

Report for: Cabinet – 10 March 2026

Item Number: 9

Title: 2025/26 Finance Update Quarter 3 (Period 9)

Report

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Ward(s) Affected: N/A

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

1. **Introduction**

1.1 This budget report covers the position at Quarter 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 compared to when the budget was set in March 2025.

General Fund

1.2 The Council's financial forecast variance for Quarter 3 shows an improvement of £4.4m since Quarter 2. This is a positive movement but still represents a sizeable overspend of £19m with an additional £37m of budgeted spend funded from Exceptional Financial Support (EFS).

1.3 Since the last report there has been improvements of £831,000 in Adult Social Care, £838,000 in Housing Demand and £2.3m in Environment & Resident Experience, the largest element (£1.8m) of which relates to Housing Benefit. Most other services are broadly in line with the Quarter 2 forecasts.

1.4 There has been a **net** deterioration in the Corporate budget forecasts since Quarter 2 of £623,000. Improvements are predominately made up of a reduction in forecast spend on interest payable of £1.9m, reduction in forecast spend on

contingency budgets for utilities, pay awards and pensions contributions totalling £2.4m and use of reserves of £1.4m. However, this improvement of £5.8m is then offset by forecast increase in spend on bank charges of £395,000 and forecast increase in bad debt provision for parking of £6m. The work undertaken earlier this year to challenge the balances on the earmarked reserves identified £1.4m that is uncommitted, not specifically earmarked and is now therefore reflected as being drawn down before year end to help offset the overall position. Additionally, further work undertaken during the last quarter to analyse the parking debt has indicated that at least a further £6m provision should prudently be assumed as required, resulting in a total bad debt provision for parking at £12m. However, it should be noted, this work remains underway and the final position will be reported at the year end.

- 1.5 Finally, the forecasts for external income have been revised up again with an additional £1.2m now expected compared to the £5.2m reported in Quarter 2. The increase consists of £722,000 unbudgeted grant for the extended producer responsibilities (waste and recycling) with a further benefit of £458,000 from the receipt of prior year business rates pooling gains.
- 1.6 The forecast overspend is based on the latest available information and current assumptions about demand to the end of the year. Many services are impacted by external factors such as inflation and capacity within particular systems which are harder to accurately predict. Housing demand is notably subject to this which is why the continued focus on reducing reliance on costly nightly paid emergency accommodation is critical. Although numbers across all demand led services remain high, there have been improvements since the last quarter where the number of older adults in a placement has remained fairly constant and the number of younger adults with a care package is increasing at a slower rate than previously predicted. Overall numbers in temporary accommodation (TA) have stabilised despite continued high levels of approaches but this is supported by strong performance at the front door and successful moves out of TA.
- 1.7 Any requests for utilisation of the Corporate contingency budget continue to be reviewed by the collective Corporate Leadership Team and where appropriate by the Financial Recovery Board. This helps to ensure that decisions on this scarce resource are taken with the widest available background knowledge, there is evidence that funding will mitigate or avoid costs and appropriate prioritisation can take place. At Quarter 3, £8m of this contingency remains unallocated. At this late stage of the year, minimal additional requests are expected and therefore this budget can be used to mitigate the final reported outturn position and if nothing else changes in the forecasts would reduce the overspend to £11m. Further detail is provided in Section 6.
- 1.8 The Council continues with the range of additional spend control measures introduced in previous months which includes a reduced use of purchase cards, a panel to review spend requests over £1,000, Section 151 scrutiny of all contract and decision reports above £25,000 and the Finance Recovery Board chaired by the Chief Executive which is focussed on

improving the delivery of existing savings. A new Commissioning Panel is now in place to review all new commissions over £160,000 to ensure they are evidence led, offer best value for money in delivering outcomes and options to reduce spending have been put forward and tighter controls on recruitment have been introduced since February 2026. Since the start of the year, the controls on spend have avoided close to £700,000 across revenue and capital however, with the on-going overspend position, further controls or restrictions are now being introduced on spending previously considered essential by Directors.

- 1.9 Any of the currently forecast £19m (or £11m after use of contingency) that cannot be reduced or mitigated by year end, will need to be met from a request for additional Exceptional Finance Support (EFS) above the £37m already budgeted for. Each additional £1m required will cost circa £50,000 per annum for 20 years.
- 1.10 Overall, based on the figures at Quarter 3, the Council is forecast to spend £319.2m on day to day services, of which 72% of service spend is on supporting the most vulnerable through adult services, children's and education and those facing homelessness. Additionally, it is anticipated that £152.9m on capital investment will continue into schools, roads, the environment, the Council's commercial and operation estate and improving digital technology and infrastructure. Full details are set out in the Directorate appendices 1 to 7.

Dedicated Schools Grant (DSG)

- 1.11 The Dedicated Schools Grant (DSG) forecast at Quarter 3 stands at £3.2m (£3.1m Qtr2) overspend. The pressure remains in the High Needs Block (HNB) which supports provision of delivery to children with Special Education Needs and Disabilities (SEND). This position is £1.7m off the target set out in the Safety Valve agreement, where the programme was expected to bring the HNB back into surplus by March 2028.
- 1.12 Increased placement costs and greater complexity of need are driving the increased forecast spend against target and the service are currently undertaking an analysis to inform steps to address this overspend. On the 9th February, through the Local Government Finance Settlement (LGFS), government announced that it has decided to close the Safety Valve programme with effect from the 1 April 2026. Safety Valve agreements will be replaced by a wider approach to DSG deficits and local area SEND reform plans. The LGFS set out the support local authorities will receive from central government going forward to deal with historic and accruing Dedicated Schools Grant (DSG) deficits, through the High Needs Stability Grant, along with conditions for accessing this support. In the calculation of the new grant, government has stated that LAs with a Safety Valve agreement will be treated equitably with other LAs and will not be disadvantaged by their participation in the Safety Valve programme. Full details are still awaited.

Housing Revenue Account (HRA)

- 1.13 The £1.3m improvement from Quarter 2 to Quarter 3 reflects the reduced overall expenditure in revenue budgets. This is mainly due to tighter contractor performance management, reduced emergency decant usage, and recruitment slippage. Income pressures, in rental income under-recovery across general needs and hostels are being offset by lower capital financing costs due to capital programme slippage. Despite this slippage, the Council reported its 1000th completion of new homes in January 2026.

Capital

- 1.14 In December 2025, the Council agreed a revised Quarter 2 General Fund capital budget of £180.175m. The revised budget as set out in this report is £198.173m which incorporates Quarter 3 budget adjustments of £17.998m, which recognises additional external funding received but also the increase in EFS requirement over and above that previously assumed for 2025/26. Using this revised budget of £198.173m, the General Fund capital forecast spend at Quarter 3 is £152.871m, which is £45.302m under the revised budget. However, it should be noted that the pattern of capital scheme spend can be volatile. Furthermore, there may be an element of optimism in the forecast on what will be achieved by the year end and therefore some further slippage is likely to be reported at the year end. Any requests for carry forward of capital budgets will undergo tighter scrutiny this year by the Section 151 Officer and will only be carried forward if evidence of a revised timeline and assurance on delivery is given.
- 1.15 Full details of progress and spend against the General Fund capital programme is set out in each of the Directorate appendices 1-7 but the main areas of underspend are Environment & Resident Experience £8.6m (Active Life in Parks - £1.4m, Streetspace Plan - £2.3m, Tottenham Parks - £1.27m); Culture, Strategy & Communities £15.7m (SME Workspace Intensification - £1.6m, Civic Centre - £4.1m, Wood Green Regeneration - £1.6m, HRW Acquisition - £3.3m); Finance and Resources £9.2m (Corporate Laptop Refresh - £1.4m, Capital Support for Digital Outcomes - £1.6m, Council buildings - £3.1m, Commercial Property - £4.8m).
- 1.16 In March 2025, Council agreed the HRA capital budget of £333.768m. This was increased to £341.653m following cabinet approval of carry forward budget of £7.886m from 2024/25. The HRA capital forecast spend is £240.880m, which is £100.773m under budget mainly concentrated in Major works delivery; Fire safety programmes; High Road West and the Carbon reduction scheme. Full details of progress and spend against the HRA capital programme is set out in Appendix 7.
- 1.17 The budget adjustments proposed against the general fund capital programme in Quarter 3 amount to £17.998m. Table 1 below provides an overview of these Quarter 3 budget adjustments and further details are set out in Appendix 8.

Table 1 - General fund capital programme adjustments

Qtr. 3 General Fund Budget Adjustment	(£'000)
External funding recognition	1,460
Budget Increase/Addition	18,292
Capital Budget Slippage	(125)
Budget Reduction/Deletion	(1,628)
	<u>17,998</u>

- **£1.460m External funding recognition.** This is in relation to the newly awarded capital grant from MHCLG Pride in Place. Spending plans were agreed by Cabinet on 10 February 2026.
- **£18.292m increase in Capital budget.** This mainly consists of an increase of £17m in the Exceptional Financial Support (EFS) budget based on the latest revenue forecast position. The remaining balance of £1.292m relates to the in year High Road West budget reprofiling in line with the Quarter 3 service delivery projection.
- **£1.754m budget reduction/removal.** This mainly consist of the £1.628m Ally Pally - Invest to Earn (Capital Scheme 634) budget removal which is no longer required. There is also circa £125,000 budget reprofiling of the Selby Urban Village Project budget into future years.

Finance Response and Recovery Plans

- 1.18 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 action to reduce the reliance on EFS and restore the Council's financial

resilience and sustainability. Additional spend control measures have been implemented since the previous report. This includes the introduction of the Commissioning Panel which will consider all new commissions over £160,000 to ensure they are evidence based, offering value for money and options to reduce spend whilst still meeting outcomes have been considered. From February 2026, tighter controls are in place for both the Recruitment Panel and Spend Control Panel. Close to £700,000 spend has been avoided in the first three quarters of the year through the spend control panel. Plans are being put in place to bring in external challenge and scrutiny of the council's recovery plans and their delivery and further details will be reported next quarter. Progress continues to be made against the actions in the agreed plans. Further details can be found in Section 7 and Appendix 10 of the report.

2. **Cabinet Member Introduction**

- 2.1 This report provides an update of our financial position for Quarter 3 of 2025/26. It is very encouraging that our predicted overspend reduced from £34m in Quarter 1, to £23.4m in Quarter 2 and has now reduced by a further £4m to £19m. This includes an increase in unrecovered historic parking debt, which while disappointing is not a service pressure that will impact next year's budget.
- 2.2 Most of the reduction has been seen in improvements in service overspend, especially in Adults and Temporary Accommodation and in reduced capital spend. This will have a direct impact on the amount of EFS required for this and next financial years and contributes to our medium term plan for financial stability.
- 2.3 The Housing Revenue Account (HRA) is also showing an improved position, although this is primarily due to a reduction in expected capital spending, which is committed. The increased capital 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.
- 2.4 I will always reference our capital programme. Ensuring that it is under constant review, to reduce the revenue impact of borrowing, is a priority. Capital is focussed on essential spend and where the investment reduces revenue costs in the long-run. We will continue to build new council homes – creating genuinely affordable homes for our residents and reducing the cost that unaffordable and poor housing has on other public services.
- 2.5 We are pleased that the government has recognised the need for additional funding for boroughs such as ours. The additional just under £18m has increased our core government grant to an additional £25.3m over the next three financial years. This, plus any increases in council tax, is not enough to close our budget gap. However, with the work we are doing across the council to increase income, to reduce service spend and the cost of borrowing, a sustainable financial position now looks achievable in the medium term.

3. **Recommendations**

- 3.1. Cabinet is recommended to:
- 3.2. Note the forecast total revenue outturn variance for the General Fund of **£19m** comprising **£10.72m** base budget pressures and **£8.312m** non delivery of savings delivery. (Section 6, Table 2 and Appendices 1 to 7).
- 3.3. Note the net DSG forecast of £3.2m overspend. (Section 6 and Appendix 1).
- 3.4. Note the net Housing Revenue Account (HRA) forecast surplus of £1.791m (Section 6 and Appendix 7).
- 3.5. Note the forecast General Fund and HRA Capital expenditure of £393.8m, which equates to 72.9% of the total 2025/26 Quarter three revised budget position. (Section 9).
- 3.6. Approve the revenue budget virements and receipt of grants as set out in Appendix 8.
- 3.7. Approve the proposed budget adjustments and virements to the capital programme as set out in Table 5 and Appendix 8.
- 3.8. Note the debt write-offs approved in Quarter 3 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 9) as set out in the Constitution.
- 3.9. Note the Finance Response and Recovery Plans and progress against actions as at Quarter 3 (Appendix 10).

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 challenging financial position, which is being impacted by Government funding, high demand for services, particularly for the most vulnerable and the wider economic outlook. This is creating an ongoing reliance on Exceptional Financial Support in the current year and across the MTFS period.

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 current forecast budget position in more detail.

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

Forecast Revenue Outturn

- 6.1. Table 2 below sets out the end of year financial forecast as at Quarter 3 against the revised budget which reflects virements previously agreed during the year and Corporate overheads. These are presented by directorate and illustrate where variances are as 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 Council position.
- 6.2. The forecast directorate overspend has improved to £19m from the £23.4m reported in Quarter 2. The demand led services (Adult Social Care, Children's and Housing Demand) continue to forecast overspends however, each of these have shown downward movements since the last report, in total a reduction of £1.719m.
- 6.3. Most of this improvement has been seen in Adults (£831,000) and Housing Demand (£838,000). In Adults this is due to a reduction in forecast spend on care placements as the service has seen the number of older adults stabilising and the number of younger adults with a care package increasing at a slower rate than previously predicted. There is also an update assumption for increased recharges to Health for jointly funded clients. The improvement in Housing Demand is largely due to the on-going stabilisation of numbers in temporary accommodation. Despite continued high levels of approaches this is supported by strong performance at the front door and successful moves out of expensive nightly paid accommodation.

- 6.4. However, cost pressures do persist for those remaining in Nightly Paid Accommodation (NPA) and the price – this means the targeted NPA reduction plan with dedicated programme resources is essential to manage one of the Council’s largest financial challenges. Private Sector Leasing (PSL) voids and hand-backs continue to add pressure, albeit progress has been made on reducing the number of void properties. Additional measures to address overspend for the remainder of the year will include increasing Private Rental Sector (PRS) incentives to maximise PRS acquisitions, and bringing online CHAPS (Council Homes Acquisition Programme) acquired properties for move on from TA. to address high-cost NPA placements. A decant programme must be scaled up significantly in the next quarter.
- 6.5. There have also been improvements in Environment & Resident Experience totalling £2.3m. Of this, £1.8m relates to Housing Benefit driven almost entirely by a one-off £1.56m prior-year overpayment subsidy adjustment. Although without this, the Housing Benefit budget would still be £95,000 over budget, good progress has been made to deal with the backlog of claims and queries, staff training and appropriate designations of properties offering supported exempt accommodation
- 6.6. The forecast full year spend assumptions for Treasury and Capital financing budgets has been revised again this quarter with a favourable reduction in forecast interest costs of £1.9m now assumed. This is predominately due to the reduced forecast spend on the General Fund capital programme, compared to that at Quarter 2. Assumptions around investment income receipts have remained stable. The forecast spend on banking charges has also been revised and explains the majority of the £395,000 worsening position on the ‘other corporate budgets’ line.
- 6.7. The outcome of the detailed review of the current reserve balances and contingencies undertaken by the Corporate Director of Finance and Resources earlier in the year has now completed. This identified £1.4m from the Unspent Grants and Services reserves as available to use to fund eligible spend within Directorates. The review also confirmed that there is £2.4m of unapplied contingencies built into the 2025/26 budgets for inflation and pay which are now deemed as not required. Both have been reflected in this latest 2025/26 forecast position.
- 6.8. Further analysis has been undertaken since the last report on the current parking debt balances held on the council’s systems with the aim of calculating a more refined forecast of the bad debt provisions that should be set aside for non-collection. In Quarter 2, this was increased by £3.9m but this further work has indicated that as a minimum a further £6m should be assumed as required and this has now been built into the Quarter 3 forecasts provided. It must be noted that this work has still not completed and final end of year calculations may result in a further increase.
- 6.9. Last quarter, £5.2m of prior year unbudgeted collection fund surpluses was built into the year end forecast. A further £1.180m has now been identified. The final allocation for the Extended Producer Responsibility grant (waste and recycling) has been

confirmed and is £722,000 higher than anticipated in the budget and there is a £458,000 unbudgeted prior year business rates pooling gains now included in the forecast.

6.10. In total, of the £4.4m improvement in forecast seen since Quarter 2, £3.84m is improvements in Directorates and £557,000 in corporate and external income.

6.11. Section 1 of this report highlighted the £8m of unapplied corporate contingency budget which can be used to offset any eventual overspend at outturn. If nothing else changes on the forecast and no further use of contingency is required in the final quarter, this could reduce the forecast overspend from £19m to £11m.

Table 2 – Revenue Budget Monitoring Forecast for Quarter 3 2025/26

Management Area	Revised 2025/26 Budget	Total Full Year Forecast	Base Budget (over/under-spend)	Non Delivery of Savings	Q3 Total Variance	Q2 Total Variance	Movement Q2 to Q3
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Children's Services	78,676	81,613	406	2,531	2,937	2,987	(50)
Adult & Social Services	105,526	110,518	3,961	918	4,879	5,710	(831)
Housing Demand	28,569	38,966	10,397		10,397	11,235	(838)
Director of Public Health							
Environment & Resident Experience	17,982	18,483	(2,143)	2,643	500	1,027	(527)
Housing Benefit	1,829	365	(1,464)		(1,464)	302	(1,766)
Culture, Strategy & Communities	12,942	13,410	233	236	469	419	50
Finance and Resources	2,993	7,730	3,353	1,384	4,737	4,613	124
Directorate Service- Total	248,517	271,084	14,743	7,712	22,455	26,293	(3,838)
Capital Financing Charges	22,072	20,038	(2,034)		(2,034)	(2,034)	

Contingency	7,011	9,734	(2,565)	5,289	2,724	5,188	(2,464)
Treasury Management Charges	17,571	12,214	(5,357)		(5,357)	(3,450)	(1,907)
Other Corporate Budgets (BAU)	35,496	34,640	(856)		(856)	(1,251)	395
Other Corporate Budgets (Reserve Release)		(1,400)	(1,400)		(1,400)		(1,400)
Bad Debt Provision		9,900	9,900		9,900	3,900	6,000
Exceptional Finance Support	(37,020)	(37,020)					
Corporate Budgets - Non Service Total	45,130	48,106	(2,313)	5,289	2,976	2,353	623
General Fund-Directorate Service & Non-Service	293,647	319,191	12,431	13,001	25,432	28,646	(3,215)
External Finance	(293,717)	(300,120)	(6,403)		(6,403)	(5,223)	(1,180)
GENERAL FUND TOTAL	(70)	19,071	6,028	13,001	19,029	23,423	(4,395)
DSG	69	3,287	3,218		3,218	3,067	151
HRA	.85	(1,790)	(1,791)		(1,791)	(514)	(1,277)
HARINGEY TOTAL	()	20,568	7,455	13,001	20,455	25,976	(5,521)

Progress against 2025/26 Savings

- 6.12. The 2025/26 budget agreed by Council on 3 March included planned savings of £29.3m. It is forecast that £16.3m (56%) of savings are expected to be delivered with £13.0m (44%) savings remaining as Amber or Red.
- 6.13. 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 and regular review by the Financial Recovery Board. Progress continues to be reported to Corporate Leadership Team (CLT) monthly. The position

on the delivery of savings is unlikely to change materially at the year end and the Council needs to move to a position where it has confidence that all savings agreed each year are delivered in full or where slightly short, mitigations are available.

- 6.14. A summary of progress by Directorate/Service is shown in Table 3 below. Any over achievement against the target agreed by Cabinet is shown in an additional column. The penultimate column reflects a saving amber or red in monetary terms, which means that though there is no budget variance, some of the actual reduced spend might be due to other contributing mitigations. The narratives in the relevant Directorate appendices expand on this and for most of the Amber rated, the change agreed by Cabinet is expected to be in place from 2026/27.
- 6.15. A more detailed analysis of delivery by Directorate against the £29.3m can be found in Appendices 1-7.

Table 3 - Total Savings and Management Actions Delivery

Directorate	2025/26 FY Savings Target £'000s	2025/26 Projected Full Year Savings up to target £'000s	2025/26 Projected Full Year Savings %	2025/26 Shortfall (Amber and Red)	2025/26 Additional Savings Delivery OVER TARGET £'000s
Adult Social Care	-3,963	-3,045	77%	-918	0
Housing Demand	-3,438	-3,438	100%		-632
Public Health	-295	-295	100%	0	0
Children's Services	-3,065	-534	17%	-2,531	0
Environment and Resident Experience	-5,417	-2,774	51%	-2,643	-2,643
Environment and Resident Experience (CTRS)	-2,000	-2,000	100%		-2,400
Finance & Resources	-3,329	-1,945	58%	-1,384	0
Directorate	2025/26	2025/26	2025/26	2025/26 Shortfall (Amber and Red)	2025/26 Additional Savings Delivery OVER

					TARGET £'000s
Culture, Strategy and Communities	-1,791	-1,555	87%	-236	0
Chief Executive's office	-250	-250	100%	0	0
Cross Council _ to be allocated	-5,749	-460	8%	-5,289	0
Total	-29,297	-16,296	56%	-13,001	-5,675

Cross Council Saving Initiatives

6.16. 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:

- £3.2m Commissioning Procurement and Contract Management
- £1.0m Enabling Services
- £1.29m Commercial Income.
- £360,000 Service Modernisation

More detail on these savings is set out below.

5% Workforce Savings

6.17. The 2025/26 budget for staffing costs is £186m which reflects the agreed 5% reduction equating to £8.5m. Some services are on track to deliver by the year end but there will be non achievement within children's services and Finance and Resources. Within Environment and Resident Experience, alternative mitigations have been identified, including the overachievement on other savings. 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.

Commissioning Procurement and Contract Management

- 6.18. The Commissioning Panel is now in place and reviewing all commissioning activity greater than £160,000 and each new / extended commission will need to present options for a 1%, 2% and 5% reduction in spend, evidence that the service is required to meet outcomes and is delivering good value for money. Some savings have been achieved through review of existing contracts in 2025/26. It will however be short of the £3m target but the programme is still committed to the delivery of £9.2m of contract savings over the three years from 2025/26. Actual savings delivered in year will be reported in the Outturn report since due diligence is underway to ensure no double count with other savings already put forward by services. Directorate targets are being developed based on pipeline of commissioning activity over the next 2 years and these targets are expected to be assigned from April 2026 to enable the full delivery of £9.2m of savings by 2028/29.

Enabling Services

- 6.19. 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 that has been reviewed is 'project management' resource and options are being developed to deliver at least £200,000 of staff reductions. 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 was expected in 2025/26. As highlighted in the previous report, delays in the commencement of this work means that it is now unlikely to be achieved this year. Mitigations continue to be explored but prudently at Quarter 3 the saving continues to be forecast as red.

Service Modernisation

- 6.20. Over the next three years, the Council is working to deliver £6.8m of reductions from investment into digital tools and services. 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, £1m savings have been identified for 2026/27 with a further £1.7m in the pipeline. These savings will be a combination of cashable savings, pressure removals, or cost avoidance.
- 6.21. The priority to date has been on Adult Services and Housing, given the high spend in these areas and the improvements they will generate within customer services. The implementation of Netcall as a key technology platform to enable user-friendly services with automation and self-service is nearing completion.

- 6.22. All remaining 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. It is recognised that moving through the process of identifying a saving, prioritising resources, discovery, design and implementation requires time to provide assurance of successful delivery. Consequently, the £2m saving target for 2026/27 has been re-profiled to 2028/29 and the 2026/27 budget report presented to Cabinet on 10 February 2026 reflects this re-profiling.

Income Generation

- 6.23. 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 for 2025/26. This was planned to be delivered via a new cross Council Income Generation programme however the lack of dedicated resources was holding up the pace of this work. Going forward Business cases required for investment will be prepared and approval and delivery will be overseen by the Finance Recovery Board.

Asset Management

- 6.24. 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 reduced borrowing costs on the capital programme. In 2025/26, £868,000 of savings / income are assumed. The Council has reviewed and achieved a significant proportion to date and further in the pipeline, which subject to contract will enable the £868,000 target to be achieved, in conjunction with capital receipts via the disposal programme.

Collection Fund Forecast

- 6.25. Collection rates for both in year bills and arrears against both Council Tax and Business Rates are monitored and reviewed monthly. Progress is assessed against the agreed collection targets which for Council Tax is 95.75% and 94% for Business Rates.
- 6.26. Nationally published statistics on Council Tax collection rates since 2020/21 show that collection picked up post a COVID pandemic drop but since 2023/24 rates have started to fall again. The Outer London average collection for last financial year (2024/25) was 95.3% and for Inner London was 93.8%. In 2024/25 Haringey achieved 94.03%, higher than many nearest neighbours.

- 6.27. Unfortunately, the downward trend is continuing in year and at Quarter 3, the collection rate was 3.8% down against a target of 95.75% at 91.95%. A small use of corporate contingency was agreed earlier in the year to bring in external resources to tackle the backlog of queries. This is having a positive impact, and the backlog is largely cleared which may deliver some collection improvement across the last quarter of the year. This year has also seen an increase in the number of households paying across 12 months rather than 10 months which again is expected to result in higher income in the final 2 months.
- 6.28. Collection of Business Rates is also below the 94% target, by 2.61% at 91.4%. This has remained fairly consistent across the year.
- 6.29. Recovery of money owed from previous years, 'arrears', continues to track ahead of the targets. Some of this recovery activity is funded by grant from the GLA.

Risks, Reserves and Contingency

Risks and Issues

- 6.30. External factors can negatively impact the Council's budgetary position. At Quarter 3 inflation remained above the Government target of 2%. The latest reported CPI for December 2025 was 3.4% a reduction of 0.4% compared to September. Inflation impacts all residents and businesses to some extent which may be linked to the falling Council Tax and Business Rates collection rates. Council service providers will seek to recoup inflationary increases via higher charges which are being seen in the care and housing services.
- 6.31. The Bank of England (BoE) base rate was reduced from 4% to 3.75% in December. This reduction was driven by a perceived stabilisation and / or further reductions in underlying inflation and with a view that domestic wage and price pressures were continuing to ease.
- 6.32. This reduction of 0.25% is relatively small and with only 3 months left in this financial year, will have limited impact on the overall treasury and capital financing forecasts. However, 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 due to the overspend forecast.
- 6.33. With inflation remaining above the 2% target, collection of money owed to the Council is likely to remain challenging and therefore, despite a mid year review of the main income areas which built in additional estimates for non recovery where deemed prudent, plus the additional allowance added for parking related irrecoverable debts, there remains a risk that additional provision may be identified as part of the year end accounting.

- 6.34. The current overall general fund forecast at Quarter 3 is significantly above the 2025/26 budgeted figure and there also remains an unquantifiable risk that the forecasts themselves may not be as accurate because of incorrect assumptions, unreliable data or unforeseen pressures. This is always a risk and 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.
- 6.35. The Dedicated Schools Grant historic deficit opening balance for 2025/26 was £9.5m, and with an in-year forecast deficit of £3.2m (£3.1m at Quarter 2), the total forecast closing deficit for 2025/26 is £12.7m. 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 has 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 circa £500,000 in 2025/26 assuming an average return of 4.00%.
- 6.36. The Final Local Government Finance Settlement announced on 9 February confirmed that government has committed to resolving 90% of local authorities' DSG High Needs deficits accrued to the end of 2025/26, estimated to be worth approximately £5 billion. All local authorities with a SEND deficit will be eligible to receive grant funding subject to submitting and securing the Department for Education's approval of a local SEND reform plan. Government have confirmed that the current Safety Valve programmes will end and no local authority will be disadvantaged by its participation.
- 6.37. From 2028/29, SEND spending will be covered by the overall government DEL budget, meaning local authorities are not expected to fund future SEND costs from general funds, once the Statutory Override ends at the end of 2027/28. Further announcements are awaited over funding for 2026/27 and 2027/28.
- 6.38. 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. Appendix 1 includes a detailed update on the number of schools in deficit as well as the trend of reducing primary school rolls. Both are risks to the Council's General Fund. The Council is working closely with schools on their budget deficits however where it is known that a school has had to close because of falling rolls, the deficit becomes a pressure for the council either via redundancy costs or closure with deficit bank balances. In total, schools have moved from a surplus outturn of £11.2m in 2020/21 to a deficit outturn of £2.6m in 2024/25 and is now forecasting a net year end deficit of £6.374m (£7.247m Quarter 2) for 2025/26. Since 2020/21, this is a worsening position of nearly £17.6m over 5 years.

- 6.39. In summary, there remains a real risk that the current **£19m** 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 need to be funded from borrowing which for every £1m adds an additional, £50,000 in revenue costs per annum for 20 years assuming principal is repaid on maturity.
- 6.40. Appendices 1-7 and Table 2 set out the full details of service spend and end of year forecasts, together with details of any mitigating action.

General Contingency

- 6.41. 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 3, £8m of this remains unallocated.
- 6.42. Assuming this £8m remains unallocated, it can be utilised at year end to mitigate down as far as possible the use of borrowing through EFS.

Reserves

- 6.43. The Councils corporate reserves balance is currently forecast to be £45.9m in March 2026, of which £25.3m is assumed to be committed as presented in Table 4 below.
- 6.44. Although there are currently forecast balances on the Collection Fund Smoothing and the Strategic Budget planning reserves at year end, the former is ringfenced to offset any deficits and income timing differences in the Collection Fund so should not be assumed as available to offset any in year overspend. The Director of Finance and Corporate Resources can make a decision on utilising any or all of the Strategic Budget Planning reserve to offset overspend as part of the wider year end accounting decisions. In terms of the General Fund Reserve, the current assumption is that this will not be used to mitigate in year overspend but be maintained to respond to any genuine, unforeseen pressures at just over £15.1m.
- 6.45. A forecast of reserve balances to 31 March 2028 is also shown in Table 4. This will be updated quarterly on any in year movements and a more detailed forecast has been provided in the Budget report to Cabinet in February 2026.
- 6.46. The forecast movement on the Contracts and Commitments reserves between 31 March 2025 and 31 March 2026 are based on current assumptions around drawdowns to fund spend incurred in year. These may change before the Outturn report is

finalised and the statement of accounts are produced. The Public Health reserve has been created in year to more clearly identify unspent balances for this ringfenced account. At 31 March 2025, this balance was included in the grants reserve.

Table 4: Reserves Forecasts to March 2028

Reserves	Actual	Forecast		
	31 March 2025	March 2026	March 2027	March 2028
	£'000	£'000	£'000	£'000
General Fund Reserve	15,169	15,169	15,169	15,169
Risks and Uncertainties				
Labour market growth resilience reserve	186	186	0	0
Strategic Budget Planning reserve	4,024	4,024	4,024	7,024
Collection Fund Smoothing reserve	1,231	1,231	1,231	1,231
Total Risk and Uncertainties	5,441	5,441	5,255	8,255
Contracts and Commitments				
Services reserve	9,358	9,085	9,085	9,085
Unspent grants reserve	10,391	4,544	4,544	4,544
PFI lifecycle reserve	3,959	3,959	3,959	3,959
Debt repayment reserve	1,072	0	0	0
Insurance reserve	5,510	5,510	5,510	5,510
Public Health Reserve	0	865	865	865
Total Contracts and Commitments	31,634	25,307	25,307	25,307
Grand Total	52,243	45,916	45,731	48,731

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.

- 7.2 The Council is maintaining existing controls and has introduced some new measures since the last report. This includes the introduction of a cross-Council commissioning Panel which will review all commissioning and procurement activity valued at over £160,000 providing assurance, challenge and direction before activity progresses. Methods available to make payments to suppliers/providers will be reduced and expectations re-iterated over the 'No PO No Pay' approach.
- 7.3 In terms of governance, the 6-weekly Financial Recovery Cabinet Group, chaired by the Leader continues. The officer led Financial Recovery Board (FRB) continues and includes the Corporate Leadership Team supported by dedicated staff seconded from the wider council to provide additional targeted support and to ensure pace and delivery can be improved. The FRB has oversight of the financial recovery and sets the strategy and direction to the organisation in respect of the Financial Recovery Plan. The group will also provide accountability and assurance in respect of progress against the delivery of the plan and the savings.
- 7.4 Since the start of the year, the controls on spend have avoided close to £700,000 across revenue and capital. Each of these actions help to reduce the final Exceptional Finance Support (EFS) required at year end, which reduces future annual repayment commitments which cost circa £50,000 for every £1m borrowed. The work on rationalising the council's assets also continues, and receipts realised from surplus assets which under government dispensation can also be used to mitigate the need to borrow to fund overspends.
- 7.5 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). This plan is currently under review given the deteriorating financial position of the Council over the MTF period with a greater focus on sustainability.
- 7.6 The Council has made progress against the actions in these plans with the detail set out in Appendix 10.

8 Council Debt and Write Offs for Quarter 3

- 8.1 Appendix 9 provides a summary of the council debts which have been written off in Quarter 3, totalling **£16.137m**, of which 96% are Parking debts. Of the parking related debt, those cases either have an expired warrant and therefore no legal power exists for the Enforcement Agency to recover those charges, or the Council is unable to pursue payment due to a lack of vehicle keeper information (where vehicles are not registered with the DVLA).

- 8.2 All the £16.137m individual cases have been reviewed and 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.
- 8.3 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 no such debts.
- 8.4 Full details of overall write offs in Quarter 3 are set out in Appendix 9.
- 8.5 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.
- 8.6 These measures aim to improve transparency, enhance recovery rates, and ensure resources are focused where they will have the greatest impact. In Quarter 1 of 2026/27, a Corporate Debt Board will be established, chaired by the Corporate Director of Finance and Resources to provide the oversight of the overall position and ensure the actions taken are impacting on reducing historic debt levels and improving collection rates across services to reduce the increase in new debt.

9 Capital Expenditure Forecast at Quarter Three

- 9.1 As shown in Table 5 the revised budget for the Capital Programme in 2025/26 is £521.828m, which includes the carried forwards Cabinet agreed in July from 2024/25, and the Quarter's 1 and 2 budget adjustments agreed by Cabinet in September 2025 and December 2025. In Quarter 3, further budgets adjustments are being proposed with an overall net increase of £17.998m, taking the Quarter 3 revised Capital Programme budget to £539.826m. Of these budget adjustments, £17.998m can be attributed to General Fund capital schemes, and in large relate to the increase in forecast EFS requirement for 2025/26.
- 9.2 The Quarter 3 revised 2025/26 capital programme is £198.173m for General Fund and £341.653m for the HRA.

- 9.3 A **detailed** breakdown and explanation of the £17.998m Quarter 3 capital budget adjustments for the General fund capital programmes are set out in Appendix 8.
- 9.4 After these adjustments, the General fund capital programme is forecast to spend £152.871m (77%) and £240.880m (71%) for the HRA.

Table 5 – 2025/26 Capital Expenditure Summary as at Quarter 3

Directorate	2025/26 Revised Budget (£'000)	2025/26 QTR. 3 Adjustments (£'000)	2025/26 Revised Budget (£'000)	2025/26 QTR. 3 Forecast (£'000)	2025/26 Budget Variance (£'000)	2025/26 Movt. Btw. QTR. 3 & QTR. 2 (£'000)
Children's Services	15,064	0	15,064	11,904	(3,160)	(545)
Adults, Housing & Health	9,663	0	9,663	8,863	(800)	(463)
Environment & Resident Experience	26,653	(400)	26,253	17,205	(9,048)	(4,592)
Culture, Strategy & Communities	53,886	(183)	53,704	38,443	(15,261)	(12,180)
Finance & Resources	27,652	1,000	28,652	11,618	(17,034)	(7,857)
Corporate Items	47,256	17,581	64,837	64,837	0	(10,256)

General Fund Total	180,175	17,998	198,173	152,871	(45,302)	(35,893)
HRA - Housing Revenue Account	341,653	0	341,653	240,880	(100,773)	(41,065)
Overall Total	521,828	17,998	539,826	393,751	(146,075)	(76,957)

- 9.5 The remainder of this section provides a high-level summary of the main areas of underspend in the General Fund Capital Programme and HRA. Full details and reasons for the variations against budget are set out in the Directorate Appendices (1- 7).
- 9.6 The StreetSpace Plan programme is showing £2.3m reduced forecast spend to budget due to projects delay/pause which are detailed in the Directorate appendix. This budget is fully funded by SCIL and will be slipped into 2026/27 and future years.
- 9.7 Active Life in Parks budget is showing a £1.4m forecast reduction. This can be largely attributed to c£1.2m underspend of the PlayZones capital works, due to Football Foundation match funding and Planning timelines. All 4 PlayZones schemes will be in contract by the end of February 2026.
- 9.8 The Civic centre works is showing £4.1m reduced forecast spend to budget. This is due to delays to works on site by 7-8 weeks, which has curtailed the forecasted expenditure this year. Cabinet approved the award of contract and final business case on the 12th of November 2024, with an allocated budget of £66m. The council is still working within this budget. As with any project, especially one with a Grade II listed element, there are risks but these are being managed within the total £66m budget via the project's contingency allocation.
- 9.9 The project is progressing at pace with the exciting stage of topping out ceremony (when the highest part of the building has been reached) undertaken on 3rd February 2026. There is still a way to go with the project and risks to be managed; but these are monitored on a weekly basis by the Director of Capital Projects and Property alongside finance business partners; and reported to the programme board, which is facilitated by the Civic Centre Programme Director.
- 9.10 The High Road West Capital Programme is forecasting a spend reduction against revised budget of £3.3m due to delays with acquiring properties. The Council has contractual arrangements with Lendlease pursuant to the Compulsory Purchase Order Indemnity Agreement to acquire land interests. These costs will be reimbursed by Lendlease as per the agreement.

- 9.11 Asset Management of Council Buildings (capital scheme 316) is reporting a spend forecast of £4.66m against £7.8m **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.
- 9.12 Similarly, Commercial property remediation (capital scheme 4011) and Energy Performance Certificate improvements (capital scheme 4012) are both showing a spend forecast of £200,000, an **underspend** of £4.8m against a budget of £5.0m. The two planned schemes have been delayed due to a number of complex legal matters that need to be resolved before work can commence.
- 9.13 Corporate Laptop Refresh (capital scheme 657) is reporting a spend forecast of £300,000 against £1.7m revised budget. The ongoing Windows 11 upgrade is nearing conclusion. The forecast underspend of £1.4m will be carefully reviewed and considered at outturn, with the possibility of slippage into 2026/27 in line with the corporate workforce plan.
- 9.14 Capital Support for Digital Outcomes (capital scheme 660) is reporting a forecast spend of circa £400,000 against revised budget of £2m and is linked to the Service Modernisation Programme that will deliver digital improvements over the next three years. Slippage into 2026/27 will be requested to realign the timeline and deliverables of multiple projects within the scheme which are in start up.

Capital Receipts - Forecasts

- 9.15 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 and therefore available capital receipts is £15.79m.
- 9.16 As part of the **Council's** budget setting the proposed application of these receipts is set out in Table 6 along with the forecast utilisation as at quarter 3.

Table 6 - Capital Receipts

Title	Description	2025/26	Quarter 3 Forecast Application
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		Budget (£'000)	(£'000)
Corporate Support to all improvement programmes	To support a broad range of transformation projects across the Council	671	671
Counter fraud work	Details to be included	75	75
Strategic Asset Management	Support to improve the asset management function of the Council	1,500	1,500
Demand Management in Adult social Care	This covers a range of transformation and change initiatives in Adults social care to invest in prevention and reduce demand for high-cost services	500	500
New Change Framework	To develop and implement a new Change Framework to deliver transformation across the Council.	1,790	1,790
Temporary Accommodation Reduction Project	To invest in prevention and service re-design to reduce the overall level of demand for temporary accommodation	200	0
Invest to save	To provide funding for a range of initiatives in services to either reduce costs, increase income, or both	3,000	0
Grand Total		7,736	4,536

9.17 In June 2025, **Cabinet** agreed the Disposals Policy and disposals for 2025/26 which totalled an estimated £20m, of which £11.3m is in progress.

9.18 Five property sales have been approved by the Disposals Board, subject to Stage 2 final **approval**. Auction Sales are likely to be the timeliest methods of sale, provided Reserve Prices are met at auction. To date, approximately £800,000 of capital receipts have been received and it is estimated that up to a maximum of £1.2m further could be received before the end of the year.

10 Contribution to the Corporate Delivery Plan 2024-2026 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 right through until the year end. This includes increasing control of major costs areas, including staff costs, contract costs and capital spend.

12.3 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

12.4 Strategic Procurement has reviewed the report and will continue to work closely with services to support the organisation's financial recovery and to ensure that procurement activity aligns with the Council's wider cost-reduction and efficiency priorities

Legal

12.4 The Director of Legal & Governance has been consulted on this report and makes the following comments.

- 12.5 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.
- 12.6 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.
- 12.7 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 respectively.
- 12.8 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. 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.
- 12.9 In light of the above, there is no legal reason why Cabinet cannot adopt the Recommendations contained in the report.

Equalities

- 12.10 The Council has a public sector equality duty under the Equalities Act (2010) to have due regard to:
- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
 - Advance equality of opportunity between people who share those protected characteristics and people who do not.
 - Foster good relations between people who share those characteristics and people who do not.

- 12.11 The three parts of the duty applies to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.
- 12.12 Although it is not enforced in legislation as a protected characteristic, Haringey Council treats socioeconomic status as a local protected characteristic.
- 12.13 This budget report covers the position at Quarter 3 (Period 9) 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.
- 12.14 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

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

- 14.1 None