Appendices (1- 7).
- 9.6 The original Civic centre spend profile was set prior to having the contractor appointed as based on QS estimated profiling. The procurement allowed contractors to put forward alternative programmes for delivery, to help meet the councils budget and achieve cost savings, which is why the cash flow

forecast has changed. Therefore, the current capital works forecast of £33.6m, against a revised budget of £27.6m shows an accelerated spend of £6m, based on the actual appointed contractors cash flow and programme, which also influences the fee and wider cost cashflow profiles. This spend is within the overall Civic Centre budget based upon the current QS financial reporting. This position will be reviewed again in quarter two, with the intention of budget reprofile proposal.

- 9.7 Asset Management of Council Buildings (capital scheme 316) is reporting a spend forecast of £5.2m against £8.9m revised budget. This anticipated forecast underspend can largely be attributed to the time lag between contract tendering and work commencement, thereby causing delays in project delivery/completion.
- 9.8 Similarly, due to project progression delays, Commercial property remediation (capital scheme 4011) is forecast to spend £1.5m against £4m revised budget.
- 9.9 Financial Management System Replacement (capital scheme 607) is reporting a spend forecast of £1.8m against £0.1m revised budget. It is anticipated that a new funding bid will be submitted before the end of Quarter 2 towards the ERP programme for 2025/26 & 2026/27.
- 9.10 Capital Support for Digital Outcomes (capital scheme 660) is reporting a forecast spend of £0.3m against revised budget of £2m.

Capital Receipts - Forecasts

- 9.11 As at 31 March 2025. the Council had usable General Fund capital receipts of £31.04m. This is inclusive of £15.25m ringfenced High Road West (HRW) capital receipt. As part of the Council's budget setting the proposed application of these receipts was as follows:

Balance as at 31/3/2025 (excl. HRW)	£15.79m
Used to fund transformation	4.0m
Funding Exceptional Financial Support	£10m
Total Proposed Expenditure	£14.0m
Disposal in Qtr.1 of 2025/26	£0,060m
Assumed new capital receipts in year	£11.28m
Estimated balance as at 31/3/2026	£13.13 m

N.B: The table below provides a high-level summary of the planned asset disposals (i.e. Assumed new capital receipts) in 2025/26 and is line with the Council's Disposals Policy that was agreed by Cabinet in June 2025.

Status	2025/26	2025/26	2025/26	2025/26	Grand Total
	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	

	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)
Sold	60	-	-	-	60
Under offer	-	1200	255	-	1455
Pipeline	-	318	588	8863	9769
	60	1,518	843	8,863	11,284

10 Contribution to the Corporate Delivery Plan 2022-2024 High level Strategic outcomes.

- 10.1 The Council's budget aligns to and provides the financial means to support the delivery of the Corporate Delivery Plan outcomes.

11 Carbon and Climate Change

- 11.1 The proposed recommendations have no direct impact on carbon emissions, energy usage or climate change adaptation.

12 Statutory Officers Comments

Finance

- 12.1 This is a report of the Corporate Director of Finance and Resources and therefore financial implications have been highlighted throughout the report. The factors with which the authority is facing and impacting on its financial position are challenging, caused by increasing demand, inflation and wider economic pressures. The Council is working to identify and put into effect additional mitigating actions in 2025/26 to reduce spending by the year and such mitigations and controls on non-essential spending.
- 12.2 This report includes the impact of budget pressures identified to date and it is very important that the focus to mitigate these pressures continues. This includes increasing control of major costs areas, including staff costs, contract costs and capital spend.
- 12.3 A further review of reserves and the Council's balance sheet is underway to determine any one-off contributions that can be utilised in year to fund the overspend position and limit the use of use of Exceptional Financial Support from Government.
- 12.4 The Council's reserves position is lower than average for a council of this size and a medium to long term objective must be to increase balances to manage the many risks and uncertainties and strengthen the Council's financial resilience.

Strategic Procurement

- 12.5 Strategic Procurement notes the contents of this report and will continue to work with services to support income generation, cost reduction and contract efficiencies where possible

Legal

- 12.6 The Director of Legal & Governance has been consulted on this report and makes the following comments.
- 12.7 The Council is under a duty to maintain a balanced budget and to take any remedial action as required. In exercising that duty, the Council must also take into account its fiduciary duties to the council tax payers of Haringey. Pursuant to section 28 of the Local Government Act 2003, the Council is under a statutory duty to periodically conduct a budget monitoring exercise of its expenditure and income against the budget calculations during the financial year. If the monitoring establishes that the budgetary situation has deteriorated, the Council must take such remedial action as it considers necessary to deal with any projected overspends. This could include action to reduce spending, income generation or other measures to bring budget pressures under control for the rest of the year. The Council must act reasonably and in accordance with its statutory duties when taking necessary action to reduce any expected overspend.
- 12.8 The council is required by s151 of the Local Government Act 1972 to make arrangements for the proper administration of its financial affairs. Section 7 of this report sets out the financial response and recovery plans to support the proper administration of the council's financial affairs.
- 12.9 Pursuant to the Executive 'Financial management and resources' function set out at Part Three, Section C of the Constitution, the Cabinet is responsible for approving both virements and debt write offs in excess of certain limits as set out in the Financial Regulations at Part Four, Section I, Regulations 5.31, 5.32 & 8.15(c) respectively.
- 12.10 In February 2025, government confirmed that in the financial year 2025/2026 it will provide a number of councils with support to manage financial pressures via the Exceptional Financial Support process. Haringey has an in principle agreement of £37m. Support via the framework is usually provided in the form of a capitalisation direction which permits a local authority to meet revenue costs through capital resources. There is a clear expectation that authorities continue to manage and mitigate their financial pressures. Support is provided on condition that each local authority is subject to an external assurance review.
- 12.11 In light of the above, there is no legal reason why Cabinet cannot adopt the Recommendations contained in the report.

Equalities

- 12.12 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.
- 12.13 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.
- 12.14 Although it is not enforced in legislation as a protected characteristic, Haringey Council treats socioeconomic status as a local protected characteristic.
- 12.15 This budget report covers the position at Quarter 1 (Period 3) of the 2025/26 financial year including General Fund (GF) Revenue, Capital, Housing Revenue Account (HRA) and Dedicated Schools Grant (DSG) budgets. The report focuses on significant budget variances including those arising as a result of the forecast non-achievement of approved MTFS savings.
- 12.16 It also includes proposed budget virements or adjustments. The recommendations in the report are not anticipated to have a negative impact on any groups with protected characteristics. In addition to this, the Council's saving programme is subject to a cumulative equality impact assessment, which acts to mitigate against any potential impacts for those living and working in the Borough.

13 Appendices

Appendix 1 – Children's Directorate Level Forecast including Savings and Capital forecasts

Appendix 2 – Adults, Housing and Health Directorate Level Forecast including Savings and Capital forecasts

Appendix 3 – Culture, Strategy and Communication Directorate Level Forecast including Savings and Capital forecasts

Appendix 4 – Finance & Resources Directorate Level Forecast including Savings and Capital forecasts

Appendix 5 – Corporate Directorate Level Forecast including Savings and Capital forecasts

Appendix 6 – Environment and Residence Experience Directorate Level Forecast including Savings and Capital forecasts

Appendix 7 – Housing Revenue Account Directorate Level Forecast including Savings and Capital forecasts

Appendix 8 – Proposed Virements (Revenue and Capital)

Appendix 9 – Debt Write Off (includes less than £50,000 and greater than £50,000)

Appendix 10 - Finance Response and Recovery Plan

Appendix 11 – Haringey Response to Government consultation on Fair Funding Review 2.0

14 Background Papers (Local Government (Access to Information) Act 1985)

14.1 None

Appendix 1 – Children’s Directorate Level Forecasts

- 1.1. The table below shows the full forecast across the Children’s Directorates followed by more detailed explanations for any under or overspends that are forecast for the year.

Management Area	Revised 2025/26 Budget	Q1 Outturn Forecast	Q1 Forecast to Budget Variance
	£'000	£'000	£'000
Children’s Services	77,434	81,528	4,094
Director of Children Services	502	2,484	1,982
Commissioning	2,868	2,749	-120
Prevention & Early Intervention	19,186	19,987	801
Children & Families	51,187	52,489	1,302
Assistant Director for Schools	3,690	3,818	128

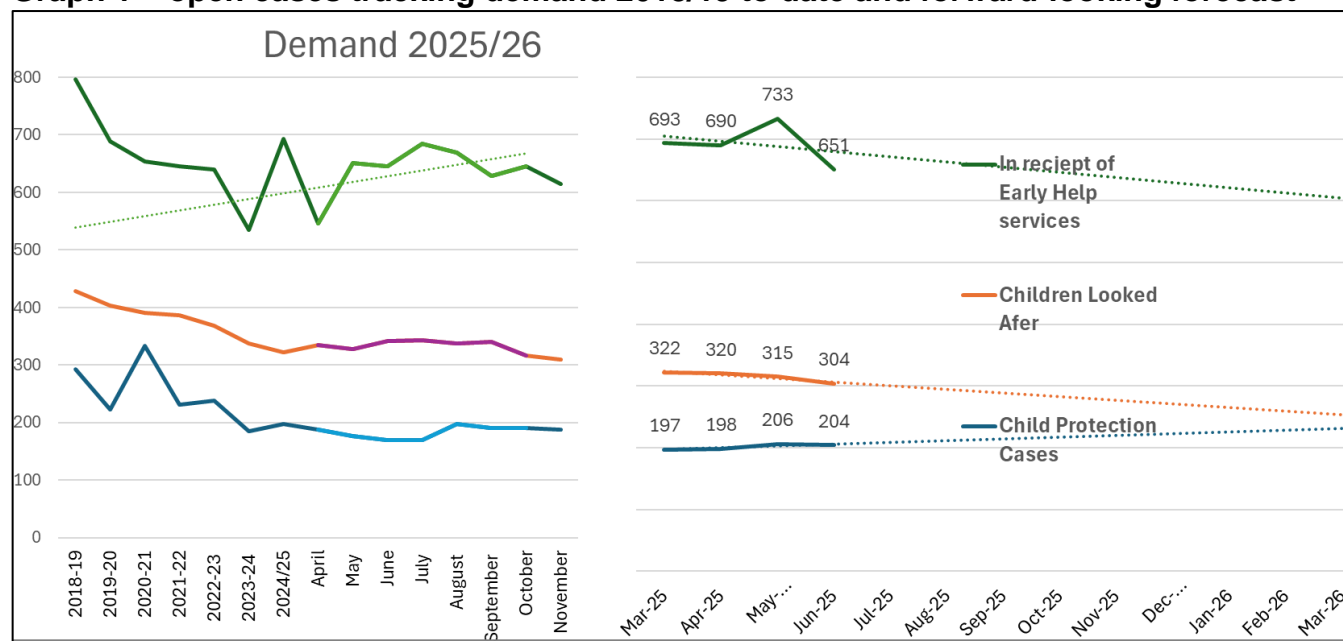
- 1.2. Children and Young People Service is forecasting a projected overspend of £4.1m in Quarter 1. The pressure in the main relates to the following unachievable savings:

- **Digital savings:** The service has been working with Digital Services to identify savings to support the reduction in the budget and business cases are in development. Digital Services have been through their innovation networks and are in discussion with service managers to ensure that any missed opportunities for children’s service that might save significant costs have been identified. Initial discussions in relation to business cases that are in development indicate some savings and efficiencies are likely but identifying £772,000 to meet the budget reduction is now at risk (£540,000 of digital savings in the current year and £232,000 in 24/25).
- **5% staffing savings:** The service has identified £530,000 of the £2.18m (5%) staffing savings over the next two years. £301,000 will be delivered in the current year, however this means that the balance of the 5% of salaries (£1.87m) is forecast as unachievable. Vacancies are being held, bringing forward savings relating to posts, not

recruiting and offsetting legitimate costs against grants wherever possible. The service has been successful in reducing agency staff and between January and June 2025 the service was forecast to be spending £600,000 below the target and over the last year have reduced their headcount on agency from 133 to 77 (23 below our target).

- 1.3. Also contributing to the forecast pressure is **the allocation of the social care prevention grant** (£1.43m) in the budget process to offset placement pressures. This is however a ring-fenced grant for implementing the social care reforms and this was not known at the time and was passported to the Council as a Section 31 Grant through the Local Government Finance Settlement. For these reasons it is currently being forecast as a pressure until the full financial implications of the reforms are known.

Graph 1 – open cases tracking demand 2018/19 to date and forward-looking forecast

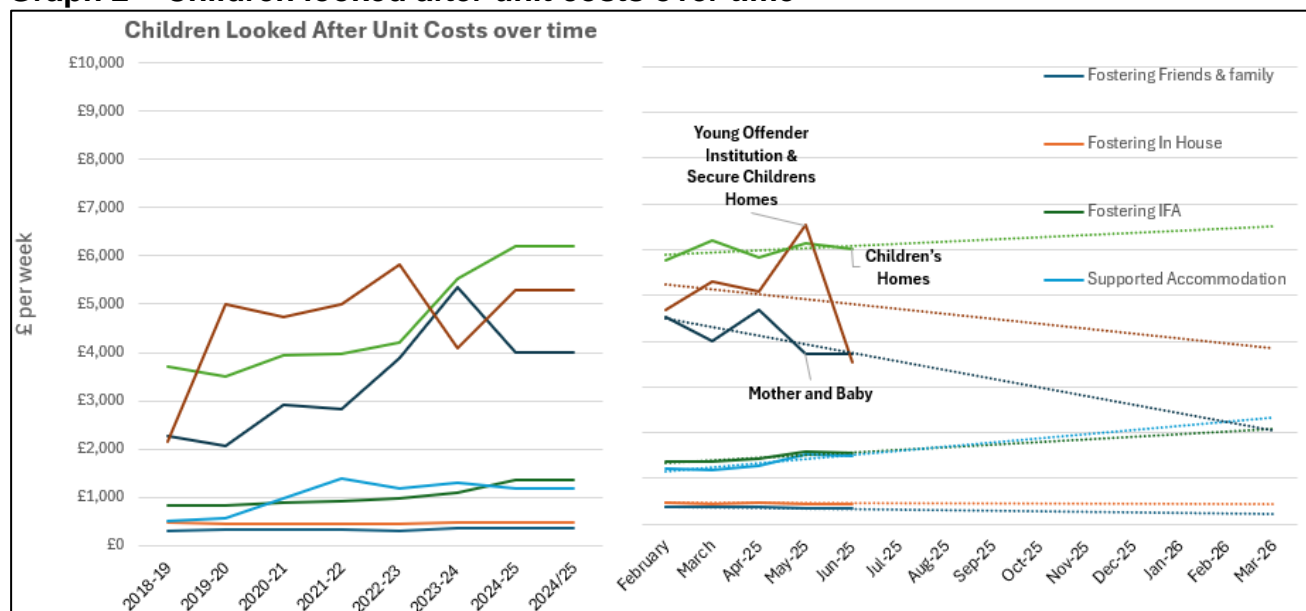


- 1.4. In Period 2, all placement costs, apart from in-house fostering and Friends and Family fostering, were on an upward trajectory but by Quarter 1 (Period 3) costs are reducing and there is a downward trend for Young Offender Institution, Secure homes and Mother and Baby placements (see Graph 2 below). In Period 2, Children's Homes placements were trending high and

average costs move from a forecast of around £7,000 per week to closer to £10,000 per week by the end of the year. However, the latest information at Quarter 1, shows a reduction in unit costs and this is now trending to remain below £7,000 per week to the end of the year.

- 1.5. These fluctuating trends reflect the volatility in this area as new children become looked after and some cease being looked after. The Council routinely monitors high need/high-cost placements which can significantly affect average unit costs and put intensive support in place to step children down from high-cost settings into family settings where it is safe to do so. For example, three children transitioned back home in Quarter 1 and 7 children who previously stepped down are stable in their current arrangements. This indicates the strength of the work done to ensure they are ready to step down. As part of the Council's work to prevent children coming into care, 8 Family Group Conferences have been held with families and their extended support networks, bringing them together to address concerns about children and develop plans for their care.

Graph 2 – Children looked after unit costs over time



- 1.6. In terms of other strategies to manage costs and the market, the Council continue to work with commissioning colleagues Pan London and with North Central London partners. This includes projects such as a new secure children's home and the

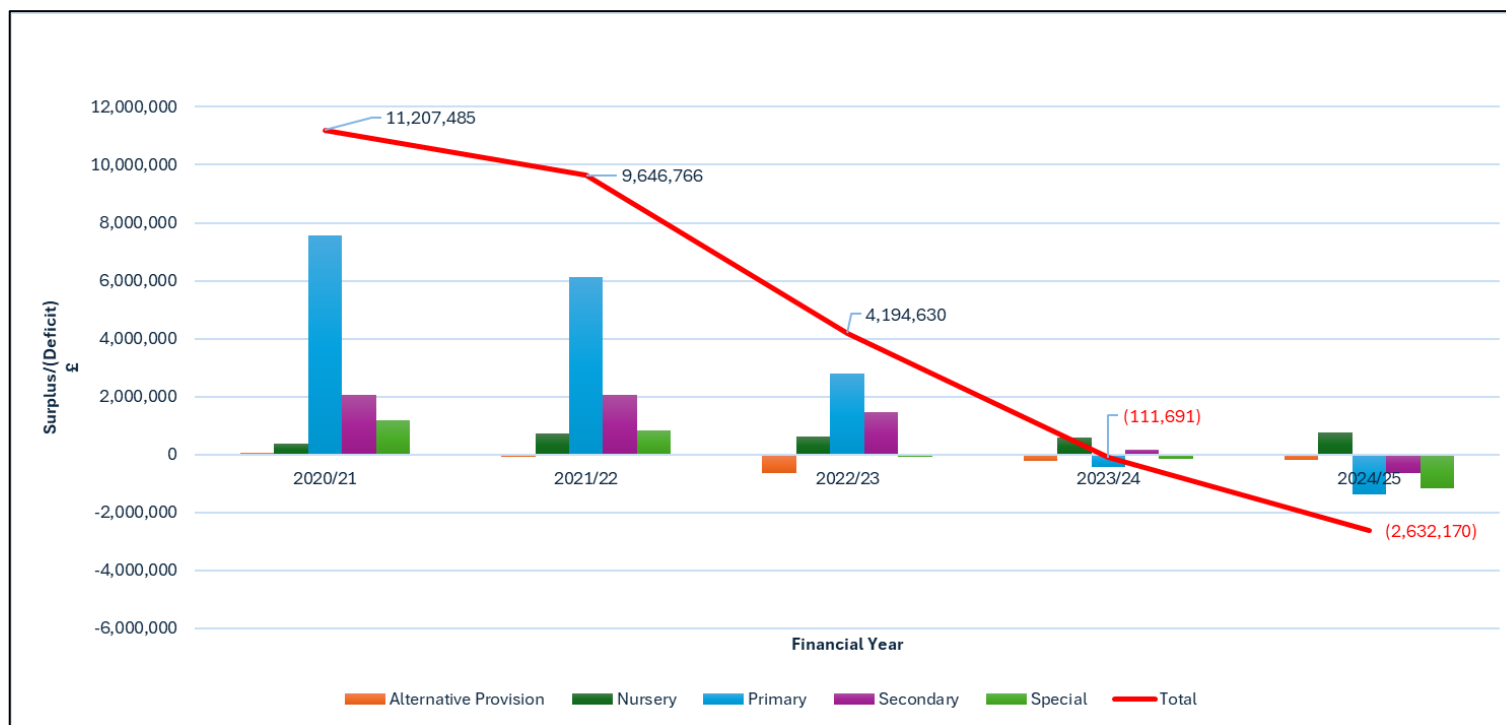
London Accommodation and Resettlement Pathfinder which offers specialist supported accommodation for children in the youth justice system.

- 1.7. Managing falling school rolls, arising from the decline in demand for reception places, has been the trend for many years now and it remains a London wide challenge. This significant fall in demand has implications for school budgets and their sustainability. Table 1 below shows the falling number of school places in Haringey since 2018/19 and the projected decline in future years. The Council are working closely with schools on their budget deficits however where it is known that a school has had to close as a result of falling roles, the deficit becomes a pressure for the council. Graph 3 below shows that schools have moved from a surplus of £11.2m in 2020/21 to a deficit of £2.6m in 2024/25. Services are currently supporting Tiverton Primary School which is closing with a deficit and are working through what the final budget position will be on St Gilda's and St Peter in Chains.

Table 1: Reception projections

Intake year	Reception aged pupils	Number of school places across borough	% of reception surplus	Deficit/surplus No. of places	Equivalent Form of Entry (fe)
2018/19	3,029 (actual)	3,290	7.9%	261	9fe
2019/20	2,952 (actual)	3,296	10.4%	344	12fe
2020/21	2,934 (actual)	3,236	9.3%	302	10fe
2021/22	2,683 (actual)	3,088	13.1%	405	13fe
2022/23	2,720 (actual)	3,026	10.1%	306	10fe
2023/24	2,652 (actual)	3,056	13.2%	404	13fe
2024/25	2,657 (actual Jan 2025)	2,910	8.7%	253	8fe
2025/26	2,544	2,820	9.8%	276	9fe
2026/27	2,581	2,820	8.5%	239	8fe
2027/28	2,448	2,820	13.2%	372	12fe
2028/29	2,476	2,820	12.2%	344	11fe
2029/30	2,453	2,820	13.0%	367	12fe
2030/31	2,446	2,820	13.3%	374	12fe
2031/32	2,441	2,820	13.4%	379	13fe

Graph 3: School deficits



DEDICATED SCHOOLS GRANT (DSG)

- 1.8. The service is forecasting an overspend position of £2.97m on the Dedicated Schools Grant. The Safety Valve programme continues to be a focus to deliver savings and efficiencies to bring the DSG spend back to budget over the next 5 years. The main pressure remains in the High Needs Block where the budget is £60.8m and is projected to be off target for the in-year balance by £2.97m. This is £1.5m off target as set out in the Safety Valve agreement.
- 1.9. The increase in spend is driven by two main contributory factors: Cost of, and inflation for, Independent and Non-Maintained Special School (INMS) placements which is far exceeding the budget available. There has also been re-banding of children from lower bands to higher bands due to increasing complexity of need which has helped to mitigate and avoid the costs of

moving these children to INMS. Analysis is underway to understand the movement of bandings by need and school to inform a targeted approach moving forward.

SCHOOLS BALANCES

- 1.10. Due to the timing of the end of the summer term and reporting for Quarter 1 it was not possible to receive sign off forecasts for all schools. A full update will be provided for Quarter 2.
- 1.11. Tiverton Primary School closed at the end of August 2025, any deficit at that point together with final redundancy costs will need to be met by the council. To note, St Gilda's and St Peter in Chains primary school are planned to close in December 2025.

2025/26 Savings

- 1.12. Against a full year savings target of £3.1m, the directorate are forecasting 20% delivery of their savings. The table below sets out the full details of the savings and delivery forecast.

Cabinet Decision Date	Saving proposal	2025/26 £'000s	2025/26 Projected Full Year Savings £'000s	2025/26 Savings (surplus)/ shortfall £'000s	RAG Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status
Feb-24	John La Rose Bursary	-15	-15	0	Green	On track to deliver
Feb-24	Maya Angelou Package of Services	-75	-75	0	Green	On track to deliver
Feb-24	Youth Services reduction Option 1	-50	-50	0	Green	Delivered and deducted from budget.
Feb-24	Expand the provision at Stonecroft through the development of the site to enable taking of more children	-100	-100	0	Green	On track to deliver
Feb-24	Remove the balance of the John La Rose funding and run the scheme on sponsorship only whilst allowing for	-80	-30	-50	Red	Working to identify sponsors but envisage that this will take longer to implement and therefore not fully achieved until 2026/27.

Cabinet Decision Date	Saving proposal	2025/26 £'000s	2025/26 Projected Full Year Savings £'000s	2025/26 Savings (surplus)/ shortfall £'000s	RAG Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status
	some administration support to administer the scheme					
Feb-24	Pendarren House - This proposal is for Pendarren Activity Centre to become fully self-funded and therefore reduce the Council's contribution.	-25	-25	0	Green	Outturn resulted in a pressure. Business case needs to be drafted by the centre manager to explain methodology for making the centre self-funding but additional income expected to be achieved by the year end.
Feb-24	Digital Transformation Savings - Digital Savings - Directorate Allocation	-540	0	-540	Red	Working with Digital colleagues to identify how this can be achieved. Initial discussions in relation to business cases that are in development indicate some savings and efficiencies are likely but identifying £772K to meet the budget reduction is now very unlikely (£540K of digital savings in the current year and £232K in 24/25).
Feb-24	CS 5% Staff saving	-2,180	-310	-1,870	Red	We have reviewed all of our structures and identified £529k over 2 years, £301k of this in 25-26.
Total		-3,065	-605	-2,460	Red	

Capital Forecasts

REF	SCHEME NAME	2024/25 Capital Slippage £,000	2025/26 Original Budget £,000	2025/26 Revised Budget £,000	Forecast Outturn 2025/26 £,000	2025/26 Qtr. 1 Slippage £'000	Variance £,000	RAG Status on: Budget Budget	RAG Status on: Time Time	RAG Status on: Scope Scope	Scheme Progress Comments
101	Primary Sch - repairs & maintenance	1,388	2,450	3,838	3,576	(115)	(147)	Green	Green	Green	Due to the nature of the school year, the majority of works should be carried out during the summer holidays and invoiced in September/October, meaning the majority of invoices will be paid in Q3. £240k of estimated reactive works during winter have been allowed for, with payment in Q4. One project has been postponed and will now be tendered for in Q4, for delivery in 2026/27, accounting for £115k of the underspend in the current year.
102	Primary Sch - mod & enhance (Inc SEN)	(596)	9,748	9,152	3,496	(5,656)	0	Green	Amber	Red	The programme for this FY has needed extensive adjustment to remain within budget in subsequent years. This has delayed delivery while projects are value engineered and broken down into phases to ensure they are affordable. The underspend is needed in future years to ensure that the amended scope of those schemes that underwent feasibility in 24/25 can be fully funded, and a Statement of Need has been

REF	SCHEME NAME	2024/25 Capital Slippage £,000	2025/26 Original Budget £,000	2025/26 Revised Budget £,000	Forecast Outturn 2025/26 £,000	2025/26 Qtr. 1 Slippage £'000	Variance £,000	RAG Status on: Budget Budget	RAG Status on: Time Time	RAG Status on: Scope Scope	Scheme Progress Comments
											submitted for the balance of funding to meet all the needs identified. The budget has been given a green RAG status as the in-year scope has been refined to make it affordable, but the scope has a red RAG status as a result of these changes.
104	Early years	25	0	25	25		0	Green	Green	Green	Project on track. This budget is in relation to the DfE - Childcare Expansion Capital Grant
105	RAAC Schools	251	0	251	379		128	Red	Green	Green	The identified spend for RAAC is for temporary classroom hire at Park View and the estimated costs of taking the remediation scheme to RIBA 2 to enable DfE to confirm the funding for the roof replacement scheme on that site. Budget has been given a red RAG status as it exceeds that originally allocated for this FY.

REF	SCHEME NAME	2024/25 Capital Slippage £,000	2025/26 Original Budget £,000	2025/26 Revised Budget £,000	Forecast Outturn 2025/26 £,000	2025/26 Qtr. 1 Slippage £'000	Variance £,000	RAG Status on: Budget Budget	RAG Status on: Time Time	RAG Status on: Scope Scope	Scheme Progress Comments
110	Devolved Sch Capital	0	531	531	504	(27)	0	Green	Green	Green	This capital budget is transferred directly to schools

REF	SCHEME NAME	2024/25 Capital Slippage £,000	2025/26 Original Budget £,000	2025/26 Revised Budget £,000	Forecast Outturn 2025/26 £,000	2025/26 Qtr. 1 Slippage £'000	Variance £,000	RAG Status on: Budget Budget	RAG Status on: Time Time	RAG Status on: Scope Scope	Scheme Progress Comments
114	Secondary Sch - mod & enhance (Inc SEN)	581	1,629	2,210	2,278		68	Red	Green	Amber	The majority of the spend in this FY is needed to meet the contractual commitments for Fortismere School. This project is already underway and should be completed in this FY. The only other project planned for delivery in this year is to undertake essential works to Hornsey School for Girls to address mainly electrical issues. Both schools are included in the DfE's School Rebuilding Programme, but the planned works are essential to avoid any disruption to learning in the period before the DfE projects are completed. Budget has been given a red RAG status as it exceeds that originally allocated for this FY.

REF	SCHEME NAME	2024/25 Capital Slippage £,000	2025/26 Original Budget £,000	2025/26 Revised Budget £,000	Forecast Outturn 2025/26 £,000	2025/26 Qtr. 1 Slippage £'000	Variance £,000	RAG Status on: Budget Budget	RAG Status on: Time Time	RAG Status on: Scope Scope	Scheme Progress Comments
121	Pendarren House	0	457	457	125	(228)	(104)	Amber	Red	Green	The multi-disciplinary team have been appointed and are in process of completing the RIBA 1 Stage Report which is due to be presented to the Gateway in early August 25. Works are due to commence in Feb 2026 hence the slippage of part of the budget into 2026/27.
124	In-Borough Residential Care Facility	128	2,900	3,028	381	(2,647)	0	Green	Green	Green	The financial forecast is a mix of actuals which have invoiced for the project designs for the overnight respite which is due to open in December 2025. Any underspend will need to be carried forward for future projects which be delivered such as the parent and child unit project.

REF	SCHEME NAME	2024/25 Capital Slippage £,000	2025/26 Original Budget £,000	2025/26 Revised Budget £,000	Forecast Outturn 2025/26 £,000	2025/26 Qtr. 1 Slippage £'000	Variance £,000	RAG Status on: Budget Budget	RAG Status on: Time Time	RAG Status on: Scope Scope	Scheme Progress Comments
125	Safety Valve	(475)	8,561	8,086	3,446	(4,640)	0	Green	Green	Green	The financial forecast is a mixture of actuals for Alexandra Primary and The Brook both of which will open September 2025 and indicative figures for schemes that have not commenced (St Marys) but will be drawn down as the works are completed. Any underspend needs to be carried forward as this capital funding is committed but has not yet been tendered for and will be spent in the next financial years. The SV budget is ringfenced budget.

REF	SCHEME NAME	2024/25 Capital Slippage £,000	2025/26 Original Budget £,000	2025/26 Revised Budget £,000	Forecast Outturn 2025/26 £,000	2025/26 Qtr. 1 Slippage £'000	Variance £,000	RAG Status on: Budget Budget	RAG Status on: Time Time	RAG Status on: Scope Scope	Scheme Progress Comments
126	Children's Services LiquidLogic Implementation	0	2,000	2,000	220	(1,780)	0	Green	Green	Green	Work is underway to scope requirements to implement the group work module across children centres. If it is deemed not to be essential at this time, there will be no requirement to draw down any funding for this financial year. There is also work underway to initiate a number of initiatives under service modernisation to deliver savings for Children's Services.
127	Art Council Music Hub	579	0	579	579		0	Green	Green	Green	Project on track. This budget is in relation to funding from Arts Council England's Capital equipment (musical instruments)
Children's Services		1,881	28,276	30,157	15,009	(15,093)	(55)				

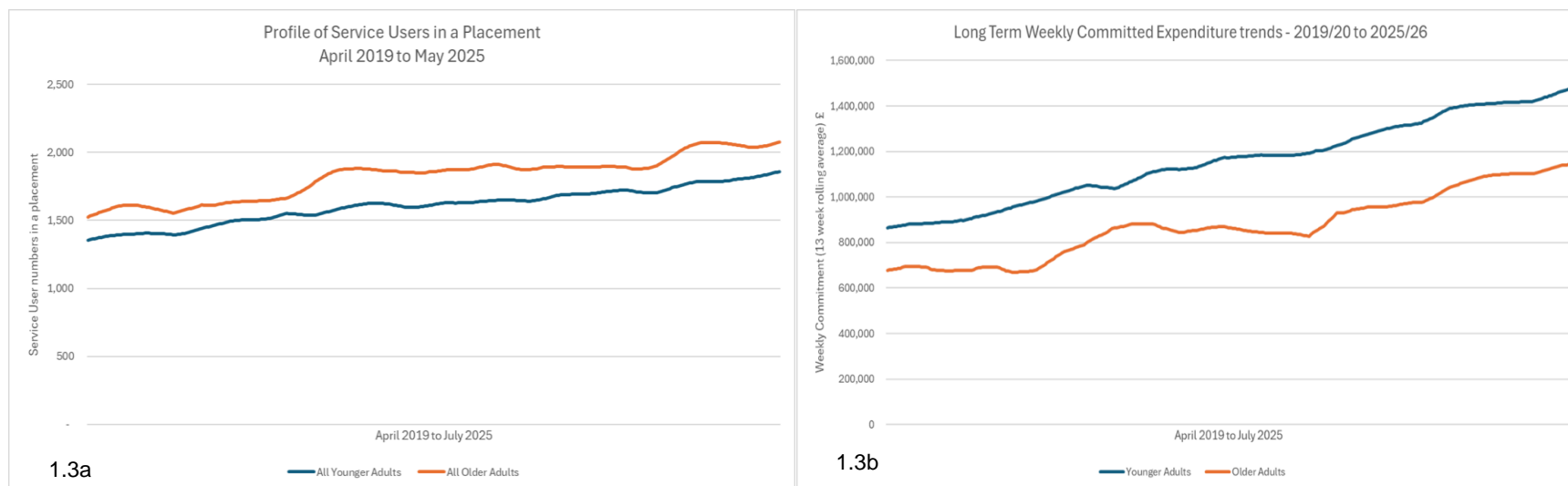
Appendix 2 – Adults Directorate Level Forecasts.

- 1.1. The table below provides the full year forecast across the Adults, Housing and Health Directorate, followed by more detailed explanations for any under or overspends that are forecast for the year.

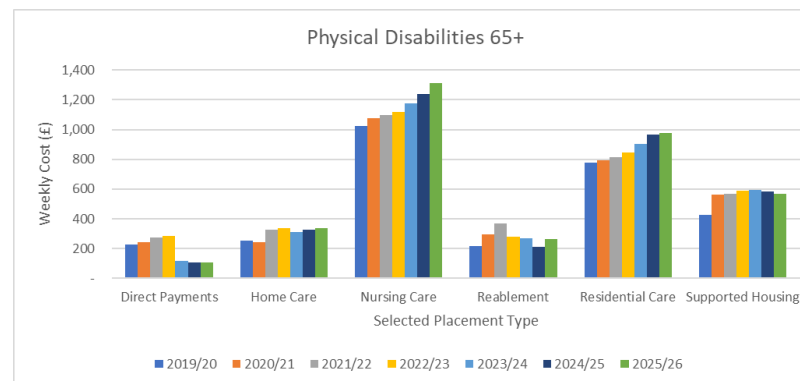
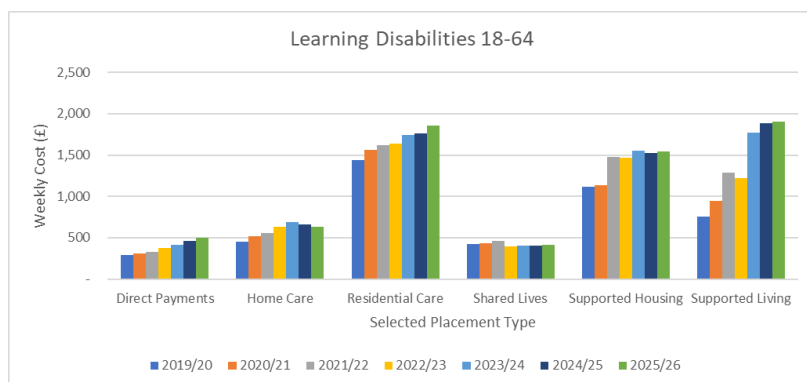
Management Area	Revised 2025/26 Budget	Q1 Outturn Forecast	Q1 Forecast to Budget Variance
	£'000	£'000	£'000
Adult, Housing and Health	154,259	173,250	18,991
Director of Adult & Social Services	104,777	112,338	7,561
Housing Demand	29,452	40,882	11,430
Director of Public Health	19,556	19,556	0
Assistant Director for Commissioning	474	474	0

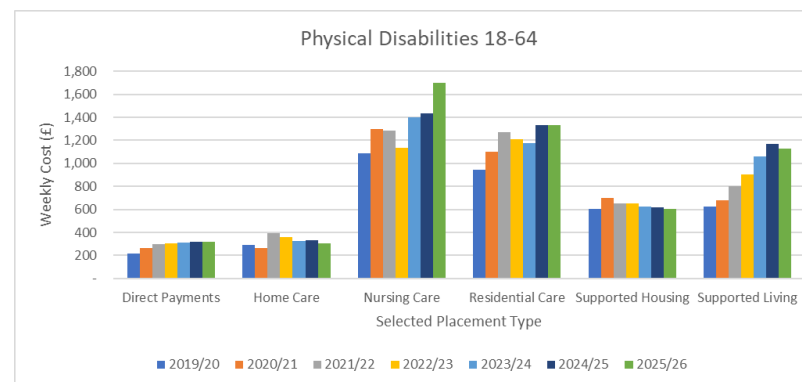
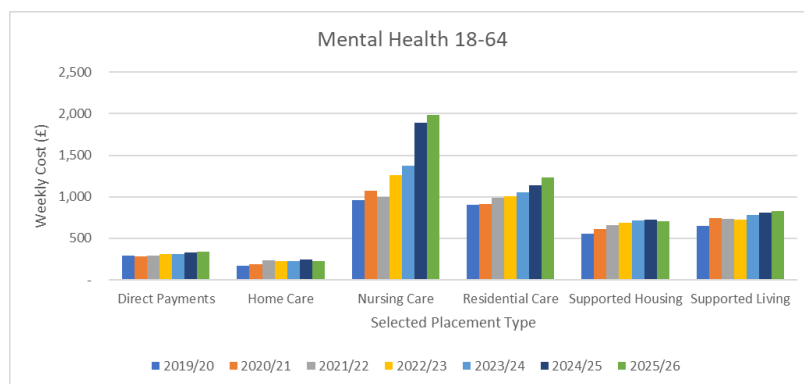
ADULT & SOCIAL SERVICES

- 1.2. As at Quarter 1 Adult Social Care (ASC) is reporting an overspend of £7.6m (which represents a 7.2% overspend against the net budget) which reflects the volatility of demand-led budgets, where increasing complexity of need and price and inflationary pressures are difficult to predict. Work is underway to strengthen and improve forecasting, and the Council are working with The Local Government Association and Association of Directors of Adult Social Services through Partners in Care and Health and commissioned providers to develop a predictive analysis and data modelling tool. This will not only strengthen ability to forecast demand and cost pressures locally, but it will become a valuable resource for the wider sector in the future.
- 1.3. The chart below (1.3a) shows the rolling 13-week average number of residents accessing services in a placement (on a weekly basis) to reflect the increase in demand for services. Numbers of older adults have increased by 34% and younger adults have increased by 30% between 1st April 2019 and 31st July 2025.



- 1.4. The chart above (1.3b), over the reporting period April 2019 to July 2025, weekly commitments have increased by 64% for older adults and by 60% for younger adults, to £1.144m per week for older adults and £1.482m per week for younger adults.
- 1.5. The weekly cost of a placement reflects both the payment to the provider and support needs of the individual supported, the charts below set out the average weekly placement cost for the four main areas of support needs across the age bands and for the main types of care provided. The headlines are, as follows, a residential placement for a younger adult with learning disabilities needs is currently costing £1860pw up from £1440pw in 2019/20 +29% and a Nursing placement for an older adult with physical disability needs is currently costing £1315pw compared to £1022pw in 2019/20 +29%





- 1.6. A robust approach continues to be taken to ensure that independence is maximised for new placements and that a fair price is being paid for care, with a proactive approach taken on market management. Opportunities to maximise joint funding with Health continue, to ensure that contributions towards care are agreed as early as possible. The Council is also further enhancing the offer to better signpost residents to non-statutory and community services that best meet their needs. The cost a homecare package across all support need categories has not materially increased despite increased in hourly rate to reflect London living wage and provider costs, reflecting overall a reduction on the average number of hours provided to individuals.

2025/26 Savings

- 1.7. Against a full year savings target of £3.96m, subject to the risks set out below, Adult Social Care are forecasting delivery of the majority of their savings. The table below sets out the full details of the savings and delivery forecast.

Adults Social Care

Cabinet Decision Date	Saving proposal	2025/26 £'000s	2025/26 Projected Full Year Savings £'000s	2025/26 Savings (surplus)/ shortfall £'000s	RAG Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status
Feb-24	Transitions	-1,152	-1,152	0	Green	Savings delivery on track.
Feb-24	Resettlement (not ASC)	-150	-150	0	Green	On track to be delivered in full.
Feb-25	Staffing Savings for Adult Social Services	-1,280	-1,280	0	Green	On track to be delivered in full.
Feb-25	Connected Communities Service	-700	-700	0	Green	On track to be delivered in full. Staff consultation complete.
Feb-25	Developing Community Support model	-181	-181	0	Amber	Project was initially delayed due to the need to mobilise external capacity to support. The project is now in-flight and work underway to mitigate any risk to savings.
Feb-25	Review Reablement model	-100	-100	0	Green	On track to be delivered by service efficiencies
Feb-25	Supported Living contract	-400	-400	0	Amber	Progress has suffered delays in recruiting the commissioning expertise required, but recruitment is now underway. Part delivery expected in 25/26 with the rest in the following financial year.
Total Directorate		-3,963	-3,963	0	Green	

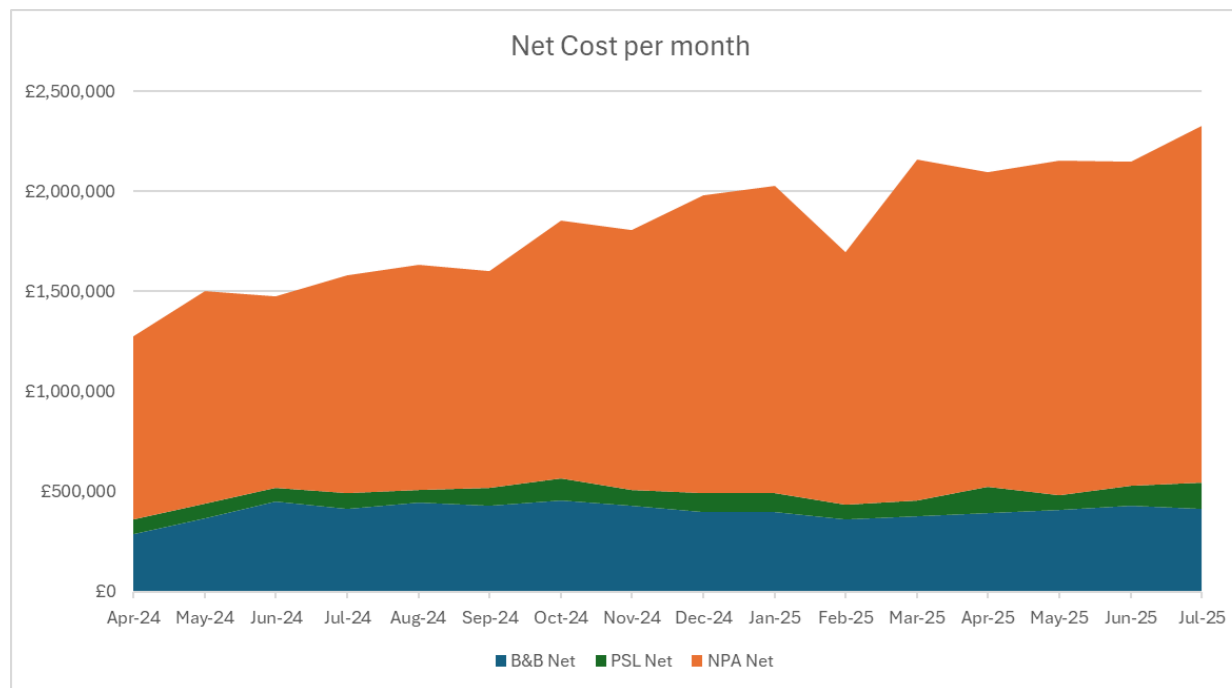
ADULT'S HOUSING DEMAND

- 1.8. As at Quarter 1, Housing Demand is forecasting an £11.4m overspend.
- 1.9. Overall numbers in temporary accommodation (TA) continue to decrease, as a result of strong performances in both prevention and outflow from TA. The cost pressure remains as a result of the increasing cost of NPAs (Nightly Purchased Annex accommodation), which is increasing at a rate of 18% per annum (compared to 10% increase assumed when the budget was set), and the loss of more cost-effective forms of TA such as PSLs and Council stock. Work remains ongoing to reduce the

number of people in TA and to procure on a value for money basis to drive down costs. The Council are on track to deliver mitigations including:

- The decant of a high cost NPA cohort
- A hotel consolidation programme including a full decant and cease of use of a commercial hotel
- The implementation of the rent convergence programme

The chart below shows that at April 2024, the net position was £1.275m per month but by July 2025 has risen to £2.327m (+83%)



- 1.10. Over the period April 2024 to July 2025 the number of units available has increased from 1,850 to 2,148 B&B, whilst comprising currently 18% of net cost has fluctuated between £66 per night to £83 and is currently £76 per night. Significantly, NPA has increased from £21 per night to £35 per night in July 2025.

2025/26 Savings

- 1.11. Against a full year savings target of £3.4m, Housing Demand are forecasting 100% delivery of their savings. The table below sets out the full details of the savings and delivery forecast.

Adults Housing Demand

Cabinet Decision Date	Saving proposal	2025/26 £'000s	2025/26 Projected Full Year Savings £'000s	2025/26 Savings (surplus)/ shortfall £'000s	RAG Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status
Feb-25	Holding Vacancies across HD 5% Housing Related Support	-25	-25	0	Green	On track to deliver in full
Feb-25	Holding Vacancies across HD-5% TA and Homelessness	-400	-400	0	Green	On track to deliver in full
Feb-25	Housing Related Support (HRS) Contract Saving	-412	-412	0	Green	On track to be delivered in full - the service has already negotiated with providers to reduce contract values
Feb-25	More Cost-Effective Sources of Temporary Accommodation - The delivery of this saving is through the combination of a number of initiatives to reduce the overall cost of homes secured for temporary accommodation and to increase the amount of Local Housing Allowance recouped by the Council.	-2,600	-2,600	0	Amber	Savings are on track with the exception of the rent convergence workstream, which was expected to increase rents from 1 April but has been delayed until September and whilst the full year affect will not be achieved it will be delivered in full by the next financial year. The impact of this will be better understood by Q2.
Total		-3,438	-3,438	0	Green	

PUBLIC HEALTH

1.12. As at Quarter 1, Public Health is projecting a breakeven position. Any underspend at the year-end will be transferred to the Public Health Reserve or any overspend will require a drawdown from reserve.

2025/26 Savings

1.13. Against a full year savings target of £295,000, Public Health are forecasting 100% delivery of their savings. The table below sets out the full details of the savings and delivery forecast.

Adults Public Health

Cabinet Decision Date	Saving proposal	2025/26 £'000s	2025/26 Projected Full Year Savings £'000s	2025/26 Savings (surplus)/ shortfall £'000s	RAG Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status
Feb-24	0-19 years Public Health Nursing Services efficiencies	-150	-150	0	Green	
Feb-25	Deletion of Public Health Business Support Post	-37	-37	0	Green	
Feb-25	Vacancy Factor savings for Public Health	-108	-108	0	Green	
Total		-295	-295	0	Green	

Capital Forecasts

REF	SCHEME NAME	2024/25 Capital Slippage £,000	2025/26 Original Budget £,000	2025/26 Revised Budget £,000	2025/26 Forecast Outturn £,000	2025/26 Qtr. 1 Slippage	Variance £,000	RAG Status on: Budget	RAG Status on: Time	RAG Status on: Scope	Scheme Progress Comments
201	Aids, Adaptations & Assistive Tech -Home Owners (DFG)	282	2,200	2,482	3,606	1,124	(0)	Green	Amber	Green	It is anticipated that the full budget will be spent by the end of the financial year. The amber refers to the fact that the Council were behind the scheduled spend profile, but this is being addressed and will be reflected in the next quarterly report.
211	Community Alarm Service	0	177	177	177		0	Green	Green	Green	Assistive technology expenditure is planned and in progress
213	Canning Crescent Assisted Living	297	0	297	682	385	0	Green	Amber	Green	The budget increase as per the Cabinet Member Signing noted a total spend of £6.417m. Canning Crescent due to be completed end of August with opening planned in the Autumn.
225	Locality Hub	0	338	338	(2)		(340)	Amber	Red	Amber	Scheme is on hold pending review of business case. If progressed scheme likely to be funded through HRA.
226	Initiatives under Housing Demand Programme	0	10,000	10,000	4,850	(5,150)	0	Green	Green	Green	Projections are based on delivery requirements of the GLA CHAP programme. There are 100 acquisitions due under this programme through 2025/26 and 2026/7 with an average of £50k per property provided from the GF allocated to support this project.
Adults, Housing & Health		579	12,715	13,294	9,313	(3,641)	(340)				

Appendix 3 – Culture, Strategy and Communication Directorate Level Forecasts.

- 1.1. The table below provides the full year forecast across the Culture, Strategy and Communication Directorate followed by more detailed explanations for any under or overspends that are forecast for the year.

Management Area	Revised 2025/26 Budget	Q1 Outturn Forecast	Q1 Forecast to Budget Variance
	£'000	£'000	£'000
Culture, Strategy and Communities	11,976	12,471	494
Electoral Services	835	941	107
Local Democracy	2,980	2,950	-31
Legal Services	633	606	-26
Assistant Directorate of Corporate Governance	518	518	0
Human Resources	267	207	-59
AD for Transformation & Resources	515	515	0
Libraries	3,074	3,452	378
Strategy, Communication & Collaboration	-277	-124	153
Culture, Museum & Archives	963	936	-27
Placemaking and Communities	2,471	2,470	0

- 1.2. At Quarter 1 CSC is reporting a projected overspend of £494,000. The main driver is **Libraries (£378,000)** due to a combination of a delay to implementation of reduced opening hours (now planned for September) to allow for a review of affected staff terms and conditions, ongoing income pressures and un-met digital transformation savings. The two other key pressures are:

- 1.3. **Strategy & Communications (£153,000)** where it is expected that the pre-existing stretch commercial income targets that are assumed as part of the agreed budget will prove challenging to achieve.
- 1.4. **Electoral Services (£107,000)** due to the cost of Household Notification Letter (HNL) activity i.e. issuing the HNL to all residential properties in February of a scheduled poll year; and additional costs arising from the postal vote renewals requirement which requires all postal voters whose applications are over three years old to reapply by 31 January 2026 (which affects 85% of our postal voters).

2025/26 Savings

- 1.5. Against a full year savings target of £1.7m, the directorate are forecasting 86% delivery of their savings. The table below sets out the full details of the savings and delivery forecast.

Cabinet Decision Date	Saving proposal	2025/26 £'000s	2025/26 Projected Full Year Savings £'000s	2025/26 Savings (surplus)/ shortfall £'000s	RAG Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status
Feb-24	Reduce publication of Haringey People from 4/5 issues per year to 2 or 3.	-20	-20	0	Green	3 issues of Haringey People will be produced this year. This will deliver the savings.
Feb-24	NGDP Graduates	-150	-150	0	Green	Saving will be delivered, however Corporate Directors took the decision to fund one graduate each from their own service budgets, so graduates will continue to be recruited.
Feb-25	New Local Membership - The proposal is not to renew our membership of the New Local think tank.	-20	-20	0	Green	Notice on membership has been given and so no invoice will be generated by New Local.
Feb-25	Residents Survey - Remove the annual budget provision	-25	-25	0	Green	Completed
Feb-25	LG - reduction in elections franking cost	-6	-6	0	Green	Due to legislative changes, the Council must contact 28,000 voters to renew their

Cabinet Decision Date	Saving proposal	2025/26 £'000s	2025/26 Projected Full Year Savings £'000s	2025/26 Savings (surplus)/ shortfall £'000s	RAG Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status
						application by the end of January. Although funding only covers one letter, with local government elections in May 2026, it's been agreed that additional mailings are necessary to help maintain voter turnout and ensure voters retain their postal vote. These additional mailings could offset printing and postage savings made elsewhere within the service
Feb-25	Registrars - Statutory fees income achievement	-90	-90	0	Green	Fees increase has been applied but bookings are down which may put this at risk; currently mitigated through other bookings being higher e.g. citizenship ceremonies.
Feb-25	Culture - Review discretionary culture budgets, which support cultural organisations in the borough through grant funding and commissioning to deliver the Council's civic and cultural programmes.	-25	-25	0	Green	Review carried out and revised budgets in place for this year's cultural programming.
Feb-23	Digital Transformation Savings	-236	0	-236	Amber	The only current service modernisation project in CSE is Infreemation implementation. This is in delivery phase but any savings deliverable following the digital change will not deliver saving in this year due to timescales for any restructure. It will also be unlikely to make savings on this scale. Further digital opportunities within CSC will be explored in 2026/27 once the Digital Roadmap has been developed.

Cabinet Decision Date	Saving proposal	2025/26 £'000s	2025/26 Projected Full Year Savings £'000s	2025/26 Savings (surplus)/ shortfall £'000s	RAG Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status
Feb-25	Dir share of 5% CSC staff savings	-8	-8	0	Green	Achieved
Feb-25	Legal & Governance share of 5% CSC staff savings	-427	-427	0	Green	Achieved through mix of not filling vacant posts, annual leave and reduction in agency use.
Feb-25	Human Resources share of 5% CSC staff savings	-210	-210	0	Green	Most of the savings are through vacancy factors, which will be delivered as the year progresses. A lesser amount is from vacant posts.
Feb-25	Strategy and Communications share of 5% CSC staff savings	-209	-209	0	Green	All changes are being implemented. Where a restructure was required, this has been completed.
Feb-25	Culture & Communities share of 5% CSC staff savings	-43	-43	0	Green	Complete – to be found through non-staffing budget mitigations
Feb-25	CSC share of 5% Placemaking staff savings.	-233	-233	0	Green	There is a £233k saving in 2025/26 and a further £200k saving in 26/27 to make in Placemaking and Community Development. On track to achieve 25/26 £100k and alternative mitigations will be found for the shortfall. Plans are still to be developed for achieving the 2026/27 further £200k saving.
Total Directorate		-1,701	-1,465	-236	Amber	

Capital Forecasts

REF	SCHEME NAME	2024/25 Capital Slippage £,000	2025/26 Original Budget £,000	2025/26 Revised Budget £,000	2025/26 Forecast Outturn £,000	2025/26 Qtr. 1 Slippage	Variance £,000	RAG Status on: Budget	RAG Status on: Time	RAG Status on: Scope	Scheme Progress Comments
402	Tottenham Hale Streets	(234)	2,158	1,924	1,065	(859)	(0)	Green	Green	Green	Early spend in 25/26 comprises outstanding costs for Chestnut Phase 2 and income from Ashley Road in relation to S278. Ongoing costs include commuted sums for maintenance and fees. New capital for Ferry Lane Bridge and c. £320k will need to be added to Paddock (for Thames Water income)
404	Good Economy Recovery plan	0	0	0	51	0	51	Green	Green	Green	60,000 is for the GLA Green Creative Industries Grants, where GLA provides funds to be passed to businesses to reduce energy costs and carbon emissions with capital physical works). -
406	Opportunity Investment Fund (OIF)	1,358	0	1,358	1,358	0	0	Green	Green	Green	OIF business loans are funded via the OIF loan reserve and business loan repayments, plus the capitalised administration of the OIF loan programme. OIF and Productive Valley Fund are ringfenced sums.
408	Down Lane Park	1,044	2,591	3,635	828	(2,154)	(653)	Amber	Amber	Amber	Slippage in programme due to review of scope requiring design changes. New design team tender completed and due to be appointed by August 25.

REF	SCHEME NAME	2024/25 Capital Slippage £,000	2025/26 Original Budget £,000	2025/26 Revised Budget £,000	2025/26 Forecast Outturn £,000	2025/26 Qtr. 1 Slippage	Variance £,000	RAG Status on: Budget	RAG Status on: Time	RAG Status on: Scope	Scheme Progress Comments
421	HRW Acquisition	1,304	4,600	5,904	5,469	(435)	(0)	Green	Amber	Amber	The Council has contractual arrangements with Lendlease pursuant to CPOIA to acquire land interests. The Council has secured CPO powers for Phase A which need to be exercised by Mar 2027. The delivery strategy for HRW is currently under review between Council and Lendlease due to viability issues, with the aim to unlock an early phase for development. Notwithstanding these challenges, acquisitions are continuing to progress, particularly residential leasehold buybacks to meet housing commitments to residents and to minimise the need to utilise CPO powers. Projections allow for acquisitions to continue at a steady rate across 2025/26, increasing pace towards end of FY before accelerating in 2026/27. Scheme consultancy fees including legal and property advice are also allowed for within the budget.
430	Wards Corner Development	238	0	238	0	0	(238)				Decision still required on CPO next steps.
431	Gourley Triangle Development	253	0	253	0	0	(253)	Green	Green	Green	The underspend on this scheme will be transferred to Scheme 488 to support delivery against FHSF committed projects.

REF	SCHEME NAME	2024/25 Capital Slippage £,000	2025/26 Original Budget £,000	2025/26 Revised Budget £,000	2025/26 Forecast Outturn £,000	2025/26 Qtr. 1 Slippage	Variance £,000	RAG Status on: Budget	RAG Status on: Time	RAG Status on: Scope	Scheme Progress Comments
447	Alexandra Palace - Maintenance	0	470	470	470	0	0	Green	Green	Green	Project on track.
455	Replacement Cloud based IT solutions for Planning, Building Control & Land Charges	60	0	60	60	0	0	Green	Green	Green	Project on track.
458	SIP - Northumberland PK BB & WorkSpace/Biz Support	475	0	475	921	446	0	Green	Green	Green	Budget expected to be fully spent in year. Main spend will be the final phase of the broadband and 390,000 of SIP2 for workspace projects and the remainder the SIP2 business support.
459	Wood Green Regen Sites	433	1,355	1,788	(0)	(1,788)	(0)				This scheme has been amalgamated into scheme 480.
464	Bruce Castle	5	223	228	312	0	84	Amber	Amber	Green	Practical completion has been issued. Final account is being agreed and the project is in the defects liability period.

REF	SCHEME NAME	2024/25 Capital Slippage £,000	2025/26 Original Budget £,000	2025/26 Revised Budget £,000	2025/26 Forecast Outturn £,000	2025/26 Qtr. 1 Slippage	Variance £,000	RAG Status on: Budget	RAG Status on: Time	RAG Status on: Scope	Scheme Progress Comments
474	Tottenham High Road Strategy	542	1,061	1,603	1,603	0	(0)	Green	Green	Green	Delivery of Berol Collaborative & Ten 87 at £1.495m due for delivery by December 2025 and the remaining £10,000 (SMART budget) to be moved to 493.
478	Wood Green Good Growth Fund	(375)	0	(375)	0	375	0				This scheme has been amalgamated into scheme 480.
480	Wood Green Regen (2)	2,277	996	3,273	4,520	1,413	(166)	Amber	Green	Green	The underspend is proposed to be utilised to offset overspend in scheme 478.
483	Productive Valley Fund (SIP)	(160)	0	(160)	816	976	0	Amber	Amber	Green	PVF business loans funded via PVF business loan repayments. OIF and PVF funds are ringfenced funds.
488	Liveable Seven Sisters (LSS)	470	3,069	3,539	1,539	(2,000)	0	Amber	Amber	Green	PCL are in place to start delivery subject to necessary approvals. Likely capital delivery due in 26/27, reflecting need to slip £2m with commitment to deliver as per grant funding agreement.

REF	SCHEME NAME	2024/25 Capital Slippage £,000	2025/26 Original Budget £,000	2025/26 Revised Budget £,000	2025/26 Forecast Outturn £,000	2025/26 Qtr. 1 Slippage	Variance £,000	RAG Status on: Budget	RAG Status on: Time	RAG Status on: Scope	Scheme Progress Comments
493	Bruce Grove Yards (BGY)	662	875	1,537	2,115	0	578	Red	Green	Green	Costs for Q2 period for St Marks / shopfronts and Chestnut. In relation to public realm works, consultation has been completed for next phase (post Chestnut Ph3) and PCL are in place to start delivery of Stoneleigh Link Road from Q2. Costs include final payment for Public Convenience and early design work on Bruce Grove Youth Space. Overspend will be offset by 26/27 budget
330	Civic Centre Works	(1,205)	28,833	27,628	33,613	0	5,985	Green	Green	Green	The original Civic centre spend profile was set prior to having the contractor appointed as based on QS estimated profiling. The procurement allowed contractors to put forward alternative programmes for delivery, to help meet the councils budget and achieve cost savings, so cash flow forecast has changed. The current capital works forecast of £33.6m shows an accelerated spend of £6m, based on the actual appointed contractors cash flow and programme, This spend is within the overall Civic Centre budget based upon the current QS financial reporting. This position will be reviewed again in quarter two, with the intention of budget reprofile proposal.

REF	SCHEME NAME	2024/25 Capital Slippage £,000	2025/26 Original Budget £,000	2025/26 Revised Budget £,000	2025/26 Forecast Outturn £,000	2025/26 Qtr. 1 Slippage	Variance £,000	RAG Status on: Budget	RAG Status on: Time	RAG Status on: Scope	Scheme Progress Comments
630	Libraries IT and Buildings upgrade	219	500	719	400	0	(319)	Green	Amber	Amber	Carry forward requested. The people network provides digital inclusion to residents in the Borough of Haringey. The current Infrastructure is at its end of life and requires an upgrade and replacement. This includes replacing aged hardware and moving to Window 11, MS office and Windows Server 2019. Work has been taking place with Library as to the library offer as part of the planned new Libraries Strategy. The project has been delayed - other capital works underway as part of the accommodation strategy. Work has continued towards support for Library physical site and modernisation. Muswell Hill nearing completion; Alex Park and Highgate completed. Hornsey – Aerated concrete has been identified – work being assessed to the full scope of work required; Wood Green – extensive refurb work was scheduled to start and is being scoped. Marcus Garvey/Coombs croft, Stroud Green – refurb work has concluded. Libraries have a draft project scope and will be utilising the library strategy to further understand each library's requirement in terms of the digital offer, which could include

REF	SCHEME NAME	2024/25 Capital Slippage £,000	2025/26 Original Budget £,000	2025/26 Revised Budget £,000	2025/26 Forecast Outturn £,000	2025/26 Qtr. 1 Slippage	Variance £,000	RAG Status on: Budget	RAG Status on: Time	RAG Status on: Scope	Scheme Progress Comments
											enhancing self-service. This will be funded from the budget transfer from 2024/25 of £300,000.
631	Ally Pally - Counter Terrorism	0	182	182	182	0	0	Green	Green	Green	
632	Ally Pally - Risk to Life and Injury	0	286	286	286	0	(0)	Green	Green	Green	
633	Ally Pally - Risk to Compliance	0	1,194	1,194	1,194	0	(0)	Green	Green	Green	
634	Ally Pally - Invest to Earn	0	1,628	1,628	1,628	0	(0)	Green	Green	Green	Business case for this project close to formal approval; this is a loan which will be paid back over 4-5 years.
4005	SME Workspace Intensification	(29)	0	(29)	1,633	1,662	0	Green	Green	Green	1.5m has been used for the Opportunity Haringey Workspace project for Clarendon in Wood Green. Currently going through final stages of the grant funding agreement.

REF	SCHEME NAME	2024/25 Capital Slippage £,000	2025/26 Original Budget £,000	2025/26 Revised Budget £,000	2025/26 Forecast Outturn £,000	2025/26 Qtr. 1 Slippage	Variance £,000	RAG Status on: Budget	RAG Status on: Time	RAG Status on: Scope	Scheme Progress Comments
4010	Selby Urban Village Project	188	5,000	5,188	1,491	(3,697)	(0)	Amber	Red	Green	The funding profile for the MHCLG Levelling Up Fund spend for Selby Urban Village Phase 1 has been adjusted. This updated funding profile has been accepted and confirmed by MHCLG. The overall project (phase 1 and 2) was approved to go to tender in July 2025 for the mains works contract. This additional governance plus delays to the completion of the tender design and document package has resulted in a delay to the expected start on site date, which has risks for the programme and the external funding deadlines (GLA/ MHCLG). Time is therefore rated as red at this stage. Spend is less than anticipated as the start on site date for the project has been pushed into 2026/27, however this underspend is part of Levelling Up Funding and will be required in FY 26/27.
Culture, Strategy & Communities		7,525	55,022	62,547	61,553	(6,061)	5,068				

Appendix 4 – Finance and Resources Directorate Level Forecasts.

- 1.1. The table below provides the full year forecast across the Finance and Resources Directorate followed by more detailed explanations for any under or overspends that are forecast for the year.

Management Area	Revised 2025/26 Budget	Q1 Outturn Forecast	Q1 Forecast to Budget Variance
	£'000	£'000	£'000
FINANCE AND RESOURCES, OF WHICH	1,435	5,745	4,309
Capital Projects and Property	1,119	4,147	3,028
Finance	-39	331	369
Audit & Risk Management	23	26	3
Digital Services	800	1,668	869
Strategic Procurement	-575	-534	41
Chief Executive's Office	107	107	0

- 1.2. At Quarter 1 Finance and Resources is reporting a projected overspend of £4.3m.
- 1.3. The total forecast overspend for Capital Projects & Property Services (CPP) is £3.0m, driven mainly by a £700,000 overspend on the Corporate Property Model (CPM) and £2.4m on Strategic Property Services (SPS).
- 1.4. The £700,000 pressure was anticipated as part of the creation of the CPM and reflects the historical under-provision for property budgets within service areas. Now consolidated under CPP, these pressures are materialising, driven by Business Rates, energy, and security costs across the estate. Work is underway to review all budgets and identify opportunities for efficiencies before the year end now that all budgets are consolidated. This also includes a review of any income budgets that currently remain with previous services that have not yet been transferred.

1.5. The overspend of £2.4m in SPS is a result of the following:

- Staffing Costs – £400,000 driven by rising agency costs since 2024. There remains a high dependency of agency staff given challenges with recruitment. Due to the number of other restructures planned across the Directorate in 2025/26, it is unlikely that these costs will be addressed until 2026/27.
- Rents and Leasing (Income Shortfall (£1.7m) – There is extensive work underway to review the commercial property portfolio and up to date rent and lease reviews. While rent expenditure has been updated to reflect backdated reviews on headleases, the income forecast continues to reflect only current passing rents and does not account for potential uplifts from subleases where rent reviews are contractually due. The team have completed 37 lease events within the commercial portfolio in the 12 months to (date), generating additional income of £476,000 per year. However, there are still properties subject to review and so the historic underachievement of the income target remains which is subject to review. This won't close the gap but will mean a more accurate single version for financial reporting.
- Valuation Fees – £400,000. This shortfall emerged at the year end of 2024/25 and therefore was not corrected as part of the 2025/26 budget. Work is underway to review spend and if continues at this level as a result of the review of the commercial portfolio will be addressed as part of the 2026/27 budget process. A substantial portion may relate to work carried out on behalf of other service directorates and a review is underway to ensure these costs are appropriately recharged, so that CPP's valuation expenditure is not overstated.

1.6. The other large variance is in Digital & Change (£900,000). This is predominately due to the non-delivery of staffing related savings and the core 5% savings target (£500,000) that had been allocated to the service. Given the significant restructure that took place in 2024/25 and the delivery of £500,000 savings, further planned staffing changes with Digital Services will not take place until 2026/27. However, mitigations are being put in place across the whole Directorate to meet this shortfall from other services by holding vacancies, including across Digital Services and an update will be provided at Quarter 2. The remainder is a result of the share of Digital Transformation savings target (£100,000) and contract savings (£200,000). The service expects to deliver both savings, but precisely how is still being determined. On contracts there are a number of opportunities to be examined including Monday.com and cloud migration. In terms of digital transformation, this forms part of the Service Modernisation work currently underway. These savings will be identified by Quarter 2.

- 1.7. There remains a £400,000 pressure in Finance due to the dependency on high-cost interim staff which continues pending completion of the re-structure of the service that is now underway and expected to be complete for the end of the year. This overspend is expected to be addressed from April 2026.
- 1.8. Within the Strategic Procurement there is a small net pressure of £41,000. Although there is a pressure relating to the additional £200,000 DPS income target that was added to the budget in March 2024, as a result of changes arising from the Procurement Act this is no longer achievable, mitigations have been identified by holding further vacancies within the Operations team.

2025/26 Savings

- 1.9. Against a full year savings target of £3.6m, the directorate are forecasting 100% delivery of their savings. The table below sets out the full details of the savings and delivery forecast.

Cabinet Decision Date	Saving proposal	2025/26 £'000s	2025/26 Projected Full Year Savings £'000s	2025/26 Savings (surplus)/ shortfall £'000s	RAG Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status
Feb-24	Apply charges for non-LCP Dynamic Market Places 0.5% - 1% on c£40m of spend. Would include social care related categories. Can only be applied from 2025/26 due to Procurement Act not being in force until October 24	-200	-200	0	Amber	Changes to the Procurement Act brought in restrictions for use of Dynamic Markets for below threshold procurements. This essentially excludes any care contracts below c£550k. Therefore the Council had to establish a suite of dynamic purchasing systems (DPS) for the care categories ahead of the new Procurement Act coming into force. It is not possible to charge suppliers a fee on a DPS but alternative mitigations have been identified by holding staffing vacancies.

Cabinet Decision Date	Saving proposal	2025/26 £'000s	2025/26 Projected Full Year Savings £'000s	2025/26 Savings (surplus)/ shortfall £'000s	RAG Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status
Feb-24	Digital Savings - Directorate Allocation	-100	-100	0	Amber	Service Modernisation savings for the F&R directorate will be achieved through the Service Modernisation programme and likely come from digital budgets, but programme priorities mean Finance and Resources opportunities are likely to be in 2026/27 and therefore alternative mitigations are being identified.
Feb-21	Delayed Savings	-70	-70	0	Green	
Feb-24	Property Data project to maximise asset efficiency and develop a disposal pipeline	-443	-443	0	Amber	Data project is under review and being scoped, if is not able to proceed, there is a risk these savings may not be achieved but alternative mitigations will need to be found. Update to be provided for Q2.
Feb-24	Commercial portfolio - rental and other commercial opportunities	-75	-75	0	Green	Completed
Feb-24	Digital Transformation Savings - Digital Savings - Directorate Allocation (P&H)	-270	-270	0	Amber	Service Modernisation savings transferred from old Placemaking and Housing Directorate still need to be identified through the Service Modernisation roadmap work. Savings unlikely to be achieved until 2026/27 and in year mitigations are being identified.

Cabinet Decision Date	Saving proposal	2025/26 £'000s	2025/26 Projected Full Year Savings £'000s	2025/26 Savings (surplus)/ shortfall £'000s	RAG Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status
Feb-25	Asset Management - Continuation of current projects to review all rent and lease agreements within the commercial portfolio and a further reduction in operational sites for the delivery of Council services. Savings will be generated through increased rental income and capital receipts from the routine disposal of sites which will reduce the need for borrowing to deliver the capital programme.	-350	-350	0	Amber	Corporate cross cutting proposal: currently reviewing all rents and looking at underutilised operational buildings - this will identify options to improve utilisation or identify for disposal. New disposals Policy now in place following agreement by Cabinet on 17 June.
Feb-23	Digital Transformation Savings (Digital Services share of old CSE Dig Trans saving = £101k)	-101	-101	0	Amber	As with the F&R Digital savings, these will be delivered in the round as part of Service Modernisation work. Work to confirm these savings will follow on from the Adults and Children's roadmap development work. There is a risk they may not be delivered in year given capacity, but we are aiming to deliver.
Feb-25	Further reducing the cost of our digital estate through contract and licence reductions and can propose a further £200k for 2025/26, to come from Digital Service budgets.	-200	-200	0	Red	There are currently no plans to deliver this saving alongside the contracts savings in the Applications and infrastructure review below. Mitigations are still to be identified.
Feb-24	Digital and Change Restructure	-205	-205	0	Green	This saving is on track to be delivered.
Feb-24	Applications & infrastructure review	-200	-200	0	Green	This saving is on track to be delivered.

Cabinet Decision Date	Saving proposal	2025/26 £'000s	2025/26 Projected Full Year Savings £'000s	2025/26 Savings (surplus)/shortfall £'000s	RAG Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status
Feb-25	Digital - Service Desk - Efficiencies have already been made in the way the internal Digital Service desk is run as part of a major restructure of the Digital Service to deliver savings this year, however a review has identified additional measures to reduce staff demand on the service desk further.	-100	-100	0	Amber	This saving cannot be achieved as planned in 2025/26 but mitigations have been identified through staffing savings from elsewhere in the service and will be delivered in full in 2026/27.
Feb-25	Balance to deliver the total £430k Fin, Procurement & Audit target of the F&R 5% Staff saving	-260	-260	0	Green	
Feb-25	Staff Reduction in Strategic Procurement (5% FTE)	-100	-100	0	Green	Completed
Feb-25	Reduction in Finance and Accountancy Services across Business Partnering, Chief Accountant, Capital and Treasury Teams (5% FTE)	-70	-70	0		Finance Review underway with support from CIPFA. Engagement with Management Team has commenced and Senior Leadership planned for July. New structure expected to be in place from April 2026.
Feb-25	Digital & Change share of 5% CSC staff savings	-471	-471	0	Amber	As a result of the re-structure in Digital in 2024/25, the 5% staff savings cannot be achieved in 2025/26. However, mitigations are looking at savings across the whole Directorate to meet this shortfall, largely by holding vacancies pending, pending longer term reductions in 2026/27.
Feb-25	Finance and Resources share of 5% staff savings transferred from Placemaking and Housing	-364	-364	0	Amber	This is being achieved in 2025/26 by holding vacancies/realignment of salaries pending restructures within Corporate Property and Major Projects during the year.
Total		-3,579	-3,579	0	Amber	

Capital Forecasts

REF	SCHEME NAME	2024/25 Capital Slippage £,000	2025/26 Original Budget £,000	2025/26 Revised Budget £,000	2025/26 Forecast Outturn £,000	2025/26 Qtr. 1 Slippage	Variance £,000	RAG Status on: Budget	RAG Status on: Time	RAG Status on: Scope	Scheme Progress Comments
602	Corporate IT Board	409	860	1,269	775	(6)	(488)	Green	Green	Green	This scheme funds the capital investment required for the Service Modernisation Programme and the investment needed into digital tools that will improve the user experience and support the delivery of the £3m savings assumed on the revenue budget this year. Going forward projects and activities will be condensed into a single line. The underspend against the fund is due to the nature of the projects being associated with investment over a 2–3-year period. In addition, - the underspend in 2024/2025 - relating to capital support for S2P is no longer required but 300k (100k pa) has been retained to cover mandated SAP Enhancements to comply with legislative change until the new Solution is delivered.
604	Continuous Improvement	213	950	1,163	1,451	0	288	Amber	Green	Green	This scheme relates to the upgrade and support of core infrastructure. Current profiling indicates there will be an overspend this year, which will be managed through other digital capital budgets.
621	Libraries IT and Buildings upgrade	994	0	994	300	0	(694)				The Libraries Service is still developing its plans and strategy for its future operating model and as such work is paused until we are clearer on what needs to be delivered.

REF	SCHEME NAME	2024/25 Capital Slippage £,000	2025/26 Original Budget £,000	2025/26 Revised Budget £,000	2025/26 Forecast Outturn £,000	2025/26 Qtr. 1 Slippage	Variance £,000	RAG Status on: Budget	RAG Status on: Time	RAG Status on: Scope	Scheme Progress Comments
607	Financial Management System Replacement	114	0	114	1,830	0	1,716	Red	Green	Green	The current funding which was for initial discovery work has now been fully utilised. A report to Cabinet for additional funding is expected in the Autumn and is reflected in the forecast. If this is not approved, the project will be stopped.
624	Digital Together	120	0	120	120	0	0	Green	Green	Green	The £120,000 is fully committed - delivering digital inclusion within corporate buildings and building is due to complete in Q3.
625	CCTV Move and Replacement of end of Life Infrastructure	200	1,266	1,466	1,266	0	(200)	Green	Amber	Amber	Carry forward is requested whilst options for re-location are considered. based on future accommodation strategy and including a consolidated CCTV offer - based on the current services provided. The Council are committed to vacating River Park House where the service is currently located.
626	Corporate Data Platform	(152)	1,250	1,098	1,315	0	217	Red	Green	Green	The forecast assumes current contract and staffing resources are retained until March 2026. Includes estimated cost of £112,000 for Netcall, £33,000 additional training costs, and remaining costs for the implementation contract. The project will continue into 26/27 with further phases planned to create new solutions within the CCaaS and CRM solution to enable savings as part of Service Modernisation.
627	Hybrid AV between now and Civic Centre coming online	(56)	750	694	371	0	(323)	Green	Green	Green	The scheme is on budget overall but there is slippage in 2025/26 due to profiling and enabling works and meeting spaces for the Council.

REF	SCHEME NAME	2024/25 Capital Slippage £,000	2025/26 Original Budget £,000	2025/26 Revised Budget £,000	2025/26 Forecast Outturn £,000	2025/26 Qtr. 1 Slippage	Variance £,000	RAG Status on: Budget	RAG Status on: Time	RAG Status on: Scope	Scheme Progress Comments
628	Locality Hub ICT	389	600	989	550	0	(439)	Green	Amber	Amber	This initiative aims to modernise reporting, data, and service and work has commenced. The delivery of a digital front door to support adults and communities. This will align disjointed data which prevents effective decisions. And is part of a broader effort to enhance digital services, increase data self-service and improve outcomes for residents by providing a more integrated and user-friendly digital experience.
629	Leisure Insourcing ICT	269	0	269	267	0	(2)	Green	Amber	Green	Carry forward requested. to replace Audio and PA solution.
635	Mobile Replacement (Smart Phones / Devices)	175	250	425	425	0	0	Green	Amber	Amber	In 2025/26, there is expected to be circa 1200 corporate devices that will be out of support and not long able to receive critical security updates and need to be replaced. This is in lieu of the work to define a new corporate policy and offer and offer staff productivity whilst out of the office and form part of the council MFA/OTP. The council are also currently undertaking of review of phone/device types and usage as part of a wider strategy to reduce cost.

REF	SCHEME NAME	2024/25 Capital Slippage £,000	2025/26 Original Budget £,000	2025/26 Revised Budget £,000	2025/26 Forecast Outturn £,000	2025/26 Qtr. 1 Slippage	Variance £,000	RAG Status on: Budget	RAG Status on: Time	RAG Status on: Scope	Scheme Progress Comments
636	Replacing Desktop AV / Screens in Offices	150	150	300	100	0	(200)	Green	Amber	Green	An extended warranty agreement has been used to extend the life where possible of screens. Screens will require replacement and could increase laptop failures if not undertaken. The plan is to re-use screens in the new Civic centre and re-deploy and therefore some budget to be reprofiled into 2026/27 and 2027/28. to align with the new Civic centre opening and reduce capital pressures in 2025/26 and 2026/27.
653	Capital Support for IT Projects	(6)	0	(6)	0	6	0	Green	Green	Green	Project completed last financial year. The 2024/25 capital slippage will be offset from scheme 602
655	Data Centre Move	(238)	450	212	212	0	(0)	Green	Amber	Green	Capital scheme on budget overall.
656	BT Big Switch Off	1,546	0	1,546	1,546	0	0	Green	Green	Green	The initial discovery phase has taken longer than expected and delayed initial progress. The project is in delivery with Phase 1 completed – with the retirement of the 1st PSTN BT exchange (Enfield 1). Phase 2 will commence to remediate the next telephone BT exchange to close (Tottenham) and transition of services to Digital Voice/IP service (Circ. 600 Lines) to be remediated in the next 12 months.
657	Corporate Laptop Refresh	(381)	2,100	1,719	781	0	(938)	Green	Amber	Green	Carry forward requested and will be subject to review as part of the development of the 2026/27 capital programme to align with the Council's ambitions, e.g., 5% savings, staff which is expected to lead to a reduction in capital budgets in 2025/26 and 2026/27.

REF	SCHEME NAME	2024/25 Capital Slippage £,000	2025/26 Original Budget £,000	2025/26 Revised Budget £,000	2025/26 Forecast Outturn £,000	2025/26 Qtr. 1 Slippage	Variance £,000	RAG Status on: Budget	RAG Status on: Time	RAG Status on: Scope	Scheme Progress Comments
659	M365 Additional Functionality	21	519	540	270	0	(270)	Green	Amber	Green	Carry forward requested. The scheme has been reprofiled to reflect the current scope and timing of works.
660	Capital support for Digital Outcomes	0	1,965	1,965	300	0	(1,665)	Green	Green	Green	This is a new capital scheme in 2025/26 to deliver digital changes expected through the Service Modernisation Programme and is being profiled to align with activities identified through the service road maps and timescales of planned projects.
4011	Commercial Property Remediation	0	4,000	4,000	1,534	0	(2,466)	Amber	Red	Green	Carry forward requested. –Projects have been delayed due to delays in feasibility work and timescale for construction tender, Construction now scheduled for commencement early 26/27 for three major Projects funded through this scheme.
4012	Energy Performance Certificate improvements	250	750	1,000	25	0	(975)				This scheme will be amalgamated with scheme 4011 as all commercial property repairs and remediation work

REF	SCHEME NAME	2024/25 Capital Slippage £,000	2025/26 Original Budget £,000	2025/26 Revised Budget £,000	2025/26 Forecast Outturn £,000	2025/26 Qtr. 1 Slippage	Variance £,000	RAG Status on: Budget	RAG Status on: Time	RAG Status on: Scope	Scheme Progress Comments
342	Public Protection - To replace life expired IT system	0	200	200	483	0	283	Green	Green	Amber	The original Capital budget reflected a total budget envelope of £350k, which does not include the additional £300k secured via the Service Modernisation Fund. The majority of expenditure covers the Arcus contract implementation costs and internal mobilisation resourcing. The £300k uplift has been specifically allocated for transformation. The total budget envelope is £650,000 for phase 1. Spend and implementation are expected to continue into the 2026/27 financial year. Phase 2 is anticipated to focus on ASB functionality and waste-related case management services, The budget requirement for Phase 2 will be quantified nearer the time, once the detailed delivery scope has been confirmed.
316	Asset Management of Council Buildings	1,763	9,685	11,448	5,233	(2,500)	(3,715)	Green	Amber	Green	This slippage is due to reprofiling spend for some significant projects which are now expected to run into future years or are subject to a review process. Work continues at full capacity to clear backlogged compliance, and safety works to improve the condition of the estate”.
Finance & Resources		5,780	25,745	31,525	19,155	(2,500)	(9,870)				

Appendix 5 – Corporate Budget Forecasts.

- 1.1. The table below provides the full year forecast across the Corporate budgets followed by more detailed explanations for any under or overspends that are forecast for the year.

Management Area	Revised 2025/26 Budget	Q1 Outturn Forecast	Q1 Forecast to Budget Variance
	£'000	£'000	£'000
Corporate Budgets	54,757	62,993	8,236
Capital Financing Charges (borrowing costs and MRP)	25,384	25,384	0
Contingency	12,104	17,293	5,189
Treasury Management Charges (borrowing costs and investment income)	14,259	14,260	0
Other Corporate Budgets	35,594	34,439	-1,155
Exceptional Finance Support	-37,020	-37,020	0
Corporate Budgets – Non Service	50,322	54,355	4,033

- 1.2. At Quarter 1, the Corporate budgets are reporting a projected overspend of £4.0m
- 1.3. This consists of forecast underspends on levies, subscriptions and concessionary fares budgets (£1.2m) but is offset by forecast non-delivery of 3 council-wide savings (£5.19m). These include £3m procurement and commissioning savings and £900,000 of enabling savings and £1.29m related to commercial income.

2025/26 Savings

- 1.4. Against a full year savings target of £5.7m, the table below sets out the full details of the savings and delivery forecast. It is expected that the forecast will be more favourable when reported at Quarter 2 when further progress has been made on identifying realisable savings in year.

1.5. The agreed savings target per programme are set out below:

- Enabling Services £1,0m Target
- Contract and Procurement £3.25m Target
- Commercial income £1.29m.

Cabinet Decision Date	Saving proposal	2025/26 £'000s	2025/26 Projected Full Year Savings £'000s	2025/26 Savings (surplus)/ shortfall £'000s	RAG Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status
Feb-25	Enabling Services Review	1,000	(100)	-900	Red	Work has commenced on this programme (and specifically just in one area/function which is 'Project Management', which is not a single function but includes teams/capacity distributed across the council). A plan for further enabling services to be reviewed has been developed and subject to approval by the Enabling Services Board in September.
Feb-25	Commissioning, Procurement and Contract Management	3,000	0	-3,000	Red	Task and finish groups are in place and opportunities being investigated - cashable savings are in the process of being identified. In addition, a project to fully review commissioning activity and approach to commissioning has commenced and is expected to enable the delivery of the £9m savings over the next three years. Further update to be provided for Quarter 2
Feb-25	Residual reduction in General Fund staffing budgets by 5% in 2025/26 (100	(100)	0	Green	This is the residual 5% savings that are held corporately and have not been allocated to Directorates. With the exception of Children's Services, all Directorates are reporting as on track to deliver their 5% savings - however there remains risk in some of these areas and some mitigations will be required.

Cabinet Decision Date	Saving proposal	2025/26 £'000s	2025/26 Projected Full Year Savings £'000s	2025/26 Savings (surplus)/ shortfall £'000s	RAG Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status
Feb-25	Income Generation	500	0	-500	Red	There are 4 projects currently in this programme. All in early discovery phases so not able to give reliable income forecasts. Work continues and an update will be provided at Quarter 2. Lack of dedicated resources is holding up the pace of this work and Business cases required for investment will be prepared.
Feb-24	Previously agreed commercial income savings	789	0	-789	Red	This saving is now being delivered through the wider income generation programme referenced above and update will be provided at Quarter 2.
Feb-24	Digital Together - Corporate Programme	-360	-360	0	Amber	This saving is to be either allocated across services or mitigations found from corporate budgets
Total		-5,749	-560	-5,189	Red	

- 1.6. Work is underway and part savings have been identified for the three cross cutting savings and a more up to date forecast will be provided for the Quarter 2 report. These are currently held corporately pending confirmation of which service budgets will be impacted.

Capital Forecasts

REF	SCHEME NAME	2024/25 Capital Slippage £,000	2025/26 Original Budget £,000	2025/26 Revised Budget £,000	2025/26 Forecast Outturn £,000	2025/26 Qtr. 1 Slippage	Variance £,000	RAG Status on: Budget	RAG Status on: Time	RAG Status on: Scope	Scheme Progress Comments
-----	-------------	--------------------------------	-------------------------------	------------------------------	--------------------------------	-------------------------	----------------	-----------------------	---------------------	----------------------	--------------------------

697	Exceptional Financial Support	0	37,000	37,000	37,000	0	0	N/A	N/A	N/A	Given the current level of overspend, the forecast assumes that the full use of the £37m Exceptional Financial Support will be utilised. This is assumed to be funded by £10m of capital receipts and £27m of external borrowing through PWLB but final funding decisions will be taken at the year end. The Council is treating the financial position as an emergency and looking at all opportunities to reduce non-essential spending, including a Spend Control Panel that reviews all spend over £1000 and delivery of the wider Finance Recovery Plan.
699	P6 - Approved Capital Programme Contingency	6,272	5,000	11,272	10,256	(1,016)	(0)	N/A	N/A	N/A	Use of capital contingency is managed through Strategic Capital Board and will be reported through these reports. No requests have yet been made.
Corporate Items		6,272	42,000	48,272	47,256	(1,016)	(0)				

APPENDIX 6 – ENVIRONMENT & RESIDENT EXPERIENCE DIRECTORATE FORECASTS.

ENVIRONMENT & RESIDENT EXPERIENCE

- 1.1. The table below provides the full year forecast across the Environment and Resident Experience followed by more detailed explanations for any under or overspends that are forecast for the year.

Management Area	Revised 2025/26 Budget	Q1 Outturn Forecast	Q1 Forecast to Budget Variance
	£'000	£'000	£'000
Environment and Resident Experience	16,628	17,713	1,085
Parking & Highways	-17,191	-17,074	117
Community Safety, Waste & Enforcement	21,904	21,791	-113
Management & Support	1,237	1,902	665
Parks & Leisure	1,732	2,059	327
Operational Facilities Management	0	0	0
Corporate & Customer Services	6,215	6,304	89
Transport and Travel	655	655	0
Planning Building Standards & Sustainability	2,075	2,075	0

- 1.2. At Quarter 1 the directorate is reporting a projected overspend of £1.09m.
- 1.3. The Environment & Resident Experience (ERE) directorate is reporting an overspend of £1.09m at Quarter 1. The overspend includes £563,000 of MTFS Digital Transformation savings for 2024/25 (£169,000) and 2025/26 (£394,000), which is expected to be delivered by the Service Modernisation programme run by the Digital and Change service. The budget pressure will continue to impact on ERE outturn position until the savings are delivered. In addition, the reported overspend includes the unfunded increase to employers NI, threshold and the pay award for salaries.

- 1.4. Parking and Highways is forecasting a net overspend of £117,000 at Quarter 1, this is essentially due to unachievable MTFS saving in Highways, assigned to streetlights, and third-party contract costs for TFL traffic signals. Parking income review is underway to ensure the projections are in line with actual income collected.
- 1.5. Community Safety, Waste & Enforcement is forecasting an underspend of £113,000 at Quarter 1, attributable to vacancy factor in Regulatory services and improved income projection in Waste Fixed Penalty Notices and Housing Civil Penalty Notices.
- 1.6. Management & Support is forecasting an overspend of £665,000 at Quarter 1, a favourable movement of £500,000 attributable to severance costs which is expected to be funded from corporate resources. Overspend includes MTFS savings assigned to Digital Transformation of £600,000 and salary overspends.
- 1.7. Parks & Leisure is forecasting an overspend of £327,000 at Quarter 1, attributable to unachievable events income and duplicate MTFS savings. Re-profiling of budgets are underway to ensure the service budgets align with the spending plans.
- 1.8. Customer and Corporate Services is reporting an overspend of £89,000 at Quarter 1, due to the delays in the Customer Services restructure.
- 1.9. The Council Tax service was awarded additional budget of £228,000 to fund 6 additional agency staff for a fixed term period to eliminate the significant backlog of correspondence.
- 1.10. In addition, £250,000 of additional budget was awarded to Debt Management service this financial year to provide additional debt management support to Adults Social Care, two new debt officers have been recruited and Legal will be recruiting an additional lawyer using this budget.
- 1.11. Planning and Building Standards are reporting spend to budget. The income targets will be closely monitored to achieve the projected income but there has been a decline in developments coming forward. Service budgets are being re-profiled to ensure budgets are aligned with the spending plans.

ENVIRONMENT & RESIDENT EXPERIENCE HOUSING BENEFIT (HB)

- 1.12. The table below shows the full forecast across the Environment and Resident Experience HB followed by more detailed explanations for any under or overspends that are forecast for the year.

Management Area	Revised 2025/26 Budget	Q1 Outturn Forecast	Q1 Forecast to Budget Variance
	£'000	£'000	£'000
DIRECTOR OF ENVIRONMENT & RESIDENT EXPERIENCE HB	1,829	2,906	1,077
Rent Rebate LA Non-HRA	-465	-225	241
Rent Allowances	2,032	3,353	1,321
HRA Rent Rebates	262	-222	-484

- 1.13. The HB forecast at Quarter 1 is a £1.1m overspend. This is a £5.6m reduction in the overspend incurred in 2024/25, reflecting the concerted efforts in the Benefits team to target the high-cost drivers affecting this budget. These results are in part due to tightening of processes, increased accuracy supported by detailed quality assurance, training resource and selective administration organisation to minimise overpayments, which were implemented in the last 7 months. One key example is in Supported Exempt Accommodation, where the Council has achieved a £1.4m reduction against a £400,000 saving target, a significant overachievement. There has also been £3.3m additional budget added in 2025/26 to recognise uncontrollable pressures in this area which emerged in 2024/25.
- 1.14. Further work is planned this year by the Benefits service to reduce the value of Local Authority Error, which is self-calculated and reported to the DWP and therefore reduces the DWP Subsidy received.
- 1.15. This budget forecast is unfortunately at risk of volatility due to factors beyond control and forecasting ability including the presentation of compliant Supported Exempt Accommodation claims, the timing and content of external audit adjustments for prior years (23-24 and 24/25), and Tribunal determinations for contested HB decisions.

2025/26 Savings

1.16. Against a full year savings target of £5.4m, the directorate are forecasting 76% delivery of their savings. The table below sets out the full details of the savings and delivery forecast.

Cabinet Decision Date	Saving proposal	2025/26 £'000s	2025/26 Projected Full Year Savings £'000s	2025/26 Savings (surplus) / shortfall £'000s	RAG Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status
Feb-24	New products at Bury Road CP - Police/Retail employees	-5	-5	0	Green	
Feb-24	Reduce Gully cleansing at low-risk locations	-25	-25	0	Green	
Feb-24	Remove pause on PCN challenge periods - reduction in 50% discounts given	-50	0	-50	Red	Practicalities of processing under review.
Feb-24	New x3 bus lanes	-75	-40	-35	Amber	Possible deferment - resources, programme, timescale and viability to be reviewed.
Feb-24	HGV Locations/Box Junctions	-120	-120	0	Green	
Feb-24	Visitors Vouchers Pricing Structure change	-50	-50	0	Green	
Feb-24	PCN Debt Recovery Parking strategy (compliance increase)	-100	-100	0	Green	
Feb-23	Property Licensing Reviews	-100	-100	0	Green	
Feb-24	Private sector Housing Compliance income	-13	-13	0	Green	
Feb-24	Commercial Waste - Customer base increase.	-10	-10	0	Green	
Feb-24	More enforcement on unsecured trade waste	-25	-25	0	Green	
Feb-24	Digital Transformation Savings	-394	0	-394	Red	Digital transformational savings allocated to the Directorate in 2024/25. A roadmap is being developed to achieve the savings through digital solutions.

Cabinet Decision Date	Saving proposal	2025/26 £'000s	2025/26 Projected Full Year Savings £'000s	2025/26 Savings (surplus) / shortfall £'000s	RAG Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status
Feb-23	Parks and Leisure income/efficiencies improvements	-89	-14	-75	Red	Unachievable MTFS Events savings. Lack of demand in market for Parks or Green spaces - other than Finsbury Park. This is being addressed corporately. The £14K relating to Crematorium income being achieved
Feb-24	Bring in house football pitch bookings	-3	-3	0	Green	
Feb-24	Introduction of dog walking licenses for 4 or more dogs	-2	-2	0	Green	
Feb-24	Licensing of fitness trainers and companies operating in parks	-3	-3	0	Green	
Feb-24	New product lines for Fusion car parks - bus drivers and CONEL staff	-5	-5	0	Green	
Feb-24	Evening rental to Bernie Grants Arts Centre	-5	-5	0	Green	
Feb-24	Long term lease on Parks Vehicles	-6	-6	0	Green	
Feb-24	Reintroduce Tennis Court Charging	-10	-10	0	Green	
Feb-24	Review of Parks Workshop function to reduce costs	-30	-30	0	Green	
Feb-24	Use more of Finsbury Park income for core council cost of running park	-50	-50	0	Green	
Feb-24	Purchase large mowing equipment and utility vehicles which have traditionally been hired on a seasonal basis.	-20	-20	0	Green	
Feb-24	Events in parks	-50	-50	0	Green	
Feb-24	Crematorium Lease and Parks Property increases	-14	0	-14	Green	
Feb-24	Small Green Space Improvement Programme	-50	-50	0	Green	
Feb-24	New River Sports Centre - Net cost Reduction	-40	-40	0	Green	

Cabinet Decision Date	Saving proposal	2025/26 £'000s	2025/26 Projected Full Year Savings £'000s	2025/26 Savings (surplus) / shortfall £'000s	RAG Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status
Feb-24	Customer Services Reviews	-160	0	-120	Amber	Customer Services is under resourced for the level of contact it receives from the public, so reducing the staff to deliver this saving has not been possible. Housing Repairs is the highest cause of contact and a change in how contact is managed planned for November should allow £40k of agency staff savings to be realised.
Feb-25	Street Lighting - Energy Efficiencies	-67	-35	-32	Amber	Proposals to reduce lighting levels from the new British standard base levels not achieved fully. This has an amber rating because savings may not be achieved if the ongoing problems with the CMS are not resolved.
Feb-25	PARKING SERVICE OPERATIONAL ENHANCEMENT - A review of parking operations to optimise efficiency levels through increased use of technology and changes to deployment plans	-300	-300	0	Green	
Feb-25	Streamlining paper parking permit processing	-300	0	-300	Red	Reduction of 4 staff being implemented from October - reflected in Customer Services budgets
Feb-25	Parking Fees & Charges Parking and Highways Fees and Charges review to ensure Controlled Parking Zone costs are fully recovered.	-500	-500	0	Green	
Feb-25	Leisure Concessions: Reduce concessionary access to those on means-tested benefits	-200	0	-200	Red	Whilst the saving from concessions work is deferred, this saving can be contained from an underspend of IT systems maintenance in year due to the capital replacement of the new leisure centre management system.

Cabinet Decision Date	Saving proposal	2025/26 £'000s	2025/26 Projected Full Year Savings £'000s	2025/26 Savings (surplus) / shortfall £'000s	RAG Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status
Feb-25	Reprocure to reduce the cost of our Out of Hours emergency contact handling service	-28	-12	-16	Amber	£11.6k is the saving agreed but incorrectly set in the budget at £28k and will be corrected for Quarter 2. The agreed savings of £11.6k will be exceeded and details will be confirmed in Quarter 2.
Feb-25	Reduction in Housing Benefit accommodation costs through creation of a focused team dedicated to providing a more in-depth and ongoing assessment of Housing Benefit Supported Accommodation claims, to ensure high quality, appropriate and compliant supported housing is being provided to residents who need it.	-200	-200	0	Green	This saving has been exceeded £1.4m savings are forecast for this year.
Feb-25	Environment and Resident Experience 5% Staff Savings	-2,033	-2,033	0	Green	
Feb-24	Stop sending letters to residents notifying of nearby planning applications and consultation	-10	-10	0	Green	Once researched, proposal would have cost more, so achieved saving via income generation
Feb-24	Localities Hub (delivered through ERE inequalities work).	-250	-250	0	Green	TBC
Total		-5,392	-4,116	-1,276	Amber	

ERE CTRS Savings

Cabinet Decision Date	Saving proposal	2025/26 £'000s	2025/26 Projected Full Year Savings £'000s	2025/26 Savings (surplus) / shortfall £'000s	RAG Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status
Feb-24	Council Tax Reduction Scheme (CTRS) Pre agreed	-2,000	-2,000	0	Green	The scheme's value is £4.4m less in 25/26 than it would have been if the two changes implemented had not happened, which exceeds the £2m saving this year plus the £2m saving next year

Capital Forecasts

REF	SCHEME NAME	2024/25 Capital Slippage £,000	2025/26 Original Budget £,000	2025/26 Revised Budget £,000	2025/26 Forecast Outturn £,000	2025/26 Qtr. 1 Slippage	Variance £,000	RAG Status on: Budget	RAG Status on: Time	RAG Status on: Scope	Scheme Progress Comments
301	Street Lighting	12	1,000	1,012	1,012	0	(0)	Green	Green	Green	All projects on programme for completion within financial year.
302	Borough Roads	30	5,321	5,351	5,351	0	0	Green	Green	Green	All projects on programme for completion within financial year.
303	Structures (Highways)	(370)	2,100	1,730	1,730	0	0	Green	Green	Green	370k overspend relates to error from previous year. The £2.1m relates to three new projects. All three are progressing. However, there is a risk that the Ferry Lane bridge repairs may be delayed due to issues with NR and the interdependencies with the TfL £4m public realm to the surface level which is a planning commitment.
304	Flood Water Management	0	1,200	1,200	1,200	0	(0)	Green	Green	Green	All projects on programme for completion within financial year.

REF	SCHEME NAME	2024/25 Capital Slippage £,000	2025/26 Original Budget £,000	2025/26 Revised Budget £,000	2025/26 Forecast Outturn £,000	2025/26 Qtr. 1 Slippage	Variance £,000	RAG Status on: Budget	RAG Status on: Time	RAG Status on: Scope	Scheme Progress Comments
305	Borough Parking Plan	(132)	250	118	267	0	149	Green	Green	Green	£112,500 has been received from DfT EV Charging. Additional £37,500 is expected from DfT in the current year and therefore budget to be updated.
309	Local Implementation Plan (LIP)	(414)	1,000	586	586	0	0	Green	Amber	Amber	Forecast spend is in line with the budget with the view to update a more accurate position in qtr.2
310	Developer S106 / S278	(107)	250	143	250	107	0	Green	Green	Green	Allocations to be updated on the Capital Programme to reflect additional income from S.278 agreements.
311	Parks Asset Management:	171	450	621	621	0	(0)	Green	Green	Green	It is expected that the full budget will be spent by the end of the financial year.
313	Active Life in Parks:	220	400	620	620	0	(0)	Green	Green	Green	It is expected that the full budget will be spent by the end of the financial year. In addition, there is additional external funding of circa £1.2m to be added to this scheme which we will be reflected in the Quarter 2 update.
314	Parkland Walk Bridges	575	350	925	1,196	271	0	Green	Green	Green	Budget expected to be fully spent completing Stanhope Bridge, bridge monitoring, design work for 27/28 bridge rebuild works and essential path renewal to maintain safety.
322	Finsbury Park	0	500	500	300	(200)	(0)	Green	Green	Green	As per previous years, available budget will more likely be £250-£300k of revenue to fund this capital, therefore budget has been adjusted down.
325	Parks Vehicles	0	0	0	0	0	0	Green	Green	Green	Procurement routes for vehicles are being considered.

REF	SCHEME NAME	2024/25 Capital Slippage £,000	2025/26 Original Budget £,000	2025/26 Revised Budget £,000	2025/26 Forecast Outturn £,000	2025/26 Qtr. 1 Slippage	Variance £,000	RAG Status on: Budget	RAG Status on: Time	RAG Status on: Scope	Scheme Progress Comments
328	Street & Greenspace Greening Programme	(56)	75	19	110	0	91	Amber	Green	Green	Additional grants to be applied to this scheme and will be reflected in the Quarter 2 report and will fund the forecast overspend.
332	Disabled Bay/Blue Badge	155	150	305	305	0	0	Green	Green	Green	
333	Waste Management	50	0	50	50	0	(0)	Green	Green	Green	Different types of communal food waste containment will be trialled before purchase, but current expectation is that this 1st tranche of Defra burden funding will be spent in-year
334	Parks Depot Reconfiguration	57	0	57	57	0	0	Green	Green	Green	Works ongoing throughout year.
335	Streetspace Plan	(158)	3,000	2,842	2,842	0	(0)	Green	Amber	Amber	This project is being funded by SCIL. There is ongoing work to ensure that the current capital programme plan aligns with the service delivery plan.
336	New River Sports & Fitness	385	533	918	918	0	(0)	Green	Green	Green	Spend being progressed through new SCB governance process and figures to be updated after Full Business Case is approved.
338	Road Danger Reduction	950	950	1,900	1,900	0	(0)	Green	Amber	Amber	This project is being funded by both SCIL and TfL Local Implementation Plan (LIP) grant award.
341	Leisure Services	1,167	825	1,992	1,992	0	(0)	Green	Green	Green	Spend being progressed through new SCB governance process and figures to be updated after Final Business Case approved.

REF	SCHEME NAME	2024/25 Capital Slippage £,000	2025/26 Original Budget £,000	2025/26 Revised Budget £,000	2025/26 Forecast Outturn £,000	2025/26 Qtr. 1 Slippage	Variance £,000	RAG Status on: Budget	RAG Status on: Time	RAG Status on: Scope	Scheme Progress Comments
343	Tottenham Parks	1,500	0	1,500	1,500	0	0	Green	Green	Green	Anticipate spend to all take place in this financial year, however weather delays may lead to some contractual payments being made in 2026/27.
345	Replacement Parks and Housing Machinery	0	300	300	300	0	0	Green	Green	Green	Procurement in progress.
346	Waste Vehicles and Bins	0	0	0	0	0	0	Green	Green	Green	
119	School Streets	674	325	999	999	0	0	Green	Amber	Amber	
444	Marsh Lane	(10)	0	(10)	0	10	0	Green	Green	Green	Project completed in 2024/25 and does not form part of 2025/26 MTFS. 24/25 capital slippage to be offset from capital contingency
452	Low Carbon Zones	113	0	113	0	0	(113)				This project is funded by S106 and aligned with the Warm Home London Programme. Although not forecasted, it is anticipated that the budget will be fully utilised towards the last quarter of this financial year. A more accurate position will be reflected in qtr. 2
4013	Clean Air School Zones	0	400	400	0	0	(400)				This project is currently on hold
4014	Walking and Cycling Action Plan (WCAP) LTN delivery	261	708	969	969	0	(0)	Green	Amber	Amber	Amber rating due to the current level of resource available to deliver the programme in 2025/26, hence proposal to reprofile to future year in line with service delivery

REF	SCHEME NAME	2024/25 Capital Slippage £,000	2025/26 Original Budget £,000	2025/26 Revised Budget £,000	2025/26 Forecast Outturn £,000	2025/26 Qtr. 1 Slippage	Variance £,000	RAG Status on: Budget	RAG Status on: Time	RAG Status on: Scope	Scheme Progress Comments
4015	Walking and Cycling Action Plan (WCAP) Strategic cycle route delivery	(66)	1,033	967	967	0	0	Green	Amber	Amber	Amber rating due to the current level of resource available to deliver the programme in 2025/26, hence proposal to reprofile to future year in line with service delivery
4016	Walking and Cycling Action Plan (WCAP) Cycle Parking (Hangers) delivery	118	118	236	236	0	(0)	Green	Green	Green	
Environment & Resident Experience		5,125	21,238	26,363	26,276	188	(274)				

Appendix 7 – HOUSING REVENUE ACCOUNT

- 1.1. The table below provides the full year forecast across the Housing Revenue Account followed by more detailed explanations for any under or overspends that are forecast for the year.

Full Details of Housing Revenue Account (HRA) Q1 Forecasts

HRA BUDGET 2025/26 - Q1	2025/26 Revised Budget	Q1 2025/26 YTD Budget	Q1 2025/26 YTD Actual	Q1 2025/26 YTD Var.	Q1 2025/26 Full Year Forecast	Q1 2025/26 Full Year Forecast Variance
	£000's	£000's	£000's	£000's	£000's	£000's
Service Charge Income - Hostels	(490)	(113)	(86)	26	(291)	199
Rent - Hostels	(1,853)	(426)	(361)	65	(1,580)	273
Rent - Dwellings	(109,275)	(24,849)	(23,570)	1,279	(106,016)	3,259
Rent - Garages	(697)	(159)	(153)	6	(697)	-
Rent - Commercial	(913)	(456)	(234)	222	(913)	-
CBS - Lease Rental Income	(4,693)	-	4,359	4,359	(4,693)	-
Income - Heating	(1,294)	(294)	(102)	193	(1,294)	-
Income - Light and Power	(1,523)	(346)	(356)	(10)	(1,523)	-
Service Charge Income - Leasehold	(10,829)	(8,444)	(8,422)	21	(10,829)	-

HRA BUDGET 2025/26 - Q1	2025/26 Revised Budget	Q1 2025/26 YTD Budget	Q1 2025/26 YTD Actual	Q1 2025/26 YTD Var.	Q1 2025/26 Full Year Forecast	Q1 2025/26 Full Year Forecast Variance
Service Charge Income Supported Housing	(1,761)	(401)	(397)	3	(1,761)	-
Service Charge Income - Concierge	(2,230)	(507)	(503)	4	(2,230)	-
Grounds Maintenance	(2,323)	(581)	(533)	47	(2,323)	-
Caretaking	(4,146)	(943)	(900)	43	(4,146)	-
Street Sweeping	(3,804)	(865)	(832)	33	(3,804)	-
HRA Income	(145,832)	(38,384)	(32,091)	6,293	(142,101)	3,731
Housing Management WG	0	0	0	0	0	0
Housing Management NT	0	0	0	0	0	0
Housing Management Hornsey	79	20	20	1	79	0
TA Hostels	622	156	-59	-215	629	7
Housing Management ST	0	0	0	0	0	0
Housing Management BWF	0	0	0	0	0	0
Rent Accounts	0	0	2	2	0	0
Under Occupation	184	46	14	-32	184	0
Repairs Cent Recharge	2	1	1	0	2	0
Responsive Repair - Hostels	718	180	26	-153	752	34
Water Rates Payable	33	8	-95	-103	33	0
Housing Mngt Recharge	3,869	938	0	-938	3,869	0
Other Rent Collection	149	37	41	4	149	0
Energy Billing & Collection	73	18	-1	-19	73	0

HRA BUDGET 2025/26 - Q1	2025/26 Revised Budget	Q1 2025/26 YTD Budget	Q1 2025/26 YTD Actual	Q1 2025/26 YTD Var.	Q1 2025/26 Full Year Forecast	Q1 2025/26 Full Year Forecast Variance
Housing Management Recharge Energy	3,067	767	99	-667	3,067	0
Special Services Cleaning	4,311	1,078	1,053	-25	4,311	0
Special Services Ground Maintenance	2,055	514	100	-414	2,055	0
HRA Pest Control	332	83	68	-15	352	20
Estate Controlled Parking	157	39	0	-39	157	0
Managed Services	160	40	0	-40	160	0
Support People Payment	0	0	0	0	0	0
Bad Debt Dwellings	2,135	0	0	0	2,135	0
Bad Debt Provision – Leases	260	0	0	0	260	0
Bad Debt Provision - Hostels	70	0	0	0	70	0
HRA- Council Tax	1,156	289	242	-47	1,156	0
Supported Housing Central	677	169	30	-139	677	0
Housing Management team	0	0	22	22	0	0
Housing Delivery Team	385	96	57	-39	385	0
Anti-Social Behaviour Services	714	0	0	0	714	0
Interest Receivable	-232	0	0	0	-232	0
Corporate democratic Core	703	0	0	0	703	0
Leasehold Payments	108	27	2	-25	108	0
Landlords Ins - TEN	393	0	0	0	393	0
Landlords - NNDR	125	0	0	0	125	0
Landlords Ins - LSHD	4,030	0	0	0	4,030	0
Capital Financing Costs	25,462	0	-3	-3	22,203	-3,259
Depreciation - Dwellings	22,754	0	0	0	22,754	0
Community Benefit So	0	0	-78	-78	0	0

HRA BUDGET 2025/26 - Q1	2025/26 Revised Budget	Q1 2025/26 YTD Budget	Q1 2025/26 YTD Actual	Q1 2025/26 YTD Var.	Q1 2025/26 Full Year Forecast	Q1 2025/26 Full Year Forecast Variance
GF to HRA Recharges	2,819	0	0	0	2,819	0
Estate Renewal	1,126	0	0	0	1,126	0
Operational Dir Housing Serv & Buil	8,124	442	650	208	8,124	0
Housing Management Services	18,178	4,503	4,268	-234	18,065	-113
Housing Repairs & Compliance	37,853	9,463	9,293	-171	38,050	197
Housing Asset Management	122	31	13	-18	106	-17
Housing Improvement Plan (HIP)	1,271	318	236	-82	1,245	-27
HRA budget release from Reserve	1,517	0	0	0	1,517	0
HRA Expenditure	145,562	19,262	16,002	(3,260)	142,405	(3,157)
HRA - (Budgeted Surplus)	270	19,122	16,089	(3,033)	(304)	(574)

HRA BUDGET 2025/26 - Q1	2025/26 Revised Budget	Q1 2025/26 YTD Budget	Q1 2025/26 YTD Actual	Q1 2025/26 YTD Var.	Q1 2025/26 Full Year Forecast	Q1 2025/26 Full Year Forecast Variance
	£000's	£000's	£000's	£000's	£000's	£000's
Housing Revenue Account (HRA) - Income	(145,832)	(38,384)	(32,091)	6,293	(142,101)	3,731
Housing Revenue Account (HRA) - Expenditure	145,562	19,262	16,002	(3,260)	142,405	(3,157)
HRA - (Budgeted Surplus)	(270)	(19,122)	(16,089)	3,033	304	574

1.2. At Q1 the Housing Revenue Account is reporting a projected overspend of £600,000.

- 1.3. While the overall HRA position reflects a moderate overspend at Q1, there are clear mitigating actions in place to address overspends. Key risks remain in the areas of disrepair legal cost, rental income recovery and delivery of capital works. Continued focus on recruitment, procurement, and cost control will be essential to managing the year end position.

Housing Repairs & Compliance - £200,000 overspend

- 1.4. Mechanical and Engineering and Building Safety Compliance is showing a favourable variance of £200,000 for Quarter 1. This is primarily driven by continued vacant posts and delays in recruitment to others. The variance also reflects reduced spending on non-essential or lower-priority items, such as training, equipment, and printing in line with corporate aims to reduce spend across non-essential areas.
- 1.5. There is an overall overspend in Repairs including voids and disrepair of £420,000 with key pressure in repairs work in and voids of c£1.16m but offset by an underspend in responsive repairs of £740,000. The HIP and voids pressures are a direct result of incomplete works in the previous financial year that could not be accrued. The underspend in repairs is due to current vacancies and the need to procure new supply chain partners which has delayed the delivery of the works.
- 1.6. The disrepair works budget is capped at £2.70m and current spend, and capitalisation will ensure there is no variance. However, there is a significant risk in terms of increased pressures on Legal fees and Compensation payments due to the current workload value exceeding the available work budget for this financial year that could significantly add to any overspend and affect the volume of disrepair cases that can be closed. This will be monitored accordingly.

Housing Management- £100,000 underspend

- 1.7. The housing management areas under the Assistant Director for Housing Management shows a forecast of £100,000 underspend – which is predicted at year end to be £18.10m against a budget of £18.20m. This is largely due to salaries currently included within budget which have not yet been filled, due to restructures in Support and Wellbeing Services planned for Sept and Tenancy Services reorganisation planned for July.
- 1.8. Tenancy Services have also reduced demand for expensive hotels, and emergency accommodation is being monitored fortnightly to enable best use of decant units. This is likely to be a pressure, given demands on damp and mould casework following enactment of Awaab's law from October 2025. Estates and Neighbourhoods are likely to spend to budget to

accommodate additional cleaning, caretaking services, and deep cleaning teams, which is reflected in service charges to tenants and leaseholders. Income Services are likely to spend to budget. Homeownership Services is forecast to spend to budget and additional costs will be recovered through increased service charges. Community & Resident Engagement will spend close to budget with big door knock events and more support for resident's associations and more scrutiny by groups as required.

Other HRA Budget areas - £500,000 overspend

- 1.9. There is currently an under recovery of rental income across general needs and hostel properties. This is being partially mitigated by a forecast underspend for capital financing costs from slippage in the delivery of the capital programme. This results in lower than anticipated revenue borrowing costs.
- 1.10. There are also minor End of Year forecast underspends for the Asset Management operational team and for the Housing Improvement Programme (HIP) budget, due to lower than anticipated costs for the estate parking management scheme (EPMS) project.

Capital Forecasts

REF	SCHEME NAME	2024/25 Capital Slippage £,000	2025/26 Original Budget £,000	2025/26 Revised Budget £,000	2025/26 Forecast Outturn £,000	2025/26 Qtr. 1 Slippage	Variance £,000	RAG Status on: Budget	RAG Status on: Time	RAG Status on: Scope	Scheme Progress Comments
202	Aids & Adaptations HRA	0	1,150	1,150	1,150	0	(0)	Green	Green	Amber	It is anticipated that the full budget will be spent by the end of the financial year. The amber alert refers to the Adapted Properties Programme from Capital Projects & Property.
550	New Homes Acquisitions	0	42,007	42,007	42,582	0	575	Amber	Green	Green	Forecasting a slight budget overspend. There has been delays to some contract exchanges but these are in the process of being finalised.
551	TA Acquisitions	0	101,767	101,767	101,767	0	0	Green	Green	Green	Figures for the quarterly projections are below. We are expecting 2 large block acquisitions in Q3

REF	SCHEME NAME	2024/25 Capital Slippage £,000	2025/26 Original Budget £,000	2025/26 Revised Budget £,000	2025/26 Forecast Outturn £,000	2025/26 Qtr. 1 Slippage	Variance £,000	RAG Status on: Budget	RAG Status on: Time	RAG Status on: Scope	Scheme Progress Comments
552	Carbon Reduction Works (Affordable Energy)	0	4,000	4,000	4,915	3,000	(2,085)	Green	Amber	Amber	Forecast spend is below budget due to delays in start on site on SHDF wave 2.2 scheme. WSHF (wave 3) will be delivered through new partnering contracts and volume will depend on how quickly these can be mobilised.
553	Fire Safety Works	2,850	8,041	10,891	10,287	0	(604)	Green	Amber	Amber	Q1 is reporting an underspend of - £604,000. The AFD programme budget forecast was reduced due to a decrease in the scope of work. The replacement of flat entrance doors, initially part of the AFD programme, will now be executed under the planned Fire Doors programme. Additionally, the forecast for the Fire Door Replacement Programme has been lowered due to procurement delays.
554	Broadwater Farm Works	0	19,713	19,713	5,891	0	(13,822)	Green	Red	Green	There is a significant underspend reported on this capital line due to delays with both planning approval for the pilot schemes and delays linked to the new regulator for Building Safety. These issues have pushed all expenditure out of this financial year for the pilot schemes. There have also been further delays linked to the demolition of the Tangmere site following delays with UKPN who are required to relocate high voltage cables on the estate. Expenditure will

REF	SCHEME NAME	2024/25 Capital Slippage £,000	2025/26 Original Budget £,000	2025/26 Revised Budget £,000	2025/26 Forecast Outturn £,000	2025/26 Qtr. 1 Slippage	Variance £,000	RAG Status on: Budget	RAG Status on: Time	RAG Status on: Scope	Scheme Progress Comments
											be re-profiled through the business planning process.
555	High Road West HRA	1,536	0	1,536	600	0	(936)	Green	Amber	Amber	Delivery strategy for HRW is under review between Council and Lendlease due to viability issues, with the aim to unlock an early phase for development. Acquisition of council homes, which is the main cost under this budget line, has been delayed pending the outcome of this review. Projected spend for remainder of FY 2025/26 is project on-costs including staff salaries.
557	Broadwater Farm New Build	3,500	13,596	17,096	17,096	0	(0)	Green	Green	Green	The new homes budget expected to spend to target. One contract is onsite, and a further new build contract will be presented to Cabinet in September for approval.
590	Major Works (Haringey Standard)	0	57,400	57,400	49,560	(3,000)	(4,840)	Green	Amber	Amber	Forecast is below budget due to reduction in forecast spend on capitalised boiler works this year and delays in start on site of Internal Measured Term Contract programme.

REF	SCHEME NAME	2024/25 Capital Slippage £,000	2025/26 Original Budget £,000	2025/26 Revised Budget £,000	2025/26 Forecast Outturn £,000	2025/26 Qtr. 1 Slippage	Variance £,000	RAG Status on: Budget	RAG Status on: Time	RAG Status on: Scope	Scheme Progress Comments
599	New Homes Build Programme	0	86,093	86,093	72,373	0	(13,720)	Green	Green	Green	The main contributors to the forecast variance are delays to a number of projects programmes.
TOTAL HRA CAPITAL PROGRAMME		7,886	333,767	341,653	306,221	0	(35,432)				

Appendix 8 – Proposed Virements (Revenue and Capital)

1 Proposed GF Revenue Virements for Quarter One (2025/26)

Virements for noting

Directorate	Service/AD Area	Period	Budget Adjustment (Virement) (£'000)	Reason for budget changes	Description
Finance and Resources	Finance and Procurement	3	260	Transfer to / from Non-Service Revenue	Adjustment to Non - Service Contingency following further allocation of MTFS savings to Finance and Procurement
Non-Service Contingencies	Non-Service Revenue	3	6,689	Budget realignment	Realignment of Corporate Non-Service budgets to more accurately reflect projected income and expenditure
Non-Service Contingencies	All areas	3	250	Transfer to / from Non-Service Contingencies	Transfer of pre-agreed council-wide contract savings to Corporate Non-Service revenue budget
Total			7,199		

Virements for approval

Directorate	Service/AD Area	Period	Budget Adjustment (Virement) (£'000)	Reason for budget changes	Description
Children's Services	Children and Families	2	846	Budget Transfer	Transfer of budget within Children's Services to support the Haslemere Road Family Centre
Culture, Strategy and Communities	Legal and Governance	2	4,611	Budget Realignment	Merging of Legal Services' team budgets to streamline management processes and reporting
Housing Revenue Account	Housing Repairs and Compliance	2	24,997	Budget Realignment	Realignment of Building Repairs and Compliance budget to more accurately reflect projected income and expenditure

Directorate	Service/AD Area	Period	Budget Adjustment (Virement) (£'000)	Reason for budget changes	Description
Housing Revenue Account	Housing Services and Building Safety	2	2,101	Budget Realignment	Realignment of staffing budget to reflect management reporting lines
Children's Services	Prevention & Early Intervention	3	402	Budget Realignment	Realignment of salary budgets to reflect the new staffing structure within Early Help
Children's Services	Children and Families	3	692	Budget Realignment	Realignment to reflect the use of capital income to fund staffing costs
Children's Services	Children and Families	3	2,745	Budget reallocation	Budget reallocation from Director's budget to Placements to fund growth within that area
Children's Services	Prevention & Early Intervention	3	700	Budget reallocation	Budget reallocation from Director's budget to meet the additional drawdown required on the transport growth fund
Housing Revenue Account	Housing Repairs and Compliance	3	31,413	Budget realignment	Budget realignment to enable better management and monitoring of service budgets
Adults, Housing and Health	Housing Demand	3	1,159	Budget realignment	Adjustment of budgets in Housing Demand to facilitate improved budget monitoring
Children's Services	Prevention & Early Intervention	3	1,436	Budget allocation	Allocation of the Social Care Prevention Grant to a newly established cost centre within Children's Services
Housing Revenue Account	Haringey Repairs Service	3	600	Budget realignment	Realignment of the Housing Improvement Plan budget within Haringey Repairs Services to more accurately reflect spending
Housing Revenue Account	Various	3	3,395	Budget realignment	Realignment of various budgets across the HRA to reflect updated structures and spends
Total			75,097		

2 Proposed GF Capital Virements for Quarter One (2025/26)

Directorate	Scheme Number	Scheme Description	Budget Adjustment (Virement) (£'000)	Scheme Description
Children's Services	101	Primary Schools - repairs & maintenance	(115)	Capital Slippage deferred to 2026/27
Children's Services	102	Primary Schools - mod & enhance (Inc SEN)	(5,656)	Capital Slippage deferred to 2026/27
Children's Services	110	Devolved Sch Capital	(27)	Budget reduction to align with DFE (DFC) 2025/26 allocation
Children's Services	121	Pendarren House	(228)	Capital Slippage deferred to 2026/27
Children's Services	124	In-Borough Residential Care Facility	(2,647)	Capital Slippage deferred to 2026/27
Children's Services	125	Safety Valve	(4,640)	Capital Slippage deferred to 2027/28
Children's Services	126	Children's Services Liquid Logic Implementation	(1,780)	Capital Slippage deferred to 2027/28
			(15,093)	
Adults, Housing & Health	201	Aids, Adaptations & Assistive Tech -Home Owners (DFG)	1,124	Budget increase to align with DH (DFG) 2025/26 allocation
Adults, Housing & Health	213	Canning Crescent Assisted Living	385	Budget transfer from Capital Contingency
Adults, Housing & Health	226	Initiatives under Housing Demand Programme	(5,150)	Capital Slippage deferred to 2026/27
			(3,641)	
Environment & Resident Experience	310	Developer S106 / S278	107	Budget increase to reflect additional S278 receipt
Environment & Resident Experience	314	Parkland Walk Bridges	271	Budget increase to reflect reprofiled budget from previous financial year
Environment & Resident Experience	444	Marsh Lane	10	Budget transfer from Capital Contingency
Environment & Resident Experience	322	Finsbury Park	(200)	Budget reduction in line with anticipated additional events income.
			188	

Directorate	Scheme Number	Scheme Description	Budget Adjustment (Virement) (£'000)	Scheme Description
Culture, Strategy & Communities	402	Tottenham Hale Streets	(859)	Capital Slippage deferred to 2027/28
Culture, Strategy & Communities	408	Down Lane Park	(2,154)	Capital Slippage deferred to 2026/27
Culture, Strategy & Communities	408	Down Lane Park	621	Budget transfer from Capital Contingency
Culture, Strategy & Communities	408	Down Lane Park	(621)	Capital Slippage deferred to 2026/27
Culture, Strategy & Communities	421	HRW Acquisition	(435)	Capital Slippage deferred to 2026/27
Culture, Strategy & Communities	458	SIP - Northumberland PK BB & WorkSpace/Biz Support	446	Budget increased to reflect utilisation of grant
Culture, Strategy & Communities	459	Wood Green Regen Sites	(1,788)	Budget amalgamation into scheme 480 (no change to level of capital programme)
Culture, Strategy & Communities	478	Wood Green Good Growth Fund	375	Budget amalgamation into scheme 480 (no change to level of capital programme)
Culture, Strategy & Communities	480	Wood Green Regen (2)	1,413	Budget amalgamation from schemes 459 & 478 (no change to level of capital programme)
Culture, Strategy & Communities	483	Productive Valley Fund	976	Budget increased to reflect Productive Valley Fund loan repayments
Culture, Strategy & Communities	488	Liveable Seven Sisters (LSS)	(2,000)	Capital Slippage deferred to 2026/27
Culture, Strategy & Communities	4005	SME Workspace Intensification	1,662	Budget increased to reflect utilisation of grant
Culture, Strategy & Communities	4010	Selby Urban Village Project	(3,697)	Capital Slippage deferred to 2026/27
			(6,061)	

Directorate	Scheme Number	Scheme Description	Budget Adjustment (Virement) (£'000)	Scheme Description
Finance & Resources	602	Corporate IT Board	(6)	Budget transfer to capital scheme 653
Finance & Resources	653	Capital Support for IT Projects	6	Budget transfer from capital scheme 602
Finance & Resources	316	Asset Management of Council Buildings	(2,500)	Capital Slippage deferred to 2026/27

(2,500)

Corporate Items	699	P6 - Approved Capital Programme Contingency	(385)	Budget transfer to capital scheme 213
Corporate Items	699	P6 - Approved Capital Programme Contingency	(10)	Budget transfer to capital scheme 444
Corporate Items	699	P6 - Approved Capital Programme Contingency	(621)	Budget transfer to capital scheme 408

(1,016)

OVERALL TOTAL

(28,123)

APPENDIX 9A

Write off Summary Report - Quarter 1

All Council debt is considered recoverable; the various teams responsible for collecting debt 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 1st April 2025 to 30th June 2025 **(Q1)**. These relate to delinquent 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 Corporate Director of Finance and Resources under delegated authority and, where appropriate, the Cabinet Member for Finance and Resources. They have been adequately provided for in the Council's Bad Debt Provisions.

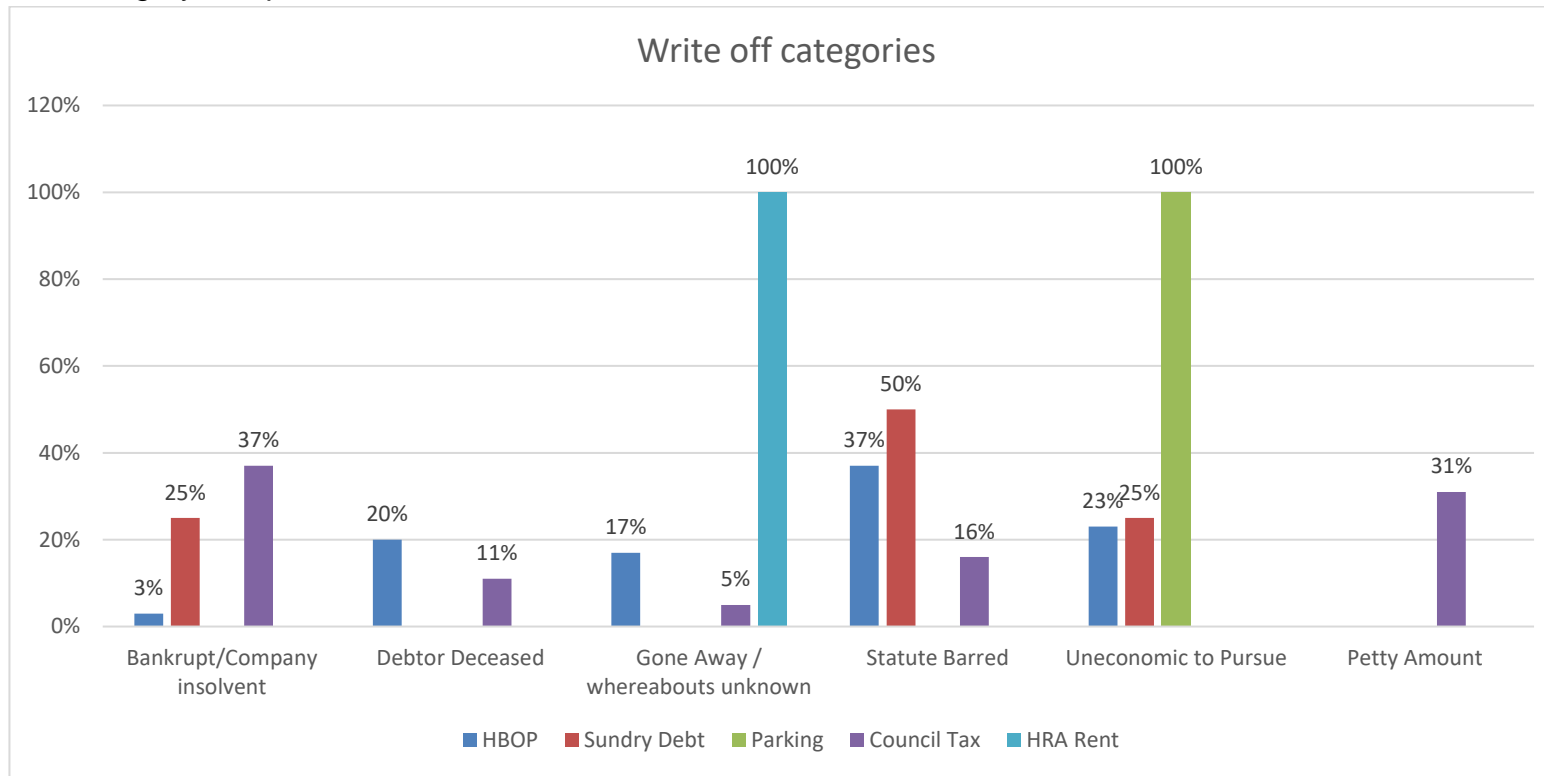
The Council's level of debt is high. A key project will commence shortly to establish a Corporate Debt Board that will involve all services that collect income to review current outstanding debt as well as review and improve processes to reduce the level of new debt. Further details will be provided within the Quarter 2 report.

The table below summarises the Q1 write off by service type, value and volume.

Quarter 1 Write Off, Financial Period 1st April 2025 - 30th June 2025									
Service	Council Tax	NNDR (Business Rates)	HBOP (Housing Benefit Overpayments)	HRA Rent	Lease- holder	Commercial Rent	Sundry Debt	Parking	Total
Under £50k	£27,905.42	£0.00	£23,125.44	£0.00	£0.00	£0.00	£12,065.58	£1,470,206.00	£1,533,302.44
Volume	19	0	30	0	0	0	4	7302	7355
Over £50k	£0.00	£0.00	£0.00	£127,383.33	£0.00	£0.00	£0.00	£0.00	£127,383.33
Volume	0	0	0	2	0	0	0	0	2
Total Value	£27,905.42	£0.00	£23,125.44	£127,383.33	£0.00	£0.00	£12,065.58	£1,470,206.00	£1,660,685.77
Total Volume	19	0	30	2	0	0	4	7302	7357

There are two over £50,000 cases totalling £127,383.33 for HRA Rent Accounts. Both cases relate to unauthorised occupants within Temporary Accommodation (see appendix 9B).

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



APPENDIX 9B

Debt Write off Greater than £50,000

All large businesses or organisations expect a certain level of income to become irrecoverable and therefore plan for some level of write-off. Occasionally, for a variety of reasons, debts do arise which become irrecoverable. Under Haringey's constitution, debts of £50,000 or more require the approval of the Cabinet Member for Finance and Resources or Cabinet.

The debt over £50,000 has been approved for write off in this quarter and set out below. The Council's bad debt provisions are sufficient to cover the full value of this write-off.

Housing Rent Temporary Accommodation (Use & Occupation Accounts)

£65,883.33 & £61,500.00

Both cases relate to Unauthorised Occupants. When the tenancy of a legal tenant is terminated and the rent account ceased, if there are known/unknown occupants in occupation of the property – a request is sent to the Rents team to create a use and occupation account.

As it is not a legal tenancy, there are various challenges to convince occupants residing in a property to pay the charges and in addition to this, there have been severe delays in acquiring court hearings, along with eviction dates. The latter is an external challenge, which Legal Services have addressed with our local County Courts.

The Debt Recovery Service is now meeting monthly with Tenancy Management / Housing Demand in order to conclude and resolve these cases in a timely fashion. Tenancy Management are also having regular legal liaison meetings to discuss specific cases including any delays or updates from the Courts.

Appendix 10 - Finance Response and Recovery Plan

Theme and Action	Responsibility	Status	Progress as at Quarter 1
1. Financial Accountability - improved responsibility and accountability across budget managers, senior manager and Members and embed Finance First Culture			
Revised Financial Regulations and Financial Management as key part of job descriptions and performance reviews and implementation of disciplinary processes for non-compliance and accountability.	Corporate Director of Finance and Resources	In progress	Finance Regulations have been reviewed and updated. To be presented and approved at Constitution Working group in September 2025. Following this, communication and engagement with all budget holders will be undertaken to ensure all officers are aware of their responsibilities and accountabilities.
Improve financial literacy across all budget managers.	All Budget Managers	In progress	Financial Management is a key module of the Managers Pathway course. Ongoing training and development with budget managers by Finance Business Partners as part of monthly monitoring is in place but needs to be strengthened and formalised to ensure consistency in training, development and support across all services. As part of the restructure of Finance, a new Service Offer has been developed and is currently subject to consultation. The restructure will include learning and development for finance staff in a business partnering way of working as well as formal training and development for all budget managers with a focus on roles and responsibilities, understanding their budget and key drivers, accurate forecasting and managing within budget.
Stronger communication and engagement across organisation on the Financial Position and their role and responsibilities, including with SLT and Leadership Network	Corporate Directors	Ongoing	A more structured communications plan with the whole organisation on the financial position and the role they play is in place. This includes a Dedicated Web Page on the Financial Recovery with information, guidance and advice, Let's Talk Sessions hosted by the Chief Executive and Section 151 Officer and most Leadership Network and Senior Leadership Team meetings now dedicated to addressing the financial position.

Increase capacity across the organisation for the delivery of the Financial Recovery Plan and addressing the financial emergency to be prioritised.	Corporate Directors	Ongoing	<p>Addressing the Council's challenging financial position is being treated as an emergency across the organisation but it is recognised that capacity and resources to support as well as BAU is difficult. The following actions have been implemented:</p> <p>1) Review of regular meetings and boards to either pause, operate on a reduced frequency or operate on a reduced attendance. New arrangements now in place across Directorates and Corporately</p> <p>2) Leadership Network and Senior Leadership Team meetings have been moved to bi-monthly frequency.</p> <p>3) No new strategies or initiatives will commence which are not in-flight unless they relate to the delivery of the Financial Response/Recovery Plans.</p> <p>4) Additional staff resources have been mobilised for the Financial Response/Recovery Silver work by adding Strategic Leadership support.</p>
2. Immediate spending controls on all non-essential spending			
Recruitment Panel oversight for all non-essential recruitment activity.	Recruitment Panel	Ongoing	<p>Recruitment Panel continues to be in place and meet fortnightly, chaired by the Section 151 officer. All agency and permanent recruitment for non-essential posts (previously only agency) are subject to approval. Only non-essential posts where there is evidence of a link to savings or income generation are approved.</p>

Spend Control Panel for non-essential spend over £1,000.	Corporate Director of Finance and Resources	Ongoing	<p>The Spending Control Panel is in place and meets twice weekly, chaired by an independent previous Section 151 Officer on behalf of the Corporate Director of Finance and Resources. All spend over £1,000 are subject to either Director approval or Panel approval. Exceptions to this process are, the delivery of core statutory services, emergency planning or critical response arrangements, appointment of legal counsel, where approved by the Monitoring Officer, Coroners' services, health and safety matters where the risk must be addressed. For quarter 1, the panel have rejected £1.1m of spend that would otherwise be made.</p> <p>Internal audit review of the controls is underway and implementation of any recommendations will be a priority.</p> <p>As a result of the Council's deteriorating financial position, tighter controls are being considered, including system controls which will not allow any payment (irrespective of payment mechanism) to be made without the approval of either a Director or Panel.</p>
3. Improving Forecasting Accuracy and Future Demand Modelling			
<p>Baseline budget assumptions for all services, initially with a focus on high demand and high spending services.</p> <p>Monthly tracking of forecast against budget assumptions (financial and non-financial) and greater use of scenario planning and benchmarking.</p>	Corporate Directors	In progress	<p>Cost Drivers in Childrens Services and Adult Social Care and Housing Services have been documented, including the assumptions made when the budget was agreed in March 2025. These have been subject to review and challenge by the Silver Recovery Group.</p> <p>Through monthly budget monitoring, actuals are examined against each of these cost drivers and forecast made based on different scenarios for the year end.</p> <p>Regular challenge sessions scheduled with updates on action plan to address any overspends through Silver Recovery, Gold Recovery. Monthly briefings held with Cabinet Member for Finance and Service Cabinet Members for Adults and Housing.</p> <p>A similar exercise is underway to on the Strategic Property budget, which the latest forecast shows continues to be a high risk area and remaining services will be subject to similar review to identify cost drivers, accurate forecasting and mitigations to address any overspends.</p>

			<p>A new dashboard is being developed that will track financial and non-financial activity information associated with all services that will be to Silver, Gold and CLT and ensure 'one version of the truth'.</p> <p>With most directorates showing a pressure at Q1, spend outside budget has occurred. Any overspends have been reported to CLT and the S151 but further work is required to ensure that overspend is reported agreed before it occurs.</p>
4. Savings Identification & Delivery			
Review of MTFS model, assumptions and new savings identified to close the budget gap	Corporate Directors	In progress	<p>Work has commenced for 2026/27:</p> <p>Budget Series 2025 delivered over the course of 3 months (April to June). This was a two-day Budget Sessions each month with a focus on increasing awareness and accountability of Leadership Network and time over the Budget Series for identifying budget proposals and delivery plans for 2026/27 and beyond. There was also focus on providing assurance on the existing savings for 2025/26. New budget proposals to be presented to Cabinet in November for consultation to commence.</p> <p>Ongoing review of the other assumptions underpinning the MTFS and associated budget gaps. This includes regular review of future demand and price pressures, external factors and influences to ensure a realistic budget gap is known and level of savings required.</p>

Enhanced monthly monitoring and reporting. New savings tracker implemented to track progress against savings and changes made to deliver savings.	Corporate Directors	In progress	<p>New savings tracker has been developed, implemented and used for Q1 monitoring and reporting. This tracks both the delivery of the changes required to achieve the savings and the financial savings achieved.</p> <p>Category A projects criteria has been re-defined to ensure that projects that will receive Corporate Change are those directly linked to significant savings. As recommended by the CIPFA Resilience Review, all savings are now categorised using one of the four themes:</p> <ul style="list-style-type: none"> • Service reduction / prioritisation • Prevention and demand avoidance • Efficiency and productivity • Commercialisation <p>Additional programme management resource has been deployed to support the oversight and co-ordination of the monitoring and reporting of savings, with a programme management approach in place. . External support in in place to support the delivery of Adult Social Care savings (£7.7m) and Procurement, Commissioning and Contracts (£3m per annum).</p>
Greater use of benchmarking and best practice from other authorities to ensure all services are delivering good value for money	Corporate Directors	In progress	All services utilise benchmarking for managing their services but further work is needed to use performance and finance benchmarking to test all services for value for money. This will be progressed as part of the 2026/27 budget setting process.
5. Reduction in Staffing Spend			
5% staff savings target achieved in full.	Corporate Directors	In progress	<p>Ongoing progress on spend reductions reported at Silver Recovery Group. Targeted challenge session planned for services with consistently high numbers of agency, with action plans to reduce to be provided.</p> <p>All services are required to prepare a Workforce Plan which will need to be aligned to the budget reductions in staffing.</p>

Reduction in agency use and spend.	Corporate Directors	In progress	Ongoing review of agency spend in place. All agency spend subject to quarterly review by the Cabinet Member for Finance and Resources. Latest information shows that over the last quarter, total workforce has fallen from 4,166 to 4,107, where agency has fallen from 454 to 357 which is reduced from 527 at the same time last year. Full details are in the People Report published for General Purposes Committee in October.
6. External Reporting			
Updated structure and format of the quarterly reports to Cabinet, OSC and Scrutiny Panels - aligning performance, financial forecast (revenue and capital) and savings.	Corporate Director of Finance and Resources	In progress	<p>Good progress has been made with the Quarter 1 reports. The finance report includes an overall Executive Summary, followed by detailed Directorate appendices that bring together the revenue and capital finance forecast, key activity data on the cost drivers and savings. This provides an overall picture of the financial health of each Directorate and enables a more joined up discussion at Cabinet and Scrutiny.</p> <p>The six monthly report on the Corporate Delivery Plan and performance remains as a separate report at this stage but is structured again by Directorate, providing a more holistic view on directorate position, with interdependencies more transparent.</p> <p>Future improvements will be to consolidate both reports.</p> <p>Quarterly internal reporting of Category A projects continue.</p>
Monitoring and reporting of contingencies and financial benefits from invest to save spend.	Corporate Director of Finance and Resources	In progress	<p>Previously, contingency was utilised as a budget at the year end to contribute towards the bottom line overspend. Monitoring and reporting of the use of corporate contingency is now through an application process and approval by the Section 151 Officer and reported through the quarterly finance report to Cabinet.</p> <p>Within the budget for 2025/26, £4m of capital receipts has been assumed for spending on transformation and invest to save. A robust monitoring process has not yet been established but will be in place and reported through the Quarter 2 report.</p>

Single dashboard in place for monitoring and reporting service and corporate health indicators and 'one version of the truth'	Corporate Director of Finance and Resources	In progress	<p>Single dashboard for reporting financial forecast and cost drivers now in place and monitored by both Gold and Silver recovery groups each month. However, further improvements to strengthen the link between cost drivers and financial forecast and use of scenario planning to be developed in Quarter 3.</p> <p>Corporate Health dashboard not yet in place but work starting shortly on developing the indicators for monitoring purchasing and payment compliance and which will be managed through the Purchase to Pay Group that will be chaired by the Corporate Director of Finance and Resources and with issues escalated to individual Corporate Directors. This is expected to be in place by the end of October.</p>
7. Commissioning and Procurement Improvements			
Full Contracts register in place and monitored through Procurement Board.	Corporate Director of Finance and Resources (as Chair of Procurement Board)	In progress	Good progress has been made with working with individual services to develop a complete Contracts register but there remains some gaps and this is ongoing. This is also a requirement under the new Procurement Act
Commissioning panel and Procurement Board established, and new gateway process established for approval of all contracts over £25,000.	Corporate Director of Finance and Resources (as Chair of Procurement Board)	In progress	<p>Procurement Board in place and considering pipeline of all contracts due for a re-tender. Further work is required to develop the Gateway approval process to further improve oversight and this is being developed through the Commissioning Modernisation Programme.</p> <p>Commissioning Panel still to be put in place but this is being managed through the newly established Commissioning Modernisation Programme which is considering all existing commissioning arrangements over £25,000. The initial focus will be on contracts within Adults, Children's and Housing.</p>

Complete outstanding actions from the previously agreed Procurement Modernisation Programme.	Corporate Director of Finance and Resources	In progress	There are two outstanding actions associated with the Procurement Modernisation Programme: 1) Centralisation of all procurements over £25,000. Although this is now in place, it will take time to fully embed the new process and ensure services fully engage with Strategic Procurement 2) Implementation of an e-procurement system. This has now been paused pending the SAP replacement to ensure that opportunities to have a single system across finance, HR and procurement are not missed.
Review all purchasing processes to streamline, efficiencies and reduce complexity	Corporate Director of Finance and Resources	Not yet started	This work has not yet started but remains a priority. The Council currently has too many different ways in which payments can be made which makes it difficult to enforce compliance but also challenging for buyers who find the current processes complex and sometime unclear on the right payment method to use. This will be fully enabled through the replacement of SAP but there are a number of actions that can take place in the interim, such as turning off some payment channels, improving communications and training and education for 'buyers'.
8. Improve Debt Recovery - improved collection rates, reduced levels of debt written off each quarter and reduce the level of bad debts provision required			
Establishment of cross council Debt Board.	Corporate Director of Finance and Resources	To be started in Q3	A Cross Council Debt Board will be created in the second half of 2025/26 and will include representatives from all services that collect income. The Board will oversee the review of current levels of debt but also review all end to end processes with the aim of reducing the level of debt and write off.
Baseline debt by service.	Corporate Director of Finance and Resources	To be started in Q3	Current levels of debt are monitored by individual services, and this action will aim to develop one consolidated view of all debt owed to the Council, establish a single dashboard which will be monitored and reported to the Debt Board each month and quarterly to Silver Recovery Group.
Review and improvements to all end to end process.	All Corporate Directors responsible for collection of income	To be started in Q3	This action is to avoid debt and will review the end to end process of all income collection processes. The main focus is on those who 'won't pay' with the aim of improving ways to pay to make it easier and a plan for the reviews will be established, focussing initially on areas where levels of debt are higher but also at the same time to consider opportunities for cross council solutions in ways to pay channels. There is a separate project underway to support those who 'can't pay' and addressing income inequality.

9. Asset Disposals - reduce the number of surplus assets, maximise use of remaining assets and increase level of capital receipts to fund the capital programme and EFS requirement			
Disposals Board in place and Disposals Policy agreed and implemented.	Corporate Director of Finance and Resources	In progress	Cabinet approved in June 2025 the council's disposal policy and associated disposals pipeline. All disposals under £4m are subject to review by Disposals Board and approval by the Section 151 and all over £4m subject to Cabinet approval. Quarterly updates to Cabinet progress and annual approval by Cabinet on proposed disposals for forthcoming year.
Increase in capital receipts for surplus properties to reduce borrowing and support transformation.	Corporate Director of Finance and Resources	In progress	Given the Council's financial position, further opportunities are being explored to maximise use of the Council's operational estate, collect income due from commercial properties and disposal of any additional surplus assets. This will be subject to approval through future budget setting processes.
Tracker and pipeline of capital receipts expected.	Corporate Director of Finance and Resources	Completed	Pipeline created, regularly reviewed and monitored and reported through Disposals Board and summary of progress within the Quarterly Monitoring Report to Cabinet.
10. Capital Programme - reduce value of the capital programme, reduce any new borrowing and a capital programme that is deliverable (reducing the level of slippage and unnecessary budgeted borrowing costs)			
Annual review of capital programme to reduce non-essential schemes and borrowing.	Corporate Director of Finance and Resources (as Chair of Strategic Capital Board)	In progress	<p>Annual review of capital programme in place between May and September in preparation for agreeing the annual programme at Full Council in March of each year. This includes</p> <ol style="list-style-type: none"> 1) Review of all existing schemes that have not yet commenced that they remain a priority and in line with the Council Plan 2) Consider any new schemes with a focus on only those which are essential or will deliver cost reductions / increased income of the revenue budget 3) All schemes remaining in the programme subject to review to ensure that profile of spend is accurate and reflects the latest known information on the delivery plan. <p>Proposed schemes for removal / pause from the programme and new schemes presented to Cabinet in the Autumn of each year, subject to the budget consultation process and approved by Full Council in March of each year.</p>

Improved spend profiling to avoid unnecessary borrowing.	Corporate Directors	In progress	This is being strengthened as part of the 2025/26 annual review process to reduce the high levels of slippage that has been evident in previous years. In advance of agreeing the annual programme, all schemes will be subject to review to ensure that the profile of spend across the five years in the capital programme is accurate based on the latest delivery plan. In addition, all 'rolling programmes' will need to be unpinned by a schedule of planned projects or works. Planned spend remains under review as part of the Quarterly Monitoring Process and budgets adjusted accordingly based on the latest information.
New capital programme governance embedded with clear gateways for decisions and consistency on statements and need and business cases before schemes included in the programme.	Corporate Directors	In progress	New governance structure in place for all new schemes as set out in Appendix 4 of the MTFS published in July with clear gateway approvals, consistency in decision making and full business cases approved before inclusion in the programme. Since the new governance and oversight was only implemented from April 2025, work is underway to review existing schemes to determine current status against the new gateway process and retrospectively apply the need for Outline and Full Business Cases.
11. Reserves - identify uncommitted reserves that can be utilised as one off to fund the forecast overspend, replenish the budget planning reserve to a more sustainable level across the medium term and strengthen monitoring and reporting on the use of contingency and achievement of financial benefits of invest to save monies.			
Review of all remaining reserves to transfer uncommitted allocations to 'risk and uncertainties' reserves.	Corporate Director of Finance and Resources	In progress	Review of £9.6m of Services Reserve and £10.4m of Grants Unapplied Reserves underway. Section 151 Officer to attend all DMTs during September. Any balances remaining within these two reserves will require a completed statement of need and use will continue to be monitored and considered annually if circumstances have changed and balances can be released. Any uncommitted balances will be utilised to fund the forecast overspend in 2025/26 and reduce the requirement for EFS. Update to be reported in the Quarter 2 Monitoring Report to Cabinet.
Replenishment of reserves for managing risks and uncertainties across the medium term.	Corporate Director of Finance and Resources	Complete	The five year Medium Term Financial Strategy and forecast budget gaps for 2026/27 onwards include an annual replenishment of the Budget Planning Reserve of £3m. Affordability of this contribution will be reviewed each year as part of the budget setting process.

Align reserves strategy to risk management strategy.	Corporate Director of Finance and Resources	Not yet started	Reserves Strategy to be reviewed as part of the 2026/27 budget setting process and to be reported as part of the 2026/27 Budget Report to Full Council in March 2026.
Strengthened reporting on use of contingency and invest to save	Corporate Director of Finance and Resources	In progress	<p>Monitoring of corporate contingency - All use of contingency subject to approval by the Section 151 Officer. Tracker of approvals in place and reported through the quarterly monitoring reports to Cabinet.</p> <p>Monitoring of financial benefits of 'invest to save' monies - to be developed in Quarter 3 of 2025/26 and reported as part of the Q2 finance monitoring report. Any invest to save money that has been allocated that is not delivering the agreed financial benefits will be re-prioritised.</p>