

Appendix 2 (e)

Finance and

Resources Directorate

Finance and Resources Directorate

- 1.1. The Finance and Resources Directorate was formed on 1 April 2025 following a senior management restructure. The Directorate includes some of the Council's key enabling functions, such as finance, procurement, audit, insurance and risk management, digital and technology and change management, capital project delivery and the management of operational and commercial property estate - and all of which support the delivery of the range of services provided by the Council. The Directorate is also responsible for the delivery of the Council's target to provide 3,000 new homes by 2030.
- 1.2. In 2026/27, the net budget for the Finance and Resources Directorate is £34.061m. This includes £2.798m additional budget for service pressures and £1.342m of savings, full details are set out in the following sections.

Financial Management

- 1.3. As well of ensuring the Council meets its statutory functions of setting a balanced budget and closing the accounts on time, the service supports the development and embedding of good financial management across the organisation and compliance across all aspects of the Financial Management Code.
- 1.4. The service will support the Section 151 on implementation of the Finance Resilience Plan and supporting working towards financial sustainability over the next three years.
- 1.5. The net budget for 2026/27 is £5.783m, an increase from £5.363m in 2025/26. Full details are set out in the table that follows and includes additional budget for staffing costs to maintain the provision of financial advice and support to Corporate and Education Services, following removal of assumed funding via capital, capital receipts flexibility and DSG.

Strategic Procurement

- 1.6. The procurement service provides strategic support for contracts delivering over £600m each year of spending with third party organisations. During 2025/26, the focus has been on the implementation of the Procurement Modernisation Programme and the implementation of the new requirements from the Procurement Act 2023 which came into effect from 24 February 2024, for which the Council is now compliant. However, commissioning, procurement and contract management remains a focus for improvement over the next 12 to 18 months through the Commissioning Modernisation Programme and the newly established

Commissioning Panel who will oversee all new services commissioned / re-commissioned over £160,000 and play a pivotal role in helping the organisation to assure itself that all contracts are delivering good value for money.

- 1.7. The 2026/27 net budget for strategic procurement remains in line with 2025/26 at £1.259m and includes savings of £100,000. Full details are set out in the table that follows.

Audit, Insurance and Risk Management

- 1.8. This service includes, the Council's internal audit function which is essential for ensuring the efficiency and effectiveness of the Council, helping to identify and manage risks, review controls, and recommend areas for improvement through internal audit reviews. The service also includes the anti-fraud and insurance services to protect the organisation and ensuring the relevant controls and compliance are in place. In 2026/27, the audit plan will include activity of internal audit reviews to assess a range of services which will be determined through a risk assessment of where controls and compliance need to be subject to review and the monitoring of progress against any recommendation that emerge.
- 1.9. The 2026/27 net budget for Audit, Insurance and Risk Management remains in line with 2025/26 at £1.066m and includes savings of £32,000 following tender of the new internal audit contract. Full details are set out in the table that follows.

Digital and Change

- 1.10. The Council's Digital and Technology function is primarily focused on supporting the Council to deliver its challenging savings, efficiency and modernisation plans, utilising the new Digital service and infrastructure that was put in place in February 2025. The new Architecture and Digital Governance arrangements ensure oversight of the Council's technology infrastructure and systems, as well as leading on the Service Modernisation Programme which over the next three years is forecast to digitally transform the Council, improve processes, modernise technology and deliver further savings of £4m over the next three years. The service also lead Digital Inclusion for the Council and working with partners and other key stakeholders.
- 1.11. The corporate change function was developed in March 2024 for a two year period, putting in place a corporate change management governance framework and overseeing the delivery of the Council's main improvement programmes and projects. Currently funded through the use of capital receipts flexibility, a review will be undertaken in early 2026 to consider the operating model required to support the delivery of the changes required in the Medium Term Financial Strategy, support delivery of aspects of the financial sustainability plan and continue to deliver efficiencies, savings and modernisation plans.

1.12. The 2026/27 net budget for Digital and Technology is £15.861m an increase from £15.378m in 2025/26. Full details are set out in the table that follows and includes additional budget for increased cost of licenses and system replacements needed. The Change function will continue to be funded through capital receipts flexibility pending this review.

Capital Projects

1.13. Within the Directorate is the Capital Projects delivery team, which directly delivers a large proportion of the overall capital programme each year, including schools, improvements to Council operational assets, and major regeneration projects, and the Programme Management Office who oversee the development and implementation of the Capital Strategy in line with the new Capital Programme governance framework.

1.14. This service also leads on the delivery of the Council's target to deliver 3,000 new homes by 2031. By the end of 2025, it is forecast that over 1,000 households will have moved into newly built council homes as part of the programme. These are the first new council homes in Haringey for forty years, supporting the Council's ambitions and improve financial sustainability by reducing numbers in expensive temporary accommodation.

Operational and Commercial Property Portfolio

1.15. The Council owns and manages 77 operational buildings across the borough and, through the newly implemented Corporate Landlord Model, manage routine and reactive maintenance and repairs and ensure the ongoing sustainability of this portfolio. Through the implementation of the Asset Management Plan and the SAMPIP framework the Council will align property investment with service priorities, improving building functionality, reducing unplanned spend and risk, and delivering best value through a planned approach to maintenance and renewals.

1.16. In addition, the Council owns and manages a commercial portfolio of over 1000 properties. Following an external review in 2022, the Property Improvement Plan has been underway to improve the management of the property portfolio, to improve the quality and record keeping of data associated with the estate and ensure that all properties are effectively managed. Good progress has been made and income from the commercial portfolio is over £1m higher than the same period last year but full delivery of the improvement plan remains a priority for the Directorate and will continue through 2026/27 in line with the SAMPIP framework and the Disposals Strategy that was agreed by Cabinet in June 2025.

1.17. There remains historic expenditure and income pressures on the portfolio and the draft budget for 2026/27 includes £800k additional budget to correct this historic underfunding of budgets relating to utility costs and business rates and also to fund the additional business rates associated with the recent revaluation by Government. At the same time the service will deliver of the next year £10m of savings targets through increased income and disposals of surplus assets.

1.18. The 2026/27 net budget for Capital Projects and Property is £9.976m an increase from £9.290m in 2025/26. Full details are set out in the table that follows and includes £770,000 for spend and income pressures from the operational estate as well as over £1m of savings.

Proposed Budgets 2026/27 to 2030/31

1.19. The estimated additional budget requirement for the Finance and Resources Directorate in 2026/27 is £1.5m as presented in the table below. Details of the proposals is provided in the sections below. The total estimated reduced budget requirement across 2026/27 to 2030/31 is a reduction of £4.7m.

Type	2026/27	2027/28	2028/29	2029/30	2030/31	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Starting Budgets (inc. Chief Executive budget)	32,605	34,061	30,801	27,916	27,916	153,300
Previously Approved Budget Pressures	962	0	0	0	0	962
Previously Approved Budget Savings	(1,342)	(3,260)	(2,885)	0	0	(7,487)
New Pressures	1,836	0	0	0	0	1,836
Total Proposed Changes	1,456	(3,260)	(2,885)	0	0	(4,689)
Proposed Revised Budget	34,061	30,801	27,916	27,916	27,916	148,611
<i>* Based on Draft Budgets</i>						

1.20. The current assumption is that all of the previously Approved savings included in the March 2025 Council report across 2026/27 to 2030/31 will be delivered in full.

2026/27 Total Budget Pressures

1.21. £2.798m of budget pressures have been identified across 2026/27 to 2030/31, all in 2026/27, and set out in full in the table below.

Category	Description	2026/27 (£'000)	2027/28 (£'000)	2028/29 (£'000)	2029/30 (£'000)	2030/31 (£'000)	Total (£'000)
Previously Approved	School Landlord functions - Organisational Resilience Asbestos Surveys – reversal of budget created in 2025/26	(30)					(30)
Previously Approved	Strategic Asset Management Team – the team have currently been funded through the use of capital receipts flexibility on a short-term basis but implementation of the Property improvement Plan is not yet completed and revenue staffing base budget needs to be established for the ongoing role of this team in managing the Council's property portfolio	1,000					1,000
Previously Approved	Additional essential IT and digital costs to protect against cyber security and licensing costs	30					30
Previously Approved	Reduction in LIFT (Low Income Family Tracker) System contract costs	(38)					(38)
New Proposal	Implementation of the Corporate Property Model which was introduced in April 2025. There are some historic shortfalls in utility services budgets and an estimated increase in business rates from the recent revaluation exercise undertaken by Government.	800					800
New Proposal	Finance - staff costs which can no longer be capitalised, funded through the use of capital	420	-	-	-	-	420

Category	Description	2026/27 (£'000)	2027/28 (£'000)	2028/29 (£'000)	2029/30 (£'000)	2030/31 (£'000)	Total (£'000)
	receipts flexibility or assumed funded through DSG in line with accounting guidance						
New Proposal	Digital Services – Continued funding of the subscription for the Low-Income Family Tracker to support the Council's work of supporting our most vulnerable residents	50					50
New Proposal	Digital Services – additional budget for a range of license costs increases and cost of essential technology replacement including: <ul style="list-style-type: none"> Netcall Licenses (£116,000) NEC (Revenues and Benefits and Housing) (£450,000) 	566					566
Overall Total		2,798					2,798

2026/27 Budget Savings

1.22. £7.5m of savings will be delivered across 2026/27 to 2030/31, of which £1.34m is in 2026/27 and set out in full in the table below.

Categories	Description	2026/27 (£'000)	2027/28 (£'000)	2028/29 (£'000)	2029/30 (£'000)	2030/31 (£'000)	Total (£'000)
Previously Approved	Increase income from the commercial portfolio estate	(50)	(100)	(75)			(225)
Previously Approved	Digital Transformation – improvement in processes and technology which will lead to reductions in staffing and contract spend. These savings will ultimately be allocated out to the	0	(2,000)	(2,000)			(4,000)

Categories	Description	2026/27 (£'000)	2027/28 (£'000)	2028/29 (£'000)	2029/30 (£'000)	2030/31 (£'000)	Total (£'000)
	relevant services through the Service Modernisation Programme. £2m 2026/27 savings have now been re-profiled into 2028/29.						
Previously Approved	Digital and Change - ongoing staffing reductions from the restructure that took place in 2024/25.	(75)					(75)
Previously Approved	Property disposals of surplus assets that generates one-off Capital receipts to reduce borrowing costs on the capital programme			(335)			(335)
Previously Approved	London Construction Partnership – increase in income from increased activity	(100)	(225)	(200)			(525)
Previously Approved	Property project to maximise asset efficiency and develop a disposal pipeline	(585)	(635)	(275)			(1,495)
Previously Approved	Reduction in the cost of internal audit contract following re-tender	(32)					(32)
Previously Approved	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	(450)	(300)				(750)

Categories	Description	2026/27 (£'000)	2027/28 (£'000)	2028/29 (£'000)	2029/30 (£'000)	2030/31 (£'000)	Total (£'000)
	reduce the need for borrowing to deliver the capital programme.						
Previously Approved	Digital – savings through the rationalisation of platforms, reducing licenses and renegotiating contracts.	(50)					(50)
Overall Total		(1,342)	(3,260)	(2,885)	0	0	(7,487)

2026/27 - 2030/31 Draft Capital MTFS (GF) CAPITAL MTFS BUDGET

1.23. Following consultation, new or deleted schemes compared to the Capital Programme that was last agreed in March 2025 are noted in the table below.

Directorate	Capital Scheme No	Description	2026/27 Budget (£'000)	2027/28 Budget (£'000)	2028/29 Budget (£'000)	2029/30 Budget (£'000)	2030/31 Budget (£'000)	2026/27 - 30/31 Total (£'000)
ADDITIONS / NEW SCHEMES								
			0	0	0	0	0	0
			0	0	0	0	0	0
DELETION / REDUCTION								
Finance & Resources	657	Reduction in Digital Schemes	(1,160)					(1,160)
			(1,160)	0	0	0	0	(1,160)
NET MOVEMENT								
			(1,160)	0	0	0	0	(1,160)

1.24. The proposed Capital programme and funding sources across the five years from 2026/27 to 2030/31 is set out in full in the table below (2025/26 budgets shown for information).

SCH EME REF	SCHEME NAME	2025/26 Qtr.2 Budget	2026/27 Budget	2027/28 Budget	2028/29 Budget	2029/30 Budget	2030/31 Budget	2025/26 - 30/31 Total
		(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)
316	Essential and planned repairs to the Council's buildings in its operational estate portfolio	7,575	7,600	6,378	897	0		22,450
342	Public Protection - To replace life expired IT system	200	0	0	0	0		200
4011	Essential and planned repairs to the Council's buildings in its commercial property portfolio	4,000	4,000	3,000	4,186	0		15,186
4012	Compliance works for Energy Performance Certificates	1,000	500	500	500	0		2,500
602	Digital inclusion for Residents	1,263	860	860	0	0		2,983
604	Core infrastructure support (e.g. Microsoft Server Backup)	1,163	662	564	0	0		2,389
621	Libraries buildings upgrade	994	0	0	0	0		994
607	Replacement of the Council's e-procurement system. This is now being delivered by the project to replace SAP and will be a future decision to Cabinet	114	0	0	0	0		114
624	Investment into digital technology - from 2026/27, this is part of scheme 660	120	0	0	0	0		120
625	CCTV Move and Replacement of end of Life Infrastructure	1,466	733	0	0	0		2,200
626	Replacement of the Council's main data platform which has reached end of life	1,098	1,000	0	0	0		2,098
627	Hybrid AV between now and Civic Centre coming on line	694	450	0	0	0		1,144

SCH EME REF	SCHEME NAME	2025/26 Qtr.2 Budget	2026/27 Budget	2027/28 Budget	2028/29 Budget	2029/30 Budget	2030/31 Budget	2025/26 - 30/31 Total
		(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)
628	New technology to support the Adult Social Care Improvement Plan, specifically the Adults Front Door	989	0	0	0	0		989
629	Digital and technology upgrade to the Council's leisure centres following insourcing.	269	0	0	0	0		269
635	Mobile Replacement (Smart Phones / Devices)	425	225	0	0	0		650
636	Essential and planned repairs and maintenance to the Council's AV and desktop equipment	300	150	0	0	0		450
655	Data Centre Move	212	0	0	0	0		212
656	BT Big Switch Off	1,546	0	0	0	0		1,546
657	Corporate Laptop Refresh	1,719	40	1,100	0	0		2,859
659	Essential and planned upgrade to fully implement Microsoft 365	540	0	0	0	0		540
660	Service Modernisation Programme - investment into digital technology to improve ways of working and improved access to services by residents, visitors and businesses.	1,965	1,000	0	0	0		2,965
Finance & Resources		27,652	17,220	12,402	5,583	0	0	62,858

Source of Funding	2025/26 Qtr.2 Budget	2026/27 Budget	2027/28 Budget	2028/29 Budget	2029/30 Budget	2030/31 Budget	2025/26 - 30/31 Total
Core Capital Programme Borrowing	27,646	17,220	12,402	5,583	-	-	62,851
Grants & Contributions from Other Public Bodies	7						7
	27,652	17,220	12,402	5,583	-	-	62,858