London Borough of Haringey

Draft Statement of Accounts 2025/26

30 June 2026

www.haringey.gov.uk

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NARRATIVE REPORT

Statement from Taryn Eves, Corporate Director of Finance & Resources (Section 151 Officer)

INTRODUCTION

This Narrative Report provides the context upon which to understand the financial performance of the council. The report covers both a summary of the financial performance for the financial year 2025/26 coupled with a narrative of the non-financial performance over the past 12 months.

The report provides the reader with key contextual information about the authority including its main objectives and strategies, the pressures it is facing, the principal risks and uncertainties and plans in place to manage and mitigate these. It also provides a commentary on how the Council (including the Group Accounts) has used its resources to achieve its desired outcomes in line with its objectives and strategies as set out in the Corporate Delivery Plan.

ABOUT HARINGEY

Haringey is a diverse and dynamic area in North London, encompassing a rich tapestry of communities, cultures, and landscapes. It was established in 1965 through the amalgamation of the former boroughs of Hornsey, Tottenham, and Wood Green. The borough spans approximately 29.6 square kilometres, making it the 23rd largest borough in London.

Haringey continues to be a great place to live for families. It has great opportunities, with enormous potential for growth. Our facilities are good, with a range of cultural events and good transport links. The borough has a growing economy, more and better housing and flourishing communities. We are part of one of the world's greatest cities and benefit hugely from that – but more than this, we believe that, with our potential for growth, we can do even more for London. We are already home to institutions of national and international significance, including Tottenham Hotspur and Alexandra Palace.

Haringey is characterised by its varied topography, from the wooded high grounds of Highgate and Muswell Hill to the flat, open low-lying areas beside the River Lea in the east. The borough boasts over 600 acres of parks, recreation grounds, and open spaces, accounting for more than 25% of its total area. Notable green spaces include Finsbury Park, Highgate Wood, and Queen's Wood. Haringey has 25 Green Flag Parks; and has reduced its carbon emissions significantly since 2005 but continues to be behind its target to be Net Zero Carbon by 2041.

There is a variety of housing available which means that people who cannot afford other parts of the city have been able to make Haringey their home. A high percentage (83%) of residents say they have good friendships and/or associations in their local area, while 88% say relations between different ethnic and religious communities are good.

Haringey is one of the most ethnically diverse in London, with both a young and older population. Its population as of the 2021 census was 264,300 residents and is expected to increase by 6.3% in the next 10 years, with the largest percentage growth in older age groups (65+), other ethnic groups and other white ethnic groups. Thirty eight percent (38%) of residents are from BAME groups and 22% identify as "white other". Children between the ages of 0-17 years accounts for 21% of the population. Residents aged 65+ accounts for 10% of the population. The white British group remains the largest population overall, followed by other white and black African.

Over 180 languages are spoken in Haringey, and 30% of the residents do not speak English as their main language. Jobs density in Haringey is relatively low though significantly improved, and the unemployment rate has risen again after a period of improvement. Haringey workers and residents now tend to earn the London median wage, and median hourly pay among Haringey workers has overtaken London and statistical neighbour average. The proportion of residents earning below the London Living Wage is still higher than the London average

Haringey is ranked 33 out of the 294 local authorities in England with respect to deprivation and is the 3rd most deprived in London as measured by the IMD score 2025. The Index considers a range of deprivation types, including income, employment, education, health, crime, barriers to housing and services and living environment. Northumberland Park is now the most deprived ward in London.

Haringey's economy is predominantly driven by small businesses, with 93.9% employing fewer than 10 people. Key sectors include wholesale and retail trade (18.2%), health and social work (19.0%), real estate and business activities (15.3%), and education (12.18%).

Despite this, we embrace change and transformation, and we are keen to engage in best practice so that despite our challenging financial position, we are actively seeking out opportunities to make Haringey a better place to live for our residents. There are several examples where we are working innovatively with partners to improve service delivery and to create better pathways of support for our residents and businesses.

BOROUGH VISION AND CORPORATE DELIVERY PLAN

Haringey is the world in one borough. A place of creativity, personality, diversity, and community.

Haringey's people are a huge asset, with knowledge, expertise, and passion. With all the challenges we face locally and globally, we know that we need to ensure we utilise these strengths.

On 15 October 2024, Haringey's Borough Vision was published with 'Making Haringey a place where everyone can belong and thrive is at the heart of a new shared vision for the borough'. The aim of the vision is to galvanise the actions not just of the council but also of partners, residents and businesses behind a set of common objectives.

Haringey 2035 identifies the six key areas for collaborative action over the next decade:

- Safe and affordable housing
- Thriving places
- Supporting children and young people's experiences and skills
- Feeling safe and being safe
- Tackling inequalities in health and wellbeing
- Supporting greener choices

This builds on the Haringey Deal which sets out the council's commitment to developing a different relationship with residents, alongside the Corporate Delivery Plan (CDP) which sets out the organisational priorities every two years.

The CDP covering the period 2025/26 was approved by Cabinet in July 2024 and can be found here – The Corporate Delivery Plan 2024-2026 (haringey.gov.uk). This is the final year of the current plan and outlines the strategic objectives, priorities, and initiatives aimed at creating a fairer, greener borough. The plan is set out in eight separate themes:

- Resident experience and enabling success
- Responding to the climate emergency
- Children and young people
- Adults, health and welfare
- Homes for the future
- Safer Haringey
- Culturally rich borough
- Place and economy.

HOW HARINGEY HAS HELPED RESIDENTS IN 2025/26 AND DELIVERED ON ITS PRIORITIES

The Council reports on its performance against the Corporate Delivery Plan every 6 months to Cabinet and Overview and Scrutiny Committees. Some of these achievements are listed below but the final report on delivery against the CDP was presented to Cabinet in March 2026 Corporate Delivery Plan Performance Update-Quarter 3 Cabinet 10_03_26Final.pdf

Homes for the Future

As of 31 March 2026, we completed 1,164 new homes with a further 44 awaiting Building Safety Regulator approval (due to being a high-rise building) - giving a total of 1,208 new council homes and a major milestone in the Council's Housing Delivery Programme. In addition, 2,702 Council homes received planning permission and works started on site to deliver further 1,388 new homes across 22 schemes. These contribute to Haringey's target of 3,000 new homes by 2031 under an award-winning housebuilding programme.
There have been Decent Homes improvements with 675 properties brought to decency standards this year and Regulatory improvements with 1,416 rental licences issued and 1,360 inspections conducted. The Housing Improvement Plan is on track, and the Regulatory Notice was lifted in Dec 2025. Through redesigned triage pathways, improved Temporary Accommodation move-on processes, and targeted support for families, the Council reduced the number of families in Bed & Breakfast to zero by Feb 2026 and 2,630 households in temporary accommodation.

Partnership working has also been yielding results including joint work across Housing, Adult Social Care, Localities and VCS having strengthened homelessness prevention. Our multi-agency approach has improved Temporary Accommodation turnaround and decants block usage.

Place Improvements and The Economy

A number of major improvements have started or completed across the borough.
Tottenham regeneration milestones have been delivered including Bruce Grove public realm (Jan 2026) scheme which has increased accessibility, safety, and trader confidence — forming a key anchor for wider Tottenham regeneration. Seven Sisters Market reopened in Oct 2025 and Penstock Tunnel upgrades were launched in Feb 2026 and opened in June 2026. Wood Green improvements including Wood Green Common & Barratt Gardens upgrades and Eat Wood Green space have been launched and Culture has been integrated into placemaking with night-time economy methodology completed and the Libraries Strategy agreed.

We have resurfaced 188 roads, re-laid 86 pavements, and installed nearly 300 electric vehicle chargers to support cleaner, greener transport. We have filled 5,399 potholes, installed 282 new streetlights, added 239 on-street bike hangars and 13 estate bike hangars and introduced 34 School Streets, protecting 16,000 pupils.

Libraries and play areas have been refurbished, including 5 playgrounds that have been fully renovated. In our parks and green spaces, 21 have already seen improvements, with investment committed to a further 8 and our 4 leisure centres are now publicly run, with £6m more investment planned.

Culturally Rich

Haringey is a vibrant hub of culture and opportunity. We have been named London Borough of Culture for 2027, a fantastic opportunity to showcase our community's stories and voices.

Our Haringey Deal, a commitment to collaboration with residents, has seen 37,000 people contribute to our public engagements. We're actively engaging with local people through initiatives like the Haringey Business Forum, Climate Partnership, and Youth Council, tapping into their strength and expertise.

We have completed an Arts & Culture Strategy and are developing a Creative Youth Strategy and significant progress has been made on London Borough of Culture activities.

Young people delivered creative performances for the Black History Haringey 365 (BHH365) launch which engaged 8,000 residents.

Young people were involved in the recruitment of the CEO for Haringey Culture Collective and the recruitment of the LBoC branding agency. The 12th annual Haringey Youth Festival took place on Saturday 1 November at Jacksons Lane, bringing together hundreds of young people and arts supporters from across the borough.

Bruce Castle Museum (BCM&A) with colleagues in Haringey’s Youth Engagement Team, provided the platform to support young candidates delivering their manifestos for Haringey’s first Youth Election of leaders for the Youth Panel in October 2025.

BCM&A supported five Haringey young people in the autumn term undertaking secondary school and university education with organised placements to gain experience of working in a museum and archive.

Children and Young People

The Council supported more than 5,000 children through children's social care. Partnership working is yielding results with an Integrated Family Hubs model connecting health, education (working in collaboration with schools), early help and Voluntary and Community Sector providers. This has resulted in integrated multi-agency support, enabled faster referrals, better coordination, and improved school readiness – all of which is improving outcomes for our young people. Four new family hubs are now open in Wood Green, Northumberland Park, Muswell Hill, and Seven Sisters

Over a two-week period in January 2026, Ofsted examined the experiences of children and young people receiving care, help and protection from the council, as well as efforts to improve these services. As well as the overall judgement of Outstanding, inspectors highlighted the positive impact of leaders on social work practice with children and families, and the experiences and progress of care leavers.

98% of our schools ranked 'Good' or 'Outstanding' providing young residents the best start in life and SEND services achieved the highest OFSTED rating and £47m investment into school repairs and renovations

The expansion of support Special Educational Needs support is underway, including Social Emotional and Mental Health and Autism Spectrum Disorder provision strengthened across primary and secondary education and the voice of young people has strengthened, with the Youth Council elections receiving 1,500 votes.

Responding to the Climate Emergency

In the year, 223 trees were planted and we are on track to plant a further 395 trees in 2026/27, with good progress being made towards our target to plant 10,000 trees by 2030.

On Greener choices our partnership working is yielding results with Fixing Factory delivered through community and VCS collaboration and One World Living pledge aligning Haringey with regional partners. The recycling rate increased to 30.1% and textile banks and reducing waste contamination campaigns have been rolled out. The Single-Use Plastics Policy was adopted in the year, and the Climate Adaptation Plan was approved (2026–31). Transport improvements have been introduced, including 20mph zones, safer crossings and more, cycle bays.

Adults Health and Welfare

The Council has supported almost 3,920 vulnerable residents through adult social care. The Adult Social Care Improvement Plan progressing across assessments, workforce, and co-production and the Carers Strategy has been launched, with stronger governance. The Voluntary and Community Sector is strong with 60 organisations now supported.

We are tackling financial hardship with targeted multi-agency outreach helping residents access discounts and avoid crisis escalation. This partnership working is yielding results whereby Welfare & Benefits, Family Services Team and partners are driving increased uptake of support schemes and Voluntary and Community Sector organisations are increasingly embedded in prevention work.

Government funding through the Household Support Fund of £4.2 million was welcome and has been used to support some of our most vulnerable households across the borough as summarised below. This is in addition to the 1,540 households that accessed our benefits calculator leading to £1.7m of unclaimed benefits and 1,687 households auto enrolled for water bill reductions. Over 8,000 children now receive free school meals, and more than 5,700 households have been supported through the Haringey Support Fund and Provided council tax relief to 24,759 families. Over 1,200 residents have been helped into jobs through Haringey Works.


THOUSANDS OF HARINGEY HOUSEHOLDS RECEIVE SUPPORT WITH ESSENTIAL LIVING COSTS

An innovative partnership between Haringey Council, Thames Water, and software and data analytics company Policy in Practice has helped thousands of local families access vital support with rising water bills - saving residents over €696,000 so far.

With water bills increasing by an average of €123 (26%) across the sector in the past year, this initiative brings much-needed relief to households on the lowest incomes.

Using secure data sharing, eligible residents are automatically enrolled into Thames Water's affordability schemes with no application needed.

WHAT'S BEEN ACHIEVED SO FAR:

1,687 households enrolled into a social tariff worth €696,386 a year

1,665 households joined WaterHelp, worth up to €668,470 a year

22 households supported through WaterSure, worth up to €27,916 a year

231 households received up to €700 off arrears via the Extra Support Scheme

ADDITIONAL SUPPORT FOR HARINGEY RESIDENTS

Throughout April to September our Financial Support teams have supported residents with essential living costs through a range of schemes:

HOUSEHOLD SUPPORT FUND (SPRING - SUMMER): 4,567 households received automatic payments to help with crisis expenses.

FREE SCHOOL MEALS – HOLIDAY PROVISION: Over £1.4 MILLION spent to support children with food during school holidays.

SUPPORTING FAMILIES WITH SCHOOL COSTS: 500 households received the secondary school transition clothing grant to help with Year 7 uniform costs.

Applications still open until 31 March 2026 for families who haven't received a grant yet.

HARINGEY SUPPORT FUND

As of 30 September 2025.

1,118 households received help with basic living needs, essential household items, and emergency payments to help with:

- Essential appliances (38%)
- Essential furniture (35%)
- Basic living needs (64%)

COMING SOON

We want to make sure all Haringey residents get the help and support available to them. That's why our Financial Support team is working on ways to simplify how residents apply for help such as Council Tax Support, Discretionary Housing Payments, and more. We'll share more details in 2026.

In the meantime, explore all the ways we can support you by visiting our Here to Help webpage:

haringey.gov.uk/HereToHelp

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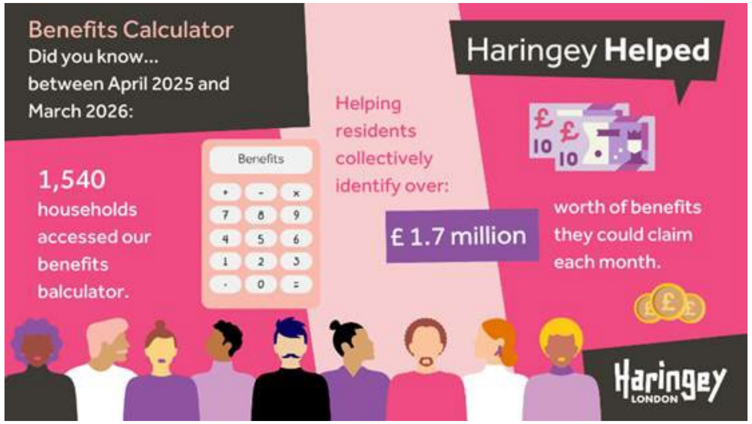


A comprehensive Digital Inclusion Strategy and roadmap have been developed, setting out a clear and practical approach to supporting residents who may struggle to access or use digital services.

Safer Haringey

On our feeling safe and being safe ambition, partnership working is yielding results with Safe Havens delivered with businesses and community groups and Police partnership has enabled hotspot operations. The crime rate has reduced to 24.7 per 1,000 and trust in police has increased to 74%. Violence Against Women and Girls is improving with 12 new Safe Havens and expanded training. The Safe Havens expansion network supports vulnerable residents and is closely linked to VAWG and neighbourhood policing. Hate crime is down to 0.6/1,000 and Anti-Social Behaviour operations have been strengthened through CLEAR–HOLD–BUILD initiative.

POLITICAL STRUCTURE

As at 31st March 2026, the Council consisted of 57 Councillors, split into 21 wards each represented by either 2 or 3 councillors.

The political composition of the Council at that time was:

- Labour 44
- Liberal Democrats 7
- Green Socialist Alliance 4
- Independent (non-aligned) 2

Following the local elections in May 2026, the political composition of the Council has changed, and details can be found here Cabinet members | Haringey Council

Full Council is where councillors decide the council's overall policies and set the budgetary framework each year. Full Council meets 4 times a year, plus the annual meeting, and any other special meetings.

There are the key committees and boards that make decisions in the council. Cabinet is a key decision-making body appointed by the Leader of the Council. The Cabinet meets approximately every 4 weeks and there are currently 10 Cabinet members. Details of current Cabinet Members can be found here Cabinet members | Haringey Council

Supporting the work of the elected members is the Council's Leadership Team (CLT). At 31 March 2026, CLT comprised of five Corporate Directors and led the Chief Executive:

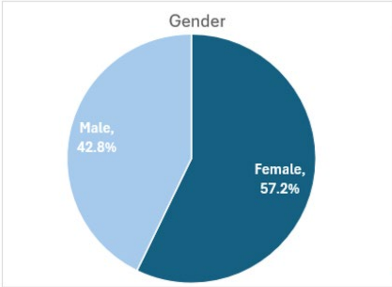
- Corporate Director of Finance & Resources (S151 Officer)
- Corporate Director of Children's Services
- Corporate Director of Adult, Housing & Health
- Corporate Director of Environment & Resident Experience
- Corporate Director of Culture, Strategy & Communities

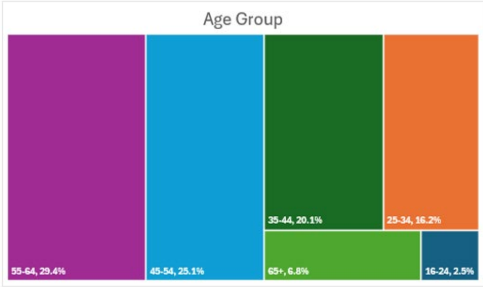
This new senior management structure was implemented from 1 April 2025 and the 2025/26 monitoring reports and Statement of Accounts reflects the new structure.

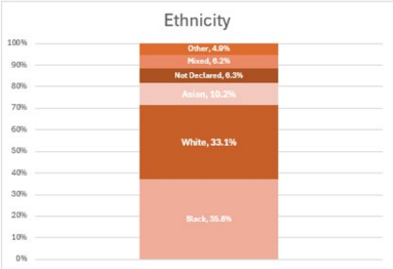
HARINGEY WORKFORCE

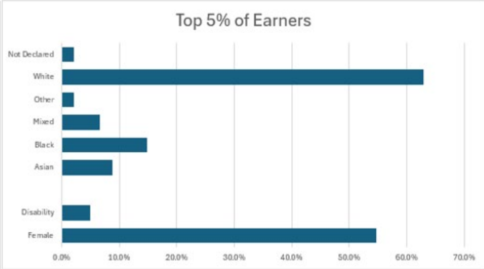
The Council now employs 3,699 people on full and part-time contracts, equating to a full-time equivalent of 3,446 as at 31 March 2026. This represents a 9% increase in the workforce compared with the workforce at the end of 2024/25 and is the subject of review in 2026/27 given the Council's financial position.

The Haringey Council Employment Profile gives an overview of the organisation's workforce covering the various diversity strands such as disability, gender, ethnicity, and age. The profile helps us to understand the impact of people management practices on employees; to review and implement policy; and to enable the council to fulfil its obligations under the Equality Act 2010.









THE COUNCIL'S STATEMENT OF ACCOUNTS

The Statement of Accounts for the London Borough of Haringey summarises the Council's financial transactions for 2025/26 and its position as at 31st March 2026. The Council is required to prepare an annual Statement of Accounts by the Accounts and Audit Regulations 2015 (amended) in accordance with proper accounting practices. Proper practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2025/26 (the Code), supported by International Financial Reporting Standards (IFRS). The format and content of the accounts is largely prescribed and is, in some parts, complex, although we try to balance the statutory reporting requirements with the desire to make them clear and understandable to all interested parties. The Statement of Accounts has been prepared on the basis that the council is a going concern; however, this is with the use of Exceptional Financial Support from Government in 2025/26 of £40.6m.

FINANCIAL PERFORMANCE

Overview

Haringey Council is responsible for managing cash flows and assets totalling over £6.1bn.

Key figures for 2025/26 include:

- Gross revenue expenditure (spending on day-to-day services) of around £1.3bn.
- Income from fees, charges and grants of £898m.
- Billing of around £272m in council tax and business rates.
- Maintenance of fixed assets with a value approximately £3.8bn, including capital investment of £345m including housing, schools, highways and regeneration projects.
- Management of the £2.1bn Haringey Pension Fund.

The Council aims to minimise financing costs and maximise returns from surplus cash balances, within a low-risk treasury management strategy. The Strategy was reviewed and approved during the financial year. External borrowing at 31 March 2026 was £1.2bn. In common with the rest of local government, the Council continues to operate within an environment of ongoing reductions in core funding and increasing demand for its services.

Against this backdrop, the Council has maintained sound financial stewardship whilst at the same time developed innovative and collaborative approaches to service delivery, transformation and regeneration to help ensure future financial sustainability.

General Fund Services - Revenue

The previous year of 2024/25 was a pivotal year for Haringey and the first year of reliance on Exceptional Financial Support (EFS) from Government of £10m to balance the budget at year end.

The financial position continued to worsen as demand and price pressures within social care and temporary accommodation continued to increase. For the Council to set a balanced budget in 2025/26, £37m of EFS was agreed in principle by the Government in February 2025 and in March 2025, the Council agreed its revenue budget for the year at £351.598m. This included £56.8m of additional budget services who were expected to have demographic and demand pressures and increased price for the cost-of-service delivery. In addition, £26.2m was added to non-service (corporate budgets) for pressures relating to price and pay inflation, London wide levies and a small increase in contingency to manage risks and uncertainty. Council tax was agreed to increase by 4.99% - 2.99% increase in the general element of Council Tax and 2% increase for the Adult Social Care Precept, which equates to £1,717.56 for the average Band D household.

Reliance on EFS is not sustainable. At the average cost in 2025/26 of £62,000 for every £1m borrowed by Government, this places additional long-term burdens on the residents of Haringey. As a result, throughout 2025/26, spending and financial controls were in place and have been tightened through the year as forecasts were showing reliance on EFS was forecast to exceed the £37m agreed in principle. In February 2026, based on the 2025/26 financial forecast as at Period 7, the Council had to request an increase in EFS to £54m for 2025/26 and this was subsequently approved in February 2026.

A Financial Response and Recovery Plan was agreed in April 2025. Oversight and delivery have been through the Finance Recovery Board, chaired by the Chief Executive and progress reported quarterly to Cabinet and Scrutiny.

These measures include:

- Spend Control Panels for all non-essential expenditure over £1000;
- Recruitment Control Panel to provide check and challenge and approve or reject all permanent, temporary and agency recruitment;
- Improve purchasing compliance across the whole organisation within financial regulations, contract standing orders and purchasing compliance rules;
- Implementation of central gateway arrangements for capital projects, procurement and commissioning;

These are having an impact in reducing spending (estimated at £800,000 in year) but is also shifting the culture in the organisation to try to improve compliance with finance and contract regulations and that good financial management is the responsibility of all. The final update on this Finance and Recovery Plan will be published as part of the outturn report to Cabinet on 14 July Agenda for Cabinet on Tuesday, 14th July, 2026, 6.30 pm | Haringey Council and has been replaced with the Financial Resilience Plan.

Although the key driver of the need for the EFS has been the demand for statutory services where costs have exceeded the available funding, it must be recognised that the Council has struggled over recent years to deliver agreed savings. In 2025/26, £29.3m of savings across services and cross cutting initiatives were assumed to be delivered but only 62% were achieved, with many through other mitigations. This is a worsening position compared to previous years. This issue and the Council's overall financial sustainability has now been the subject of a Statutory Recommendation from KPMG, the council's appointed external auditor. The Council's full response will be presented to full Council on 20 July, and actions have already been taken by the corporate leadership team to set in motion enhanced governance to ensure that agreed savings both from prior years and new for 2026/27 are delivered as planned.

The final position for the year is that £40.6m of EFS is required to close and balance the accounts for 2025/26. Part of this reduction compared to Quarter 3 is attributed to the spending controls and improved financial management over the year but also is an indication that there must be further improvements in the Council's in year forecasting, particularly for demand led services.

There have been improvements in year for adult social care but the areas of overspend at year end were related to preventing homelessness (temporary accommodation), children's social care, shortfall on commercial property rental income, increased costs related to the commercial property portfolio and the correction of a number of accounting issues relating to bad debts provision and the incorrect capitalisation of costs. It should be noted however, that the spend on temporary accommodation has reduced in year from the range of initiatives that have been put in place that are now coming to fruition and at the end of December, use of hotels had been eliminated for families with children.

Management Area	Revised 2025/26 Budget	Final Outturn	Base Budget (over/ under-spend)	Non-Delivery of Savings	Revised Outturn to Budget Variance	Move-ment Between Q3 and Outturn
	£'000	£'000	£'000	£'000	£'000	£'000
Children's Services	78,762	80,666	1,227	676	1,903	(1,034)
Director of Adult & Social Services	105,526	103,957	(2,115)	546	(1,569)	(6,448)
Housing Demand	30,956	37,998	7,041	-	7,041	(3,356)
Environment & Resident Experience	18,200	24,027	2,713	3,114	5,827	5,327
Environment & Resident Experience Housing Benefit	1,829	(1,517)	(3,345)	-	(3,345)	(1,882)
Culture, Strategy & Engagement	13,219	13,901	446	236	682	213
Finance and Resources	3,860	8,795	3,551	1,384	4,935	198
Directorate Service- Total	**252,353**	**267,827**	**9,518**	**5,956**	**15,474**	**(6,981)**
Capital Financing Charges	22,072	17,655	(4,417)	-	(4,417)	(2,383)
Contingency	6,049	-	(11,338)	5,289	(6,049)	(8,773)
Treasury Management Charges	17,571	14,615	(2,956)	-	(2,956)	2,401
Other Corporate Budgets (BAU)	36,905	35,024	(1,881)	-	(1,881)	(1,025)
Other Corporate Budgets (Reserve Release)	(1,425)	(1,644)	(220)	-	(220)	1,180
Parking Bad Debt Provision	-	11,133	11,133	-	11,133	1,233
Exceptional Finance Support	(37,020)	(40,587)	(3,567)	-	(3,567)	(3,567)
Corporate Budgets - Non Service Total	44,152	36,195	(13,246)	5,289	(7,957)	(10,934)
General Fund-Directorate Service & Non-Service	296,505	304,022	(3,728)	11,245	7,517	(17,915)
External Finance	(296,504)	(304,022)	(7,517)	-	(7,517)	(1,114)
General Revenue Total	**-**	**-**	**(11,245)**	**11,245**	**-**	**(19,029)**
DSG	-	3,232	3,232	-	3,232	14
HRA	-	4,296	4,296	-	4,296	6,087
Haringey Total	**-**	**7,528**	**(3,717)**	**11,245**	**7,528**	**(12,928)**

The outturn is reconciled to the figures shown in the Comprehensive income and expenditure statement in note xx for the expenditure and funding analysis.

General Fund Services - Capital

The final outturn position on the General Fund Capital Programme is £123.1m (62%) spend against a revised budget of £198.7m, an underspend of £75.6m. This spend has been across Council services, including, our schools, roads, footways and highways, the environment and active travel initiatives, regeneration and placemaking schemes and the Council's operational estate.
The largest underspends were seen in Finance and Resources (£20.0m) and Culture, Strategy and Communities (£21.7m) and were predominantly due to internally and externally driven delays across

schemes.

A full review of the capital programme will take place in July 2026 to look at opportunities to reduce spend given the current high interest rates and the high level of debt compared to statistical neighbours. In 2025/26, 76% of spend was funded through borrowing. Some slippages in capital expenditure must be expected as these are generally complex, multifaceted projects and are programmed to run across multiple years. However, as most of the capital expenditure is funded from borrowing which costs must be budgeted for, there are cost implications for high levels of slippage on general fund revenue budgets. The review must also improve on the profile of spend on any remaining scheme to minimise underspends in future years and more accurate budgeting.

Directorate	Full Council Approved 2025/26 Budget (£'000)	2024/25 Capital Slippage (£'000)	2025/26 Budget Adjustment/Virement (£'000)	2025/26 Qtr. 4 Revised Budget (£'000)	2025/26 Final Outturn (£'000)	Final Outturn vs Revised budget Variance (£'000)
Children's Services	28,276	1,881	(15,093)	15,064	11,114	(3,950)
Adults, Housing & Health	12,715	579	(3,397)	9,897	4,123	(5,773)
Environment & Resident Experience	21,238	5,125	85	26,448	16,649	(9,799)
Culture, Strategy & Communities	55,022	7,525	(3,029)	59,518	37,825	(21,693)
Finance & Resources	25,745	5,780	(2,643)	28,882	8,879	(20,003)
Corporate Items	5,000	6,272	(23,357)	4,915	3,965	(950)
Exceptional Financial Support (EFS)	37,000	0	17,000	54,000	40,587	(13,413)
	184,996	27,162	(30,434)	198,724	123,142	(75,581)
Housing Revenue Account (HRA)	333,767	7,886	0	341,653	221,409	(120,244)
TOTAL CAPITAL OUTTURN	518,763	35,048	(30,434)	540,377	344,551	(195,825)

Housing Revenue Account

The Council owns approximately 16,447 homes. Rental income together with other sources of funding such as grant income and charges for services and facilities, is held in a ring-fenced account referred to as the Housing Revenue Account (or HRA). The HRA is used to maintain and manage existing dwellings as well as to create new social housing.

The final HRA revenue outturn was an overspend of £4.3m which necessitated an unplanned draw down from the HRA reserve to cover this overspend which takes the reserve to £15.9m, below the £20m 2024/25 balance.

The single largest contributor to the worsened position is under recovery of planned income due to higher than planned levels of void properties. The late receipt of agreed grants required un-budgeted borrowing at a cost of £1.2m, and the annual revaluation of council dwellings necessitated accounting for additional depreciation costs of £2.3m.

The HRA capital programme outturn was £221.4m (65%) against a revised budget of £341.6m an underspend of £120.2m and the capital spend has been largely focussed on the major works programme, housing delivery programme and acquisitions but these schemes have also been those that showed the highest level of underspend demonstrating an improvement in the profiling of spend across years is needed for future years.

Haringey Council Balance Sheet Position for Single Entity 31 March 2026

The Council's net assets on the balance sheet increased by **£41m** in 2025/26, the high-level movements being:

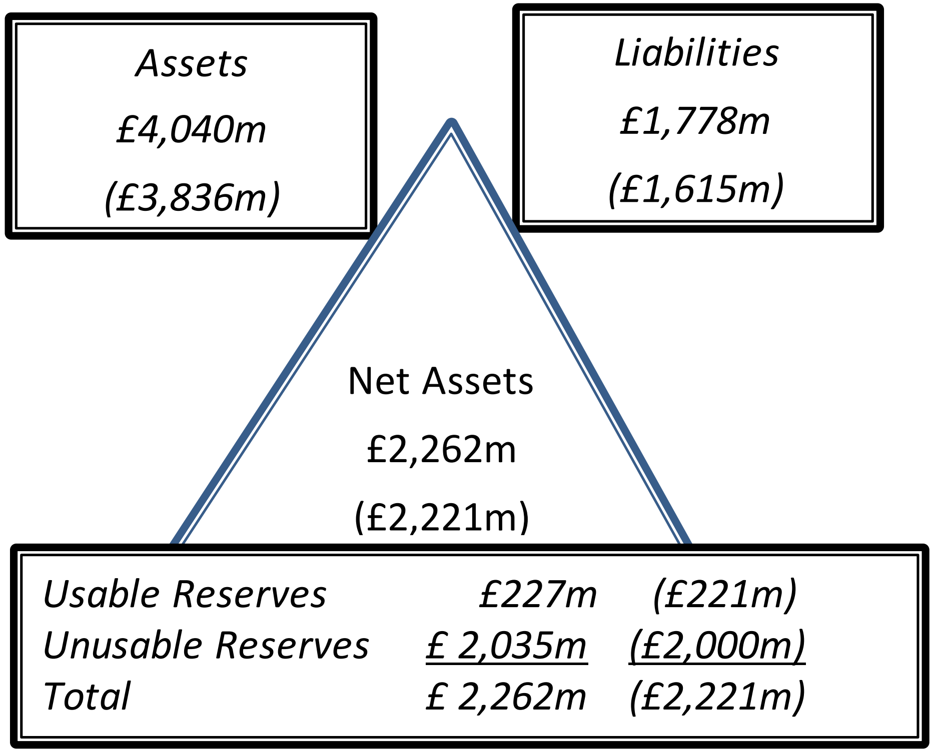
Favourable

- A net increase of **£136m** in long-term assets mainly from capital expenditure investments property, plant, and equipment & investment property valuations.
- A net increase of **£68m** in current assets mainly due to higher cash and cash equivalent.

Adverse

- A net increase in current liabilities by £12m due to higher short-term provisions and revenue grants received in advance.
- A net increase of **£151m** in long term liabilities mainly due to huge increase in long-term borrowing.

The following summarises the Council's single entity balance sheet as at 31 March 2026



(Figures in brackets relate to position at 31 March 2025)

Pension Liabilities

- The net pension liability of £149m in these accounts represents the difference between the estimated cost of pensions payable in the future (£2,180m), and the value of assets in the pension fund (£2,031m). This is calculated based on rules set by accounting standards and not on an actuarial basis which gives a more accurate estimate of the pension fund's financial position.
- The revenue cost of pensions was £50.96m for the year (£46.04m in 24/25)

- The Pension Fund is revalued every three years to set future contribution rates. A recent valuation was carried out as at 31st March 2025. The results of this valuation have been reflected in the 2025/26 accounts.

Medium Term Outlook

Across the next five years, the financial position is even more challenging. In 2026/27, a balanced budget was only possible with the use of £84m of EFS. As highlighted, this is not sustainable and reliance on EFS continues to show an upward trajectory. The last update on the five-year position was presented to Council in March 2026 and showed a cumulative deficit of £239m by 2031 if nothing changes.
The 2025 Fair Funding Review and three-year local government financial situation provided welcome additional grant funding from government, allowing the Council to increase its core spending power. However, this equates to only £25.3m over the next three years in Government grant with the rest assumed by Council Tax increases of 4.99% which had already been factored into our financial planning. With growing demand and price pressures, the additional resources have made only a small dent into the scale of the challenges. The Council will continue to lobby and work with Government to consider the role of Local Government and the statutory services it provides but also less punitive EFS measures to support Haringey in reaching a more sustainable future.

The Council must take all the necessary action to reduce spending or increase income it remains in control of. Historically the Council has undertaken an annual budget setting cycle but with a three-year Government finance settlement now in place, a medium-term approach must be considered, and the Council has developed its three-year Financial Resilience Plan which recognises that the problem is intractable in a single year. The Financial Resilience Plan will focus on eight key priority areas, mainly those which are high spending and all other services will be required to produce a Value for Money Action Plan with proposals to reduce spend and increase income that align Haringey's spending and performance in line with statistical neighbours and proposals for cost avoidance to limit the year-on-year increase in cash limits.
Spending controls already in place will continue and a clear Section 151 Officer approval process will be introduced for any department to spend beyond its cash limits, to ensure that there is a clear and agreed funding strategy before expenditure is committed. A full update on the Financial Sustainability and associated delivery plans will be published as part of the Medium-Term Financial Strategy to Cabinet in November 2026.

RISK MANAGEMENT

The Risk Management Strategy has been reviewed and updated to ensure it continues to provide robust governance to support risk management across the Council. With the level of risk and uncertainty facing the Council, going forward, risk management across the organisation will continue to be strengthened. Corporate risks are reviewed quarterly and reported through Corporate Leadership Team and the latest Corporate Risk Register will be considered by Audit Committee in July 2026 and can be found here Agenda for Audit Committee on Thursday, 23rd July, 2026, 7.00 pm | Haringey Council

The main risk, in the context of this statement of accounts, is the financial pressure under which the Council found itself.

EXPLANATION OF THE KEY ACCOUNTING STATEMENTS

The Statement of Accounts sets out the Council's income and expenditure for the year and its financial position as at 31 March 2026. It comprises core and supplementary statements together with disclosure notes. The format and content of the financial statements is prescribed by the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom 2025/26, which in turn is underpinned by International Financial Reporting Standards.

The Core Statements comprise:

- The ***Comprehensive Income and Expenditure Statement*** – this statement records all the Council's income and expenditure for the year. The top half of the statement shows the cost of providing services, analysed across the Council's priorities. The bottom half of the statement deals with corporate transactions and funding.

- The ***Movement in Reserves Statement*** is a summary of the changes in the Council's reserves over the course of the year. Reserves are divided into 'usable', which can be invested in capital projects or service improvements, and 'unusable', which must be set aside for specific purposes.

- The ***Balance Sheet*** is a snapshot of the Council's assets, liabilities, cash balances and reserves at the year-end date. The council's net assets are matched by its reserves. Reserves are reported in two categories. The first category of reserves are usable reserves, i.e. those reserves that the authority may use to provide services. The second category of reserves is those that the authority is not able to use to provide services. This includes reserves that hold unrealised gains and losses (for example the revaluation reserve), where amounts would only become available to provide services if the assets are sold) and reserves that hold timing differences shown in the 'adjustments between accounting basis and funding basis' Note.

- The ***Cash Flow Statement*** shows the reason for changes in the Council's cash balances during the year and whether the change is due to operating activities, new investment or financing activities (such as borrowing and other long-term liabilities)

- The ***Group Accounts*** combine the financial activities for the Council for the year with those of Homes for Haringey and Alexandra Park and Palace Charitable Trust, which are treated as subsidiaries of the Council. A new subsidiary was registered in September 2025, Haringey Culture Collective – A Charitable Company Limited by Guarantee to deliver the London Borough of Culture in 2027. The only financial activity in the year is an immaterial sum paid to it by the Council.

The **Supplementary Financial Statements** comprise:

- The ***Housing Revenue Account*** – this separately identifies the Council's statutory landlord function as a provider of social housing under the Local Government and Housing Act 1989

- The ***Collection Fund*** summarises the collection of council tax and business rates, and the distribution of that money between the Council, the Greater London Authority (GLA) and central government.

- The ***Pension Fund Account*** reports the contributions received, the payments made to pensioners and the value of net assets invested in the Local Government Pension Scheme on behalf of Council employees, past and present.

Also published with the Statement of Accounts is the ***Annual Governance Statement*** (AGS). The AGS sets out the governance structure of the Council and its key internal controls.

FEEDBACK

We are always seeking to improve our Statement of Accounts through engaging with our residents, members, colleagues, readers of our statement of accounts, and other stakeholders.
If you have any feedback on any aspect of the statement of accounts or ideas on how we can improve the presentation, please contact us at finalaccounts@haringey.gov.uk
We appreciate your feedback. Should you require any part of this document in a different format or would like to discuss the content of any graphics or tables, please email finalaccounts@haringey.gov.uk
We will consider your request and get back to you within 10 working days. Also copies of this statement of accounts can be obtained by contacting: finalaccounts@haringey.gov.uk

INDEPENDENT EXTERNAL AUDITOR'S REPORT

STATEMENT OF RESPONSIBILITIES

The Council's responsibilities

The Council is required to:

- make arrangements for the proper administration of its financial affairs and to ensure that one of its officers has the responsibility for the administration of those affairs. In this Council, the Chief Financial Officer is the Corporate Director of Finance & Resources;
- manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets; and
- approve the Statement of Accounts.

The Chief Financial Officer's responsibilities

The Chief Financial Officer is responsible for the preparation of the Council's Statement of Accounts in accordance with proper practices as set out in the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom ('the Code').

In preparing this Statement of Accounts, the Chief Financial Officer has:

- selected suitable accounting policies and then applied them consistently.
- made judgements and estimates that were reasonable and prudent; and
- complied with the Code of Practice.

The Chief Financial Officer has also:

- kept proper accounting records which are up to date; and
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

Certification by Chief Financial Officer

I certify that the accounts give a true and fair view of the financial position of the Council at 31 March 2026 and its income and expenditure for the year then ended.

Taryn Eves
Corporate Director of Finance & Resources (S151 Officer)

30 June 2026

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

Single Entity	2025/26 Gross Expenditure	2025/26 Gross Income	2025/26 Net Expenditure	2024/25 Gross Expenditure	2024/25 Gross Income	2024/25 Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000
Children's Services	150,811	(80,018)	70,792	164,755	(73,349)	91,407
Adults, Health & Communities	310,900	(166,809)	144,092	277,066	(150,135)	126,932
Environment & Resident Experience*	268,430	(224,040)	44,390	266,263	(227,692)	38,571
Placemaking & Housing			0	19,259	(8,951)	10,308
Culture, Strategy & Engagement	26,398	(10,926)	15,472	29,380	(7,690)	21,690
Corporate Budgets - Service	29,775	(9,369)	20,406	4,139	(6,260)	(2,120)
Corporate Budgets - Non Service	35,869	(15,464)	20,405	38,795	(16,578)	22,217
Dedicated Schools Grant	255,810	(255,546)	265	232,966	(233,011)	(45)
Housing - HRA	242,662	(135,915)	106,747	284,373	(131,904)	152,469
Cost of Services	**1,320,655**	**(898,088)**	**422,569**	**1,316,996**	**(855,569)**	**461,428**
Other operating expenditure	14,139	0	14,139	12,011	(3,221)	8,790
Financing and investment income and expenditure	63,157	(28,014)	35,143	57,067	(14,091)	42,975
Taxation and Non-Specific Grant Income	0	(388,228)	(388,228)	0	(353,395)	(353,395)
(Surplus) or Deficit on Provision of Services	**1,397,952**	**(1,314,330)**	**83,622**	**1,386,073**	**(1,226,275)**	**159,798**
(Surplus) or deficit on revaluation of property, plant and equipment			(68,781)			(129,033)
Remeasurement of net defined benefit liability (Note 36)			(55,632)			312,417
Other Comprehensive Income and Expenditure			**(124,413)**			**183,384**
Total Comprehensive Income and Expenditure			**(40,791)**			**343,182**

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

Group Accounts	2025/26 Gross Expenditure	2025/26 Gross Income	2025/26 Net Expenditure	2024/25 Gross Expenditure	2024/25 Gross Income	2024/25 Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000
Children's Services	150,811	(80,018)	70,792	164,755	(73,349)	91,406
Adults, Health & Communities	310,900	(166,809)	144,092	277,066	(150,135)	126,932
Environment & Resident Experience	268,430	(224,040)	44,390	266,263	(227,692)	38,571
Placemaking & Housing	0	0	0	19,259	(8,951)	10,308
Culture, Strategy & Engagement	26,398	(10,926)	15,472	29,380	(7,690)	21,690
Corporate Budgets - Service	54,075	(42,412)	11,663	25,352	(40,456)	(15,104)
Corporate Budgets - Non Service	35,869	(9,369)	26,499	38,795	(6,260)	32,535
Dedicated Schools Grant	255,810	(255,546)	265	232,966	(233,011)	(45)
Housing - HRA	246,057	(139,310)	106,747	284,441	(131,905)	152,536
Cost of Services	**1,348,350**	**(928,431)**	**419,920**	**1,338,276**	**(879,448)**	**458,829**
Other operating expenditure	14,139	0	14,139	12,011	(3,221)	8,790
Financing and investment income and expenditure	63,157	(28,087)	35,070	57,067	(14,136)	42,931
Taxation and Non-Specific Grant Income	0	(388,228)	(388,228)		(353,395)	(353,395)
(Surplus) or Deficit on Provision of Services	**1,425,647**	**(1,344,746)**	**80,901**	**1,407,354**	**(1,250,200)**	**157,154**
(Surplus) or deficit on revaluation of property, plant and equipment			(43,305)			(103,407)
Remeasurement of net defined benefit liability (Note 36)			(55,896)			312,019
Other Comprehensive Income and Expenditure			**(99,201)**			**208,612**
Total Comprehensive Income and Expenditure			**(18,300)**			**365,766**

MOVEMENT IN RESERVES STATEMENT

	General Fund Balance £'000	Housing Revenue Account £'000	Capital Receipts Reserve £'000	Capital Grants Unapplied £'000	Major Repairs Reserve £'000	**Total Usable Reserves** £'000	Unusable Reserves £'000	**Total Single Entity Reserves** £'000	Group Reserve £'000	**Total Group Reserves** £'000
2025/26										
Balance as at 31/03/2025	(52,244)	(25,345)	(86,898)	(56,821)	0	(221,307)	(1,999,897)	(2,221,204)	(108,329)	(2,329,533)
Movement in reserves during 2025/26										
Total Comprehensive Income and Expenditure	38,551	45,071	0	0	0	83,622	(124,413)	(40,791)	22,491	(18,300)
Adjustments between accounting basis & funding basis under regulations (note 10)	(38,616)	(42,447)	(9,265)	1,214	0	(89,114)	89,114	0	0	0
(Increase) / Decrease in 2025/26	(65)	2,624	(9,265)	1,214	0	(5,492)	(35,299)	(40,791)	22,491	(18,300)
Balance as at 31/03/2026 carried forward	**(52,309)**	**(22,719)**	**(96,163)**	**(55,607)**	**0**	**(226,796)**	**(2,035,194)**	**(2,261,992)**	**(85,838)**	**(2,347,830)**
2024/25										
Balance as at 31/03/2024	(67,449)	(22,398)	(74,464)	(62,175)	0	(226,485)	(2,337,900)	(2,564,385)	(130,913)	(2,695,298)
Movement in reserves during 2024/25										
Total Comprehensive Income and Expenditure	43,717	116,081	0	0	0	159,798	183,384	343,182	22,584	365,766
Adjustments between accounting basis & funding basis under regulations (note 10)	(28,513)	(119,027)	(12,434)	5,354	0	(154,619)	154,619	0	0	0
(Increase) / Decrease in 2024/25	15,204	(2,946)	(12,434)	5,354	15	5,179	338,003	343,182	22,584	365,766
Balance as at 31/03/2025 carried forward	**(52,244)**	**(25,345)**	**(86,898)**	**(56,821)**	**0**	**(221,307)**	**(1,999,897)**	**(2,221,204)**	**(108,329)**	**(2,329,533)**

BALANCE SHEET

	Notes	Single Entity 31 March 2026	Single Entity 31 March 2025	Group Accounts 31 March 2026	Group Accounts 31 March 2025
		£'000	£'000	£'000	£'000
Property, Plant and Equipment	12	3,637,304	3,511,306	3,721,441	3,619,947
Heritage Assets		6,254	6,227	6,254	6,227
Investment Property	13	120,747	108,170	120,747	108,170
Intangible Assets		10,463	12,862	10,463	12,862
Long-term Debtors	14,16	8,461	9,198	3,610	4,156
Pension Assets	36		0	3,055	2,625
Long Term Assets		**3,783,230**	**3,647,763**	**3,865,571**	**3,753,987**
Short-term Investments	14	163	39	163	39
Inventories		687	675	925	876
Short-term Debtors	16	139,358	164,116	140,793	164,031
Cash and Cash Equivalents	17	116,123	23,214	127,469	30,125
Current Assets		**256,331**	**188,044**	**269,350**	**195,071**
Short-term borrowing	14	(105,459)	(120,180)	(104,563)	(120,180)
Short-term Creditors	18	(201,349)	(213,784)	(211,768)	(218,706)
Grants Receipts in Advance	30	(116,537)	(80,628)	(116,537)	(80,628)
Provisions	19	(27,451)	(10,031)	(27,451)	(10,031)
Current Liabilities		**(450,795)**	**(424,622)**	**(460,318)**	**(429,544)**
Long-term Creditors	18	(16,159)	(16,724)	(16,159)	(16,724)
Provisions	19	(1,003)	(16,791)	(1,003)	(16,791)
Long-term Borrowing	14	(1,121,222)	(873,113)	(1,121,222)	(873,113)
Pension Liabilities	36	(148,730)	(213,026)	(148,730)	(213,026)
Other Long Term Liabilities - PFI and Finance Leases	14	(23,252)	(52,874)	(23,252)	(52,874)
Grants Receipts in Advance - Capital	30	(16,405)	(17,452)	(16,405)	(17,452)
Long-term Liabilities		**(1,326,771)**	**(1,189,980)**	**(1,326,771)**	**(1,189,980)**
Net Assets		**2,261,995**	**2,221,204**	**2,347,833**	**2,329,533**
Usable Reserves		(226,799)	(221,307)	(258,519)	(251,617)
Unusable Reserves	20	(2,035,196)	(1,999,897)	(2,089,314)	(2,077,916)
Total Reserves		**(2,261,995)**	**(2,221,204)**	**(2,347,833)**	**(2,329,533)**

CASH FLOW STATEMENT

		Single Entity		Group Accounts	
		2025/26	**2024/25**	**2025/26**	**2024/25**
	e	**£'000**	**£'000**	**£'000**	**£'000**
Net surplus or (deficit) on the provision of services		(83,622)	(159,798)	(80,901)	(157,154)
Adjustments to net surplus or (deficit) on the provision of services for non-cash movements	21	238,709	252,172	241,933	253,635
Adjustments for items included in the net surplus or (deficit) on the provision of services that are investing and financing activities	21	(120,927)	(87,707)	(120,927)	(87,707)
Net cash flows from Operating Activities		**34,160**	**4,667**	**40,105**	**8,774**
Investing Activities	22	(134,446)	(149,606)	(136,172)	(152,982)
Financing Activities	23	193,196	131,608	193,196	131,608
Net increase or (decrease) in cash and cash equivalents		**92,910**	**(13,331)**	**97,129**	**(12,600)**
Cash and cash equivalents at the beginning of the reporting period		23,215	36,545	30,125	42,725
Cash and cash equivalents at the end of the reporting period		**116,124**	**23,214**	**127,253**	**30,125**

1. Accounting Policies

General Principles

The Statement of Accounts summarises the Council's transactions for the 2025/26 financial year and its position at the year-end of 31 March 2026. The Council is required to prepare an annual Statement of Accounts by the Accounts and Audit (England) Regulations 2015, which those Regulations require to be prepared in accordance with proper accounting practices. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2025/26, supported by UK adopted International Financial Reporting Standards (IFRS) and statutory guidance issued under Section 12 of the Local Government Act 2003.

The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments.

1.2 Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received.

Revenue from contracts with service recipients, whether for services or the provision of goods, is recognised when (or as) the goods or services are transferred to the service recipient in accordance with the performance obligations in the contract.

Accrual de minimis are generally £20,000 (revenue) and £50,000 (capital). However, where it is clear that the total owed or due from a single supplier/customer exceeds these amounts, an accrual will be raised. Exceptions to these levels are made where expenditure is funded by a time-limited grant.

1.3 Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in a specified period no more than three months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of changes in value. In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Council's cash management.

1.4 Charges to Revenue for Non-Current Assets

Services, support services and trading accounts are debited with the following amounts to record the cost of holding non-current assets during the year:

- depreciation attributable to the assets used by the relevant service.
- revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off; and
- Amortisation of intangible assets attributable to the service.

The Council is not required to raise Council Tax to fund depreciation, revaluation and impairment losses or amortisations. However, it is required to make an annual contribution from revenue towards the reduction in its overall borrowing requirement equal to an amount calculated on a prudent basis determined by the Council in accordance with statutory guidance. Depreciation, revaluation and impairment losses and amortisations are therefore replaced by the contribution in the General Fund Balance called Minimum Revenue Provision (MRP) by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement (MiRS) for the difference between the two.

1.5 Collection Fund

The council act as agents, collecting council tax and non-domestic rates (NDR) on behalf of the major preceptors (including government for NDR) and, as principals, collecting council tax and NDR for themselves. The council is required by statute to maintain a separate fund (i.e. the collection fund) for the collection and distribution of amounts due in respect of council tax and NDR. Under the legislative framework for the collection fund, the council, major preceptors and central government (for NDR) share proportionately the risks and rewards that the amount of council tax and NDR collected could be less or more than predicted.

The council tax and NDR income included in the Comprehensive Income and Expenditure Statement (CIES) is the council's share of accrued income for the year. However, regulations determine the amount of council tax and NDR that must be included in the authority's General Fund. Therefore, the difference between the income included in the CIES and the amount required by regulation to be credited to the General Fund is taken to the collection fund adjustment account and included as a reconciling item in the Movement in Reserves Statement.

The Balance Sheet includes the council's share of the end of year balances in respect of council tax and NDR relating to arrears, impairment allowances for doubtful debts, overpayments and prepayments and appeals.

Where debtor balances for the above are identified as impaired because of a likelihood arising from a past event that payments due under the statutory arrangements will not be made, the asset is written down and a charge made to the taxation and non-specific grant income and expenditure line in the CIES. The impairment loss is measured as the difference between the carrying amount and the revised future cash flows.

1.6 Employee Benefits

Benefits Payable during Employment

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as wages, salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits for current employees and are recognised as an expense for services in the year in which employees render service to the Council.

An accrual is made for the cost of holiday entitlements (or any form of leave e.g., time off in lieu) earned by employees but not taken before the year-end which employees can carry forward into the next financial year. The accrual is calculated at the wage and salary rates applicable in the following accounting year being the period in which the employee takes the benefit, with interim values on an estimated basis. To prevent fluctuations from impacting on council tax, the year-on-year change in cost generated by this accrual is charged to Surplus or Deficit on the Provision of Services but then reversed out through the MiRS so that holiday benefits are charged to revenue in the financial year in which the holiday absence occurs.

The Council has concluded that there is no material benefit in undertaking an annual determination of the accrual and has established a policy to undertake a review of the accrual every three years unless, in the intervening period, there is evidence of a change in circumstances which would materially affect the amount to be disclosed. In the absence of a significant change in staff numbers/inflation in the intervening period, the accrual would be uplifted based on the change in staff numbers. A review was done in 2023/24 to calculate the amount in this year's accounts. The next full recalculation will be in 2026/27.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Council to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy and are charged on an accruals basis to the appropriate service line in the CIES at the earlier of when the Council can no longer withdraw the offer of those benefits or when the Council recognises costs for a restructuring.

Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund balance to be charged with the amount payable by the Council to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the MiRS, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

Post-Employment Benefits

Employees of the Council are predominantly members of two separate pension schemes:

- the Local Government Pensions Scheme (LGPS), administered by Haringey Council and
- the Teachers' Pension Scheme, administered by Capita Teachers' Pensions on behalf of the Department for Education (DfE)

Both schemes provide defined benefits to members (which include annual pensions and other benefits) earned as employees worked for the Council. However, the arrangements for the teachers' scheme mean that liabilities for these benefits cannot ordinarily be identified specifically to the Council. The scheme is therefore accounted for as if it was a defined contribution scheme and no liability for future payments of benefits is recognised in the Balance Sheet.

i. The Local Government Pension Scheme

All employees (other than teachers) subject to certain qualifying criteria are able to join the Local Government Pension scheme (LGPS). The Scheme is accounted for as a defined benefit scheme. The Scheme is known as the London Borough of Haringey Pension Fund and is administered by Haringey Council in accordance with the Local Government Pension Scheme Regulations 2013 (and other LGPS Regulations) on behalf of all participating employers.

The liabilities of the Haringey pension fund attributable to the Council are included in the Balance Sheet on an actuarial basis using the projected unit method – i.e., an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc, and projections of projected earnings for current employees. Liabilities are discounted to their value at current prices.

The assets of Haringey pension fund attributable to the Council are included in the Balance Sheet at their fair value:

- quoted securities - current bid price
- unquoted securities - professional estimate
- unitised securities - current bid price
- property - market value

The change in the net pension's liability is analysed into the following components:

Service cost comprising:

- Current service cost – the increase in liabilities as a result of years of service earned this year – allocated in the CIES to the services for which the employees worked.
- Past service cost – the increase in liabilities as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years – debited to the Surplus or Deficit on the Provision of Services in the CIES
- Net interest on the net defined benefit liability, i.e. net interest expense for the Council – the change during the period in the net defined benefit liability that arises from the passage of time charged to the Financing and Investment Income and Expenditure line of the CIES – this is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability at the beginning of the period – taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments.

Re-measurements comprising:

- the return on plan assets – excluding amounts included in net interest on the net defined benefit liability – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure
- actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure
- Contributions paid to the Haringey Pension Fund – cash paid as employer's contributions to the pension fund in settlement of liabilities; not accounted for as an expense.

In relation to retirement benefits, statutory provisions require the General Fund balance to be charged with the amount payable by the Council to the pension fund or directly to pensioners in the year not the amount calculated according to the relevant accounting standards.

In the MiRS, this means that there are appropriations to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end. The negative balance that arises on the Pensions Reserve thereby measures the beneficial impact to the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

In accordance with IFRIC 14.20(b), the surplus available to the entity in respect of its participation in the funded Local Government Pension Scheme (LGPS) is constrained by the estimated future service cost in each period, less the minimum funding contributions required for future service in those periods. Additionally, a minimum funding liability is recognised in respect of any positive secondary contributions. It is therefore clear that no surplus is recognised from a reduction in contributions. Instead, where secondary contributions are positive, an additional liability arises, resulting in a net liability position for the entity's funded LGPS participation.

ii. Teachers' Pension Scheme

This scheme is administered by Capita Teachers' Pensions, on behalf of the Department for Education (DfE). Although the scheme is unfunded, the Government operates a notional fund as the basis for calculating employers' contributions. This scheme is accounted for on a defined contribution basis – no liability for future payments is recognised in the Balance Sheet and the Children's Services line in the CIES is charged with the employer's contributions payable in the year. In addition, the Council is responsible for any payments relating to early retirements outside of the standard scheme. This scheme holds no assets.

Discretionary Benefits

The Council also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff (including teachers) are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

Events after the Balance Sheet Date

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

- Those that provide evidence of conditions that existed at the end of the reporting period – the Statement of Accounts is adjusted to reflect such events; and
- Those that are indicative of conditions that arose after the reporting period – the financial statements are not adjusted to reflect such events but where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

Financial Instruments

Financial Liabilities

Financial liabilities are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and are carried at their amortised cost. Annual charges to the Financing and Investment Income and Expenditure line in the CIES for interest payable are based on the carrying amount of the liability multiplied by the effective rate of interest for the instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised.

For most of the borrowings that the Council has, this means that the amount presented in the Balance Sheet is the outstanding principal repayable (plus accrued interest); and interest charged to the CIES is the amount payable for the year according to the loan agreement.

Where premiums and discounts have been charged to the CIES, regulations allow the impact on the General Fund Balance to be spread over future years. The Council has a policy of spreading the gain or loss over the term that was remaining on the loan against which the premium was payable or discount receivable when it was repaid. The reconciliation of amounts charged to the CIES to the net charge required against the General Fund Balance is managed by a transfer to or from the Financial Instruments Adjustment Account in the MiRS.

Financial Assets

Financial assets are initially measured at fair value and carried at their amortised cost. Annual credits to the CIES for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. For most of the loans that the Council has made, this means that the amount presented in the Balance Sheet is the outstanding principal receivable and accrued interest, and the interest credited to the CIES is the amount receivable for the year in the loan agreement.

Any gains and losses that arise on the derecognition of a financial asset are credited or debited to the financing and investment income and expenditure line in the CIES.

Expected credit loss model

The Council recognises expected credit losses on all its financial assets held at amortised cost, either on a 12-month or lifetime basis. Only lifetime losses are recognised for trade receivables (debtors) held by the Council. Impairment losses are calculated to reflect the expectation that the future cash flows might not take place because the borrower could default on their obligations. Credit risk plays a crucial part in assessing losses. Where risk has increased significantly since an instrument was initially recognised, losses are assessed on a lifetime basis. Where risk has not increased significantly or remains low, losses are assessed based on 12-month expected losses.

The authority recognises expected credit losses on all of its financial assets held at amortised cost [or where relevant FVOCI], either on a 12-month or lifetime basis.

1.2 Fair Value Measurement

The Council measures some of its non-financial assets such as surplus assets and investment properties at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The Council measures the fair value of an asset or liability using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

When measuring the fair value of a non-financial asset, the Council considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Council uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Inputs to the valuation techniques in respect of assets and liabilities for which fair value is measured or disclosed in the Council's financial statements are categorised within the fair value hierarchy as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities that the Council can access at the measurement date
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 – unobservable inputs for the asset or liability

1.3 Government Grants and Contributions

Whether paid on account, by instalments or in arrears, government grants and third-party contributions and donations are recognised as due to the Council when there is reasonable assurance that:

- the Council will comply with the conditions attached to the payments; and
- the grants or contributions will be received.

Amounts recognised as due to the Council are not credited to the CIES until conditions attached to the grant or contributions have been satisfied.

Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset in the form of the grant or contribution are required to be consumed by the recipient as specified, or future economic benefits or service potential must be returned to the transferor.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the relevant service line (attributable revenue grants and contributions) or Taxation and Non-Specific Grant Income (non-ring-fenced revenue grants and all capital grants) in the CIES.

Where capital grants are credited to the CIES, they are reversed out of the General Fund Balance in the MiRS. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied reserve. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants Unapplied reserve are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

1.4 Interests in companies and other entities

The Council has reviewed its key financial relationships and assessed them against the Code of Practice and deemed the following to be within the Haringey group; Homes for Haringey Limited (HfH) and Alexandra Park and Palace Charitable Trust (APPCT). Therefore, consolidated Group accounts have been created in which all intra-group transactions have been removed. Investments in subsidiaries are held at cost less impairment.

1.5 Investment Property

Investment properties are those that are used solely to earn rentals and/or for capital appreciation. The definition is not met if the property is used in any way to facilitate the delivery of services or production of goods or is held for sale.

Investment properties are measured initially at cost and subsequently at fair value, being the price that would be received to sell such an asset in an orderly transaction between market participants at the measurement date. As a non-financial asset, investment properties are measured at highest and best use. Properties are not depreciated but are revalued annually according to market conditions. Gains and losses on revaluation are posted to the Financing and Investment Income and Expenditure line in the CIES. The same treatment is applied to gains and losses on disposal. Rentals received in relation to investment properties are credited to the Financing and Investment Income line and result in a gain for the General Fund Balance. However, revaluation and disposal gains and losses are not permitted by statutory arrangements to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the MiRS and posted to the Capital Adjustment Account and the Capital Receipts Reserve.

1.6 Leases

The Council as lessee

The council classifies contracts as leases based on their substance. Contracts and parts of contracts, including those described as contracts for services, are analysed to determine whether they convey the right to control the use of an identified asset, through rights both to obtain substantially all the economic benefits or service potential from that asset and to direct its use. The Code expands the scope of IFRS 16 Leases to include arrangements with nil consideration, peppercorn or nominal payments

Initial measurement

Leases are recognised as right-of-use assets with a corresponding liability at the date from which the leased asset is available for use. The leases are typically for fixed periods in excess of one year but may have extension options.
The council initially recognises lease liabilities measured at the present value of lease payments, discounting by applying the council's incremental borrowing rate wherever the interest rate implicit in the lease cannot be determined. Lease payments included in the measurement of the lease liability include:

- fixed payments, including in-substance fixed payments.
- variable lease payments that depend on an index or rate, initially measured using the prevailing index or rate as at the adoption date.
- amounts expected to be payable under a residual value guarantee
- the exercise price under a purchase option that the authority is reasonably certain to exercise
- lease payments in an optional renewal period if the authority is reasonably certain to exercise an extension option
- penalties for early termination of a lease, unless the authority is reasonably certain not to terminate early.

The right-of-use asset is measured at the amount of the lease liability, adjusted for any prepayments made, plus any direct costs incurred to dismantle and remove the underlying asset or restore the underlying asset on the site on which it is located, less any lease incentives received. However, for peppercorn, nominal payments or nil consideration leases, the asset is measured at fair value.

Subsequent measurement

The right-of-use asset is subsequently measured using the current value existing use model.
In these financial Statements, Right-of Use assets are held using PWLB rates corresponding to the term of their respective liabilities.

The right-of-use asset is depreciated straight-line over the shorter period of remaining lease term and useful life of the underlying asset as at the date of adoption.

The lease liability is subsequently measured at amortised cost, using the effective interest method.
The liability is remeasured when:

- there is a change in future lease payments arising from a change in index or rate
- there is a change in the group's estimate of the amount expected to be payable under a residual value guarantee
- the authority changes its assessment of whether it will exercise a purchase, extension or termination option, or
- there is a revised in-substance fixed lease payment.

When such a remeasurement occurs, a corresponding adjustment is made to the carrying amount of the right-of-use asset, with any further adjustment required from remeasurement being recorded in the income statement.

Low value and short lease exemption

As permitted by the Code, the council excludes low value and short leases:

- for low-value items that cost less than £10,000 when new, provided they are not highly dependent on or integrated with other items, and
- with a term shorter than 12 months (comprising the non-cancellable period plus any extension options that the authority is reasonably certain to exercise and any termination options that the authority is reasonably certain not to exercise).

Lease expenditure

Expenditure in the Comprehensive Income and Expenditure Statement includes interest, straight-line depreciation, any asset impairments and changes in variable lease payments not included in the measurement of the liability during the period in which the triggering event occurred. Lease payments are debited against the liability. Rentals for leases of low-value items or shorter than 12 months are expensed

Depreciation and impairments are not charges against council tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are therefore appropriated to the capital adjustment account from the General Fund balance in the Movement in Reserves Statement

The Council as lessor

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property, plant or equipment from the lessor to the lessee. All other leases are classified as operating leases.

Finance leases

Where the council grants a finance lease over a property or an item of plant or equipment, the relevant asset is written out of the Balance Sheet as a disposal. At the commencement of the lease, the carrying amount of the asset in the Balance Sheet (whether property, plant and equipment or assets held for sale) is written off to the other operating expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. A gain, representing the council's net investment in the lease, is credited to the same line in the Comprehensive Income and Expenditure

Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal), matched by a lease (long-term debtor) asset in the Balance Sheet.

Lease rentals receivable are apportioned between:

- a charge for the acquisition of the interest in the property – applied to write down the lease debtor (together with any premiums received), and
- finance income (credited to the financing and investment income and expenditure line in the Comprehensive Income and Expenditure Statement)

The gain credited to the Comprehensive Income and Expenditure Statement on disposal is not permitted by statute to increase the General Fund balance and is required to be treated as a capital receipt. Where a premium has been received, this is posted out of the General Fund balance to the capital receipts reserve in the Movement in Reserves Statement. Where the amount due in relation to the lease asset is to be settled by the payment of rentals in future financial years, this is posted out of the General Fund balance to the deferred capital receipts reserve in the Movement in Reserves Statement. When the future rentals are received, the element for the capital receipt for the disposal of the asset is used to write down the lease debtor. At this point, the deferred capital receipts are transferred to the capital receipts reserve.

The written-off value of disposals is not a charge against council tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are therefore appropriated to the capital adjustment account from the General Fund balance in the Movement in Reserves Statement

Operating leases

Where the authority grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet. Rental income is credited to the other operating expenditure line in the Comprehensive Income and Expenditure Statement. Credits are made on a straight-line basis over the life of the lease or where this is initiated by a service to the individual service, even if this does not match the pattern of payments (e.g. there is a premium paid at the commencement of the lease). Initial direct costs incurred in negotiating and arranging the lease are added to the carrying amount of the relevant asset and charged as an expense over the lease term on the same basis as rental income.

1.7 Property, Plant and Equipment

Assets that have a physical substance and are held for operational reasons i.e., in the production or supply of goods and services or for administrative purposes are classified as property, plant and equipment. This category excludes certain assets such as properties which are held solely for the purpose of generating financial return (Investment Properties and Assets for Sale).

Recognition

Expenditure on the acquisition, creation or enhancement of property, plant and equipment is capitalised on an accrual basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset’s potential to deliver future economic benefits or service potential (i.e., repairs and maintenance) is charged as an expense when it is incurred. The Council has a capitalisation threshold of £10,000 and allows the capitalisation of staffing costs that are directly associated with delivering of the capital schemes.

Measurement

Assets are initially measured at cost, comprising:

- the purchase prices
- any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located

The Council does not capitalise borrowing costs incurred whilst assets are under construction.
The cost of assets acquired other than by purchase is deemed to be its fair value unless the acquisition does not have commercial substance (i.e. it will not lead to a variation in the cash flows of the Council). In the latter case, where an asset is acquired via an exchange, the cost of the acquisition is the carrying amount of the asset given up by the Council.

Assets are carried in the Balance Sheet using the following measurement bases:

- infrastructure, community assets and assets under construction – depreciated historical cost
- dwellings at current value, determined using the basis of existing use value for social housing (EUV-SH)
- school buildings, libraries, children centres, leisure centres, care homes – current value but because of their specialist nature, are measured at depreciated replacement cost which is used as an estimate of current value
- surplus assets at fair value, estimated at highest and best use from a market participant’s perspective
- all other assets at current value, determined as the amount that would be paid for the asset in its existing use (existing use value – EUV).

Where there is no market-based evidence of fair value because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as an estimate of fair value. Where non-property assets have short useful lives or low values (or both), depreciated historical cost is used as a proxy for fair value.

Prior to 1 April 1994, the carrying value of Infrastructure assets was deemed to be balance sheets at amounts of capital undischarged for sums borrowed as at the end of the 1993/94 financial year. This was deemed at that time to be historical cost. Subsequently, expenditure of acquisition and enhancement incurred after this date were added to form the carrying values. Local authorities are therefore unable to accurately identify the gross cost and accumulated depreciation of Infrastructure assets.

Subsequent changes in value

Assets included in the Balance Sheet at current value are revalued sufficiently regularly to ensure that their carrying amount is not materially different from their current value at the year-end, but as a minimum every five years.
From 1 April 2025, following the new Code requirements in respect of revaluations of property, plant and equipment, where the Council does not have a rolling programme of revaluations in place and/or the assets are not non-property assets subject to indexation, the Council will revalue its assets every five years with annual indexation applied to assets during the four intervening years. Where the Council cannot obtain indices without undue cost or effort it will revalue those assets using a quinquennial revaluation with a desktop

revaluation in year three.
Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. Exceptionally, gains might be credited to the CIES where they arise from the reversal of a loss previously charged to a service.

Where decreases in value are identified, they are accounted for as follows:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains)
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the CIES.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.

Impairment

Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall. Where impairment losses are identified, the accounting treatment applied is outlined above.

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line(s) in the CIES, up to the amount of the original loss and adjusted for depreciation that would have been charged if the loss had not been recognised.

Depreciation

Depreciation is provided for on all property, plant and equipment assets by the systematic allocation of their depreciable amounts over their useful lives. An exception is made for assets without a determinable finite useful life (i.e. freehold land and certain Community Assets) and assets that are not yet available for use (i.e. assets under construction).
Depreciation is calculated, after the year of acquisition or enhancement, on the following basis:

- Council Dwellings and operational buildings – straight-line allocation over the useful life of the property as estimated by the Valuer, within the range of 20 to 60 years.
- Vehicles, plant and equipment – straight-line allocation over the useful economic life of the asset, within the range of 3 to 7 years.
- Infrastructure – based on the useful economic life of the asset, within the range of 5 to 88 years.

Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the revaluation reserve to the capital adjustment account.

Componentisation of valuations

Where an item of property, plant and equipment asset has major components whose cost is significant in relation to the total cost of the item, the components should be depreciated separately.

There are a number of circumstances where componentisation will not apply, including:

- Vehicles and Equipment (immaterial)
- Infrastructure assets
- Investment properties are not depreciated but will be considered for componentisation where enhancement expenditure is incurred.

In accordance with the Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2022, when expenditure is incurred on an Infrastructure asset being replaced, the carrying amount to be derecognised is nil since these assets are rarely replaced before the part has been fully consumed.

Disposals and non-current assets held for sale

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale. The asset is revalued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell.

If assets no longer meet the criteria to be classified as assets held for sale, they are reclassified back to non-current assets and valued at the lower of their carrying amount before they were classified as held for sale; adjusted for depreciation, amortisation or revaluations that would have been recognised had they not been classified as held for sale; and their recoverable amount at the date of the decision not to sell.

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet (whether Property, Plant and Equipment or Assets Held for Sale) is written off to the Other Operating Expenditure line in the CIES as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the CIES also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal). Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

Amounts received for a disposal in excess of £10,000 are categorised as capital receipts. A proportion of receipts relating to housing disposals are payable to the Government. The balance of receipts remains within the Capital Receipts Reserve and can then only be used for new capital investment or set aside to reduce the Council's underlying need to borrow (the capital financing requirement). Receipts are appropriated to the Reserve from the General Fund Balance in the MiRS.

The written-off value of disposals is not a charge against Council Tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the General Fund Balance in the MiRS.

Schools Assets

The council has schools in the following categories: community schools, foundation schools, voluntary aided schools, voluntary controlled schools and academies. Community and foundation schools are treated on Balance Sheet based on the risks and rewards the council is deemed to have, and voluntary aided schools and academies are excluded from the council's Balance Sheet. This means that the council recognises the Property, Plant and Equipment of the following categories of locally maintained schools in the financial statements:

- Community and community special schools
- Foundation and Foundation Trust schools (other than those owned by religious bodies)
- Voluntary controlled schools (where land & building are owned by the council)

The Property, Plant and Equipment of voluntary aided schools are not recognised in the council's financial statements. In most cases, the council has ownership of the playing fields for these categories of schools, which are recognised on the council's balance sheet.

This issue is under constant review and is updated in line with guidance from CIPFA.

Schools Income and Expenditure

All locally maintained schools (i.e. community, foundation, voluntary controlled, voluntary aided, community special and foundation special schools) are deemed to be under the Council's control. For this reason, schools' transactions and balances attributable to the governing bodies are consolidated into the Council's financial statements, applying accounting policies for recognition and measurement consistent with those applied by the Council to its own income, expenditure, cash flows, assets and liabilities. Transactions and balances between the Council and the schools have been eliminated. Assets provided to a school without the right to continuing use, such that they can be taken back by the owners at some point, are not recognised in the Council's financial statements.

Academy and free schools are independently managed. None of these schools' income and expenditure, assets, liabilities, or reserves are included within the Council's financial statements.

1.8 Provisions, Contingent liabilities, and assets

Provisions are made where a past event has taken place that gives the Council a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential and a reliable estimate can be made of the amount of the obligation. For instance, the Council may be involved in a court case that could eventually result in the making of a settlement or the payment of compensation.

Provisions are charged as an expense to the appropriate service line in the CIES in the year that the Council becomes aware of the obligation and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation considering relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year. Where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the relevant service.
Where some or all of the payment required to settle a provision is expected to be recovered from another party (e.g. from an insurance

claim), this is only recognised as income for the relevant service if it is virtually certain that reimbursement will be received if the Council settles the obligation.

A contingent liability arises where a past event has taken place that gives the Council a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured reliably.

Contingent liabilities are not recognised in the Balance Sheet but disclosed as a note to the accounts.

A contingent asset arises where an event has taken place that gives the Council a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council.

Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

1.9 Reserves

The Council maintains a range of reserves, reflecting both the extent to which its overall assets exceed its liabilities and any restrictions either statutory or voluntary which are placed upon the usage of these balances. The Council has discretion to set aside specific amounts as reserves to earmark available funds for future policy purposes, to cover contingencies or manage cash flow.
Reserves are created by appropriating amounts out of the General Fund Balance in the MiRS. When expenditure to be financed from a reserve is incurred it is charged to the appropriate service in that year to score against the Surplus or Deficit on the Provision of Services in the CIES. The reserve is then appropriated back into the General Fund Balance in the MiRS so that there is no net charge against Council Tax for the expenditure.

A number of reserves exist to manage the accounting processes for non-current assets, financial instruments, and retirement and employee benefits and do not represent usable resources for the Council. These reserves are explained in the relevant policies and notes.

1.10 Revenue expenditure funded from capital under statute (REFCUS)

REFCUS expenditure represents expenditure incurred during the year that may be capitalised under statutory provisions, but that does not result in a Council asset being created. The expenditure may support a third party's asset (e.g. home improvement grants) or may be capitalised based on a capitalisation order from the Government. This expenditure is charged to the relevant service within the CIES in the year. Where the Council has determined to meet the cost of this expenditure from existing capital resources or borrowing, a transfer is undertaken by charging to the Capital Adjustment Account and crediting the General Fund Balance in the MiRS. The purpose of this is to enable the expenditure to be funded from capital resources rather than charged to the General Fund and impact on the level of Council Tax.

1.11 Revenue recognition

Income received by the Council is recognised in accordance with the relevant financial regulations and accounting standards. The major income streams include Council tax, business rates, housing rents and parking income.
Council tax and business rate income included in the CIES is the total of the precept on the collection fund and the Council's share of the surplus/deficit on the collection fund at the end of the current year, adjusted for the Council's share of the surplus/deficit on the fund at the preceding year end that has not been distributed or recovered in the current year.

Housing Rent income included in the CIES is the total of all rent charged to tenants for Council Housing. The rents have been based on a formula prescribed by Government. The formula creates a "formula rent'' for each property, which is calculated based on the relative value of the property, relative local income levels and the size of the property. Landlords are expected to move the actual rent of a property to this formula rent, when the property is re-let following a vacancy.

1.12 Service Concession Arrangements

Private Finance Initiative (PFI) and similar contracts are agreements to receive services where the responsibility for making available the property, plant and equipment needed to provide the services passes to the PFI contractor. The Council has several schools subject to PFI contracts, albeit the current PFI scheme is suspended. The PFI buildings for maintained schools are shown on the Council's balance sheet. The buildings for the voluntary aided, voluntary controlled, foundation and academy schools are derecognised as the control of the right to use the buildings has passed to the school trustees and foundation bodies. The PFI liabilities are in respect of all PFI schools, regardless of the school's status, and remain on the Council's balance sheet as the Council is the party to the contract with the PFI Operator. The Council continues to receive government support in the form of a grant which is used to meet current and future liabilities in respect of the PFI scheme.

Non-current assets recognised on the Balance Sheet are revalued and depreciated in the same way as property, plant and equipment owned by the Council.

The amounts payable to the PFI operator consist of

a) Finance cost - an interest charge on the outstanding Balance Sheet liability, debited to the Financing and Investment Income and Expenditure line in the CIES.
b) Payment towards liability - applied to write down the Balance Sheet liability towards the PFI operator (the profile of write-downs is calculated using the same principles as for a finance lease).
c) contingent rent – increases in the amount to be paid for the liability arising during the contract, debited to the financing and investment income and expenditure line in the Comprehensive Income and Expenditure Statement.

1.13 VAT

VAT payable is included as an expense only to the extent that it is not recoverable from Her Majesty's Revenue and Customs. VAT receivable is excluded from income.

1.14 Rounding

It is not the Council's policy to adjust for immaterial cross-casting differences between the main statements and disclosure notes.

2. Accounting Standards Issued but not yet adopted

The accounting standards issued and not yet adopted are not expected to cause a material impact.

3. Critical judgements in applying accounting policies

In applying the accounting policies set out in Note 1, the Council has had to make certain judgements about complex transactions or those involving uncertainty about future events.

The Council incorporates its subsidiaries, Homes for Haringey, and Alexandra Palace Charitable Trust within these accounts to present group financial statements. They are consolidated on the basis of control over relevant activities. Please refer to Note 38 for further details.

In calculating the net pensions liability, the Council has made a judgement that the statutory framework for setting employer's contributions under its pension schemes constitutes a minimum funding requirement. The council has determined that the accounting standards (IFRIC 14 IAS 19), have set a ceiling on the amount that can be disclosed as an asset. These restrict the current realisability of the surplus through the reductions in future employer's contributions. The asset ceiling has been factored into the calculations by the actuaries and reflected in the valuations in the accounts. This has resulted a defined benefit liability for the council's Pension Scheme as at 31 March 2026. Please refer to note 36.

4. Assumptions made about the future and other major sources of estimation uncertainty

The statement of accounts contains estimated figures that are based on assumptions made by the authority about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. The assumptions and other sources of estimation uncertainty disclosed below relate to the estimates that require the authority's most difficult, subjective or complex judgements. As the number of variables and assumptions affecting the possible future resolution of the uncertainties increases, those judgements become more subjective and complex. As a result, balances cannot be determined with certainty and actual results could be materially different from the assumptions and estimates.

The items in the Council's Balance Sheet as at 31 March 2026 for which there is a significant risk of material adjustment in the forthcoming financial year are:

<u>Non-Current Assets</u>
The council's Property Plant and Equipment (PPE) are held on a long- term basis and require regular valuation to ensure the council's financial statements accurately reflect the true worth of its assets. Valuations are undertaken by qualified professionals (note 12) to provide up-to-date assessments using accepted valuation bases and methods.

Investment property, surplus assets and assets held for sale were valued at fair value. The objective of this measurement approach is to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under the current market conditions.

In respect of operational non-specialised properties, the current value for the assets has been interpreted as the amount that would be paid for the asset in its existing use. The valuers have met this requirement by providing a valuation based on existing use value (the value agreed between a willing buyer and a willing seller for an owner-occupied property/premises).

In respect of specialised properties, the valuers have adopted the depreciated replacement cost (DRC) method of valuation to assess current value in existing use. This method provides the cost of replacing an asset with its modern equivalent asset using the 'instant build' (or overnight) approach at the valuation date.

Broadly, it has been assumed for each valuation, that there are no encumbrances to title; buildings are in a 'fair' condition; building services are in working order; there are no planning or statutory constraints; there is no contamination or hazardous substances; and there are no environmental or sustainability factors that may affect the property's value.

The net book value of non-current assets subject to potential revaluation is £3.2 billion.

A reduction in the estimated valuations would result in reductions to the Revaluation Reserve and / or a loss recorded as appropriate in the Comprehensive Income and Expenditure Statement. If the value of the Council's land and buildings were to reduce by 10%, this would result in a charge to the Comprehensive Income and Expenditure Statement of approximately £129m.

An increase in estimated valuations would result in increases to the Revaluation Reserve and / or reversals of previous negative revaluations to the Comprehensive Income and Expenditure Statement and / or gains being recorded as appropriate in the Comprehensive Income and Expenditure Statement.

A reduction in the estimated value of HRA dwellings would be a reduction in the revaluation reserve or a loss in the CIES. If the value of dwellings were to reduce by 10%, this would lead to a reduction in value of about £183m.

An increase in estimated valuations would result in increases to the Revaluation Reserve or gains being recorded as appropriate in the Comprehensive Income and Expenditure Statement.

The requirement to implement IFRS 16 Leases has resulted in the recognition of operating leases as right-of-use assets and the corresponding liabilities in the Balance Sheet (subject to certain exceptions). The right of use assets is equivalent to the estimate of the present value of lease liabilities discounted at the council's incremental rates based on the remaining terms of leases. This involves a number of assumptions detailed in note 33.

Pension Fund Asset/Liability

The net pensions assets/liability is estimated by professional actuaries based on complex assumptions relating to the discount rate used; the rate at which salaries are projected to increase; changes in retirement ages; mortality rates and expected returns on pension fund assets. Any variation in these assumptions would lead to a significant change in the value of the net pension asset/liability.
During 2025/26, the Council's actuaries advised that the net pensions position reduced from a net defined benefit liability of £213m to £149m as a result of estimates being revised and the updating of assumptions. Please refer to note 36 for details.

Impairment allowance for doubtful debt

As at 31 March 2026, the Council had an outstanding balance of short-term debtors totalling £320m. Against this debtors' balance, there is an impairment allowance of £181m, £29m on account of expected credit loss for non-statutory debt and £152m for incurred credit loss on statutory debt. The economic impact of the high inflation and cost of living crisis has made it more difficult to estimate the debt impairment as there is more uncertainty about the economic viability of debtors and hence their ability to settle their debts. Some of other key assumptions that have been considered in the impairment allowance calculations for Expected credit loss (ECL) applied to Sundry Debtors is based on historical observed loss adjusted by a forward-looking estimate including probability of a worsening economic environment in future years. The ECL for Housing Rents is also based on the provision matrix approach applied to Sundry Debtors.

The incurred loss model is calculated based on historical collection rates for aged debtors. Please refer to Note 16.

Provision for Business Rates Appeals

The value of National Non-Domestic Rates (NNDR) income included in the accounts is reduced by a provision for the estimated value of appeals against valuation decisions. These estimates have been calculated using information from the Valuation Office Agency on outstanding appeals and experience of successful appeal rates.

5. Events after the balance sheet date

The Statement of Accounts was authorised for issue by the Chief Financial Officer on 30 June 2026. There have been no material post balance sheet events that would require disclosure or adjustment to these financial statements.

6. Expenditure Funding Analysis and Notes

This note provides a reconciliation of the main adjustments to Net Expenditure Chargeable to the General Fund and HRA Balances to arrive at the amounts in the Comprehensive Income and Expenditure Statement. The relevant transfers between reserves are explained in the Movement in Reserves Statement.

	£'000	£'000	£'000	£'000	£'000	£'000
Children's Services	70,063	730	70,792	81,271	10,135	91,406
Adults, Health & Communities	146,151	(2,059)	144,092	113,453	13,479	126,932
Environment & Resident Experience	32,376	12,013	44,390	21,564	17,008	38,571
Placemaking & Housing	0	0	0	9,360	948	10,308
Culture, Strategy & Engagement	12,462	3,011	15,472	3,873	17,817	21,690
Corporate Budgets - Service	25,358	(4,952)	20,406	1,469	(3,589)	(2,120)
Corporate Budgets - Non Service	(23,150)	43,555	20,405	7,416	14,801	22,217
Dedicated Schools Grant	(0)	265	265	0	(45)	(45)
Housing - HRA	(13,827)	120,575	106,747	(16,654)	169,123	152,469
Net Cost of Services	249,431	173,136	422,568	221,751	239,677	461,428
Other income and expenditure	(246,874)	(92,072)	(338,946)	(209,493)	(92,137)	(301,630)
(Surplus) or Deficit on Provision of Services	**2,557**	**81,064**	**83,622**	**12,258**	**147,540**	**159,798**
Opening General Fund and HRA Balances	(77,591)			(89,848)		
Less deficit/(surplus) on General Fund and HRA balance in year	2,557			12,258		
Closing General Fund and HRA balances	**(75,033)**			(77,591)		

6a) Adjustments between Funding and Accounting Basis

	2025/26				2024/25			
	Adjustments for Capital Purposes (Note 1) £'000	Net change for Pensions Adjustments (Note 2) £'000	Other Differences (Note3) £'000	Total Adjustment £'000	Adjustments for Capital Purposes (Note 1) £'000	Net change for Pensions Adjustments (Note 2) £'000	Other Differences (Note3) £'000	Total Adjustment £'000
Children's Services	9,803	(7,006)	(2,067)	**730**	11,212	(2,549)	1,472	**10,135**
Adults, Health & Communities	246	(2,309)	3	**(2,059)**	13,753	(325)	51	**13,479**
Environment & Resident Experience	14,563	(2,555)	5	**12,013**	17,286	(395)	116	**17,008**
Placemaking & Housing	0	0	0	**0**	1,131	(179)	(4)	**948**
Culture, Strategy & Engagement	4,457	(1,450)	3	**3,011**	18,010	(296)	103	**17,817**
Corporate Budgets - Non Service	0	(4,954)	3	**(4,952)**	0	(3,639)	50	**(3,589)**
Corporate Budgets - Service	45,824	0	(2,269)	**43,555**	14,801	0	0	**14,801**
Dedicated Schools Grant	0	0	265	**265**	0	0	(45)	**(45)**
Housing - HRA	122,708	(2,137)	4	**120,575**	169,475	(357)	5	**169,123**
Net Cost of Services	**197,601**	**(20,411)**	**(4,053)**	**173,136**	**245,668**	**(7,740)**	**1,749**	**239,677**
Other income and expenditure	(108,048)	11,747	4,229	**(92,072)**	(86,615)	(4,370)	(1,152)	**(92,137)**
Difference between General Fund surplus or deficit and the CIES surplus or deficit on the provision of services	**89,553**	**(8,664)**	**176**	**81,064**	**159,053**	**(12,110)**	**597**	**147,540**

NOTES TO THE STATEMENTS

Note 1 - Adjustments for capital purposes

'Adjustments for capital purposes' adds depreciation, impairment and revaluation gains and losses in the service lines, and for:

Other operating expenditure – adjusts for capital disposals with a transfer of income on disposal of assets and the amounts written off for those assets.

Financing and investment income – the statutory charges for capital financing, i.e., Minimum Revenue Provision and other revenue contributions are deducted from other income and expenditure as these are not chargeable under generally accepted accounting practices.

Taxation and non-specific grant income and expenditure – capital grants are adjusted for income not chargeable under generally accepted accounting practices. Revenue grants are adjusted from those receivables in the year to those receivables without conditions or for which conditions were satisfied throughout the year. This line is credited with capital grants receivable without conditions or for which conditions were satisfied in the year.

Note 2 – Net Change for the Pension Adjustments

Net change for the removal of pension contributions and the addition of IAS 19 Employee Benefits pension related expenditure and income:

For services, the adjustment reverses the IAS19 pension costs/credits recorded in the surplus or deficit on the provision of services and replaces them with employers' contributions to the pension fund, which is the amount properly chargeable to the General fund.
For Financing and investment income – the net interest on the defined benefit liability is charged to the CIES.

Note 3 – Other Differences
Other differences between amounts debited/credited to the CIES and amounts payable/receivable to be recognised under statute:

For Financing and investment income and expenditure, the other differences column recognises adjustments for the timing differences for premiums and discounts.

The charge under Taxation and non-specific grant income and expenditure represents the timing difference between what is chargeable under statutory regulations for council tax and NDR that was projected to be received at the start of the year and the income recognised under generally accepted accounting practices in the Code. This is a timing difference as any difference will be brought forward in future Surpluses or Deficits on the Collection Fund.

6b) INCOME AND EXPENDITURE ANALYSED BY NATURE

Note 1. Income by Nature

Income Category	2025/26 £000	2024/25 £000
Fees, charges & other service income	(318,677)	(288,935)
Grants & Contributions	(715,128)	(685,759)
Income from Council Tax & NNDR	(231,783)	(225,945)
Interest and investment income	(13,900)	(22,415)
Gain on disposal of assets	0	(3,221)
Gain in Fair Value of Investment Properties	(10,682)	0
Other Investment Income	(3,191)	0
Pension Cost	(20,968)	0
	(1,314,329)	**(1,226,275)**

Note 2. Expenditure by Nature

Expenditure Category	2025/26 £000	2024/25 £000
Depreciation, amortisation, impairment	187,064	247,211
Employee Benefits expenses	450,403	431,344
Other Service Expenses	700,487	637,363
Levies	13,271	12,011
Interest payable & similar charges	42,394	35,292
ECL Impairment Allowances	3,462	3,408
Loss in Fair Value of Investment Properties	869	19,444
	1,397,950	**1,386,073**
Deficit on Provision of Service	**83,622**	**159,798**

7. Other operating expenditure

Other operating expenditure Includes all levies payable, total payments made to the Government Housing Receipts Pool in line with statutory arrangements for certain property sales within the HRA and gains/losses generated from in-year disposals of non-current assets

	2025/26			2024/25		
	Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure
	£'000	£'000	£'000	£'000	£'000	£'000
Levies - North London Waste Authority (NLWA)	11,274	0	11,274	10,098	0	10,098
Levies - Others	1,997	0	1,997	1,913	0	1,913
Losses / (gains) on disposal of non-current assets	868	0	868	0	(3,221)	(3,221)
	14,139	**0**	**14,139**	**12,011**	**(3,221)**	**8,790**

8. Financing and investment income and expenditure

Financing and investment income and expenditure includes interest receivable and payable on the Council's investment portfolio. The Council's net rental income on the properties it holds purely for investment purposes is also included net of fair value movements. It also includes the interest element of the pension fund liability and expected credit loss impairment (previously known as bad debt provisions).

	2025/26			2024/25		
	Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure
	£000	£000	£000	£000	£000	£000
Interest payable and similar charges	42,395	0	42,395	35,292	0	35,292
Net interest on the net defined benefit liability	11,747	0	11,747	(4,370)	0	(4,370)
Expected Credit Loss-Impairment Allowances	3,463	0	3,463	3,408	0	3,408
Net Income & Expenditure and changes in the fair values of investment properties	3,828	(24,823)	(20,995)	20,779	(11,141)	9,638
Interest Income	0	(3,191)	(3,191)	0	(2,599)	(2,599)
Other investment income and expenditure	1,724	0	1,724	1,958	(351)	1,607
	63,157	**(28,014)**	**35,143**	**57,067**	**(14,091)**	**42,975**

9. Taxation and non-specific grant income

This note consolidates all non-specific grants and contributions receivable that cannot be identified to particular service expenditure and therefore cannot be credited to the gross income amount relevant to the service area. All capital grants and contributions are credited to non-specific grant income even if service specific. The note also identifies the Council's proportion of council tax and business rates used to fund in year service activities:

	2025/26	2024/25
	£'000	£'000
Council tax income	(143,366)	(136,878)
Non domestic rates	(88,417)	(89,068)
Non-ringfenced government grants:		
Revenue Support Grant	(27,858)	(27,333)
Section 31 BR relief	(24,655)	(25,892)
Services Grant	0	(572)
Employer NIC Grant	(2,539)	0
Recovery Grant	(5,358)	0
Other revenue grants/ contributions	(766)	(3,815)
Capital grants and contributions	(95,269)	(69,837)
	(388,228)	**(353,905)**

The non-domestic rates income under the Government's business rates retention arrangement consists of £22.146m (£22.350 million in 2024/25) collected locally and the amount re-distributed from a national pool including 'top-up' is £66.271 million (£66.718 million in 2024/25).

10. Adjustments between accounting basis and funding basis under regulation

This note details the adjustments that are made to the total comprehensive income and expenditure recognised in accordance with proper accounting practice to arrive at the resources that are specified by statutory provisions as being available to meet future capital and revenue expenditure.

General Fund Balance

The General Fund is the statutory fund into which all the Council's receipts are paid and out of which all liabilities are to be met, except to the extent that statutory rules provide otherwise. These rules can also specify the financial year in which liabilities and payments should impact on the General Fund, which is not necessarily in accordance with proper accounting practice. The balance summarises the resources that the Council is statutorily empowered to spend on its services or on capital investment (or the deficit of resources that the Council is required to recover) at the end of the financial year.

Housing Revenue Account (HRA) Balance

The HRA Balance reflects the statutory obligation to maintain a revenue account for local authority Council housing provision in accordance with Part VI of the Local Government and Housing Act 1989. It contains the balance of income and expenditure that is available to fund future expenditure relating to the Council's landlord function or, where in deficit, that is required to be recovered from tenants in future years.

Capital Receipts Reserve (CRR)

The CRR holds the proceeds from the disposal of land or other assets, which are restricted by statute from being used other than to fund new capital expenditure or to be set aside to finance historical capital expenditure. The balance on the reserve shows the resources that have yet to be applied for these purposes at the year-end.

Capital Grants Unapplied Account (CGUA)

The CGUA holds the grants and contributions received towards capital projects for which the Council has met the conditions that would otherwise require repayment of the monies, but which have yet to be applied to meet expenditure. The balance is restricted by grant terms as to the capital expenditure against which it can be applied and/or the financial year in which this can take place.

Major Repairs Reserve (MRR)

The Council is required to maintain the MRR, which controls the application of the resource arising from depreciation on HRA assets or the financing of historical capital expenditure. The balance shows the resource that has yet to be applied at the year-end.

Movement during 2025/26	Usable Reserves General Fund Balance	Housing Revenue Account	Capital Receipts Reserve	Capital Grants Unapplied	Major Repairs Reserve
	£'000	£'000	£'000	£'000	£'000
Adjustments to the Revenue Resources					
Amounts by which income and expenditure included in the CIES are different from revenue for the year calculated in accordance with statutory requirements					
- Pensions costs (transferred to / from the Pensions Reserve)	8,101	563	0	0	0
- Financial instruments (transferred to the Financial Instruments Adjustments Account)	41	0	0	0	0
- Council Tax and NDR (transfers to or from the Collection Fund)	(4,270)	0	0	0	0
- Holiday pay (transferred to the Accumulated Absence Reserve)	2,053	(4)	0	0	0
- Transfer in-year Dedicated Schools Grant deficit to DSG Adjustment Account	(265)	0	0	0	0
- Reversal of entries included in the SDPOS in relation to capital expenditure (charged to the Capital Adjustment Account)	(64,991)	(89,235)	0	(2,830)	0
Total Adjustments to Revenue Resources	**(59,330)**	**(88,675)**	**0**	**(2,830)**	**0**
Adjustments between Revenue and Capital Resources					
- Transfer of non-current asset sale proceeds from revenue to the CRR	700	21,432	(22,132)	0	0
- Administrative costs of non-current asset disposals (funded by contribution from the CRR)	(13)	(268)	281	0	0
- Payments to the government housing receipts pool (funded by a transfer from the CRR)	0	0	0	0	0
- Posting of HRA resources from revenue to the MRR	0	25,065	0	0	(25,065)
- Statutory provision for the repayment of debt (transfer from the CAA)	17,586	0	0	0	0
- Capital expenditure financed from revenue balances (transfer to the CAA)	173	0	0	0	0
Total Adjustments between Revenue and Capital Resources	**18,446**	**46,229**	**(21,851)**	**0**	**(25,065)**
Adjustments to Capital Resources					
- Use of the CRR to finance capital expenditure	0	0	13,064	0	0
- Use of the MRR to finance capital expenditure	0	0	0	0	25,065
- Application of capital grants to finance capital expenditure	0	0	0	4,043	0
- Cash payments in relation to deferred capital receipts	0	0	0	0	0
- Cash payments in relation to capital loan repayment	0	0	(478)	0	0
Total Adjustments between Revenue and Capital Resources	0	0	12,586	4,043	25,065
Other movements in Reserves-	2,269				0
Total Adjustments	**(38,616)**	**(42,447)**	**(9,265)**	**1,214**	**0**

Movement during 2024/25	Usable Reserves				
	General Fund Balance	Housing Revenue Account	Capital Receipts Reserve	Capital Grants Unapplied	Major Repairs Reserve
	£'000	£'000	£'000	£'000	£'000
Adjustments to the Revenue Resources					
Amounts by which income and expenditure included in the CIES are different from revenue for the year calculated in accordance with statutory requirements					
- Pensions costs (transferred to / from the Pensions Reserve)	11,158	952			0
- Financial instruments (transferred to the Financial Instruments Adjustments Account)	1,315	0			0
- Council Tax and NDR (transfers to or from the Collection Fund)	(164)	0			0
- Holiday pay (transferred to the Accumulated Absence Reserve)	(1,789)	(5)			0
- Transfer in-year Dedicated Schools Grant deficit to DSG Adjustment Account	45	0			0
- Reversal of entries included in the SDPOS in relation to capital expenditure (charged to the Capital Adjustment Account)	(75,307)	(153,796)		(73,043)	0
Total Adjustments to Revenue Resources	**(64,741)**	**(152,849)**	**0**	**(73,043)**	**0**
Adjustments between Revenue and Capital Resources					
- Transfer of non-current asset sale proceeds from revenue to the CRR	5,247	9,418	(14,664)	0	0
- Administrative costs of non-current asset disposals (funded by contribution from the CRR)	(369)	(137)	506	0	0
- Posting of HRA resources from revenue to the MRR	0	22,891	0	0	(22,891)
- Statutory provision for the repayment of debt (transfer from the CAA)	31,103	0	0	0	0
- Capital expenditure financed from revenue balances (transfer to the CAA)	298	1,600	0	0	0
Total Adjustments between Revenue and Capital Resources	**36,279**	**33,772**	**(14,158)**	**0**	**(22,891)**
Adjustments to Capital Resources					
- Use of the CRR to finance capital expenditure	0	0	7,215	0	0
- Use of the MRR to finance capital expenditure	0	0	0	0	22,891
- Application of capital grants to finance capital expenditure	0	0	0	78,397	0
- Cash payments in relation to deferred capital receipts	0	0	0	0	0
- Cash payments in relation to capital loan repayment	0	0	(5,000)	0	0
Total Adjustments between Revenue and Capital Resources	0	0	2,215	78,397	22,891
Other Movements	(51)	51	(491)	0	0
Total Adjustments	**(28,513)**	**(119,026)**	**(12,434)**	**5,354**	**0**

11. Movement in earmarked reserves

This note sets out the amounts set aside from the General Fund and HRA balances in earmarked reserves to provide financing for future expenditure plans and the amounts posted back from earmarked reserves to meet General Fund and HRA expenditure in 2025/26.

	Note	Balance at 31/03/24	Transfer In 2024/25	Transfer Out 2024/25	Balance at 31/03/25	Transfer In 2025/26	Transfer Out 2025/26	Balance at 31/03/26
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
General Fund Reserve	i	(15,170)	0	0	(15,170)	0	0	(15,170)
General Fund earmarked reserves:								
Schools reserve	ii	(2,401)	(11,425)	12,481	(1,345)	(20,525)	18,870	(2,999)
Transformation reserve	iii	(5,037)	0	5,037	0	(4,242)	0	(4,242)
Services reserve	iv	(11,696)	(1,721)	4,061	(9,356)	(1,965)	1,935	(9,386)
PFI lifecycle reserve	v	(5,533)	(1,332)	2,906	(3,959)	0	3,959	0
Debt repayment reserve	vi	(1,073)	0	0	(1,073)	0	1,073	0
Public Health Reserve					0	(1,232)	0	(1,232)
Insurance reserve	vii	(7,233)	0	1,724	(5,509)	(299)	0	(5,808)
Unspent grants reserve	viii	(12,707)	(2,002)	4,316	(10,393)	(4,736)	6,032	(9,098)
Labour market growth resilience reserve	ix	(273)	0	87	(186)	0	0	(186)
Strategic Budget Planning Reserve	x	(5,096)	(7,062)	8,135	(4,024)	(1,072)	2,140	(2,955)
Resiliance reserve	xi	0	0	0	0	0	0	
Collection Fund Smoothing reserve	xii	(1,231)	0	0	(1,231)	0	0	(1,231)
GF earmarked reserves:		**(52,280)**	**(23,542)**	**38,746**	**(37,076)**	**(34,072)**	**34,010**	**(37,138)**
Total General Fund Usable Reserves		**(67,450)**	**(23,492)**	**38,695**	**(52,244)**	**(34,072)**	**34,010**	**(52,308)**
Housing Revenue Account		**(21,136)**	**(6,360)**	**7,431**	**(20,065)**	**(268)**	**4,564**	**(15,906)**
Housing Revenue Account earmarked Reserves:								
Property Acquisition Reserve		(1,212)	(4,068)	0	(5,279)	(1,672)	0	(6,814)
Homes for Haringey		(50)	0	51	0	0	0	0
HRA earmarked reserves		**(1,262)**	**(4,068)**	**50**	**(5,279)**	**(1,672)**	**0**	**(6,814)**
Total HRA Usable Reserves		**(22,398)**	**(10,428)**	**7,481**	**(25,344)**	**(1,940)**	**4,564**	**(22,721)**

NOTES TO THE STATEMENTS

i. The purpose of the general fund reserve is to manage the impact of emergencies or unexpected events. Without such a reserve, the financial impact of such events could cause a potential financial deficit in the general fund, which would be severely disruptive to the effective operation of the authority. The reserve should militate against immediate service reductions if there were any unforeseen financial impacts.

ii. This balance represents the net balances held by the Council's 64 schools. The Secretary of State for Education allows Local Authorities to have within their Scheme for Financing Schools, a provision whereby surplus balances that are deemed excessive can be withdrawn from the school in question and applied elsewhere within the Dedicated Schools Budget.

iii. This reserve is earmarked for the costs associated with the Council's Transformation programmes including the investment necessary to deliver longer term efficiencies and change, together with the associated costs of redundancies and decommissioning.

iv. It is Council policy that services may request funds to be carried forward, this is subject to approval by the Cabinet in the year-end financial outturn report. This reserve earmarks those funds to either be carried forward to the following financial year or retained.

v. The PFI reserve is increased by PFI grant in excess of contractual payments. This will be utilised to funds future years' statutory minimum revenue provision charges and future capital investment.

vi. The debt repayment / capital reserve represents funds the Council has set aside for the potential repayment of debt and for funding of future capital expenditure.

vii. The Council self-insures a number of risks including liability, property and theft. Insurance claims are erratic in their timings and so the Council maintains a reserve to smooth the charge to the Council's revenue account in the same way as a premium to an external insurance provider would smooth charges to the revenue account.

viii. International Financial Reporting Standards require grants and other income to be recognised in the CIES as the right to the monies is earned rather than to match when expenditure is incurred. This reserve holds grant income included within the CIES which will finance related expenditure in future years.

ix. It is beneficial for the Council to support people into work and this reserve will support activities which achieve that aim.

x. This reserve is a key tool for managing the impact of financial plans from one year to another. This reserve requires balances to be at different levels year to year depending on the demand as identified through previous and current budget plans.

xi. This reserve will be used as a one-off measure to offset non-delivery / delay of planned savings contained within the MTFS. It provides additional robustness and financial resilience for the Council.

xii. The Collection Fund reserve is to mitigate unknown risks associated with the Collection Fund (Council Tax and Business Rates) such as Covid19 Legacy, cost of living impact on collections.

12. Property, plant and equipment

Since 2012/13, all valuations of dwellings, land and buildings and investment properties have been undertaken by external surveyors Wilks Head & Eve (an independent partnership of Chartered Surveyors and Town Planners) who are fully qualified with the Royal Institute of Chartered Surveyors (RICS). Valuations of land and buildings were carried out in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors.

The surveyors carry out valuations as at 31st March of each year to identify any significant changes since the previous valuation. The latest valuation was carried out during 2025/26 with an effective date of 31 March 2026.

Due to historical reporting requirements and information deficits local authorities do not have reliable, meaningful information to accurately report gross historical cost and accumulated depreciation for infrastructure assets. Historical practices also mean that information required to evidence the derecognition of replaced components of infrastructure assets will not practicably be able to be produced.

In accordance with the temporary relief offered by the Update to the Code on infrastructure assets [Local Government Circular 09/2022 Statutory Override Accounting for Infrastructure Assets England and Wales] this note does not include disclosure of gross cost and accumulated depreciation for infrastructure assets because historical reporting practices and resultant information deficits mean that this would not faithfully represent the asset position to the users of the financial statements.

The authority has chosen not to disclose this information as the previously reported practices and resultant information deficits mean that gross cost and accumulated depreciation are not measured accurately and would not provide the basis for the users of the financial statements to take economic or other decisions relating to infrastructure assets.

The net book value for total Property, Plant and Equipment on the Balance Sheet is shown below
Details of movement in Infrastructure Assets are shown below.

Net Book Value of Property, Plant and Equipment

	31-Mar-26	31-Mar-25
	£'000	£'000
Infrastructure Assets	216,350	212,932
Right of Use Assets	13,766	39,687
Other PPE assets	3,407,190	3,258,688
	3,637,306	**3,511,307**

	£'000	£'000
Net Book Value at 1st April	39,687	56,818
Digital Contracts	(21,258)	0
Additions	261	0
Disposals	(2,138)	0
Depreciation	(2,786)	(17,131)
	13,766	**39,687**

Movements in Infrastructure Assets

	2025/26	2024/25
	£'000	£'000
Net book value (modified historical cost) at 1 April	212,932	205,930
Additions	16,058	18,697
Depreciation	(12,640)	(12,051)
Other movements in cost	0	356
Net Book Value at 31st March	**216,350**	**212,932**

Movements in Other Property, Plant and Equipment are shown below.

	Council Dwellings	Other Land and Buildings	Vehicles, Plant, Furniture and Equipment	Community Assets	Assets Under Construction	Surplus Assets	Total Property, Plant and Equipment	PFI Assets included in Property, Plant and Equipment
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or Valuation at 1 April 2025	1,732,320	1,247,633	37,455	30,774	251,113	13,945	3,313,240	15,273
Additions	74,438	69,604	1,268	2,642	123,925	437	272,313	0
Revaluation increases / (decreases) recognised in the Revaluation Reserve	40,844	28,724	0	0	0	(1,639)	67,929	418
Revaluation increases / (decreases) recognised in SDPOS	(126,308)	(43,295)	0	0	0	(436)	(170,040)	(380)
Derecognition - disposals	(16,594)	(3,765)	0	0	(1,570)	(963)	(22,891)	0
Reclassifications and transfers	0	0	0	0	0	0	0	0
Other movements in cost or valuation	130,719	(8,355)	0	(509)	(126,514)	4,503	(157)	0
At 31 March 2026	**1,835,419**	**1,290,546**	**38,723**	**32,907**	**246,953**	**15,846**	**3,460,394**	**15,312**
Accumulated Depreciation and Impairment at 1 April 2025	(7,935)	(7,251)	(29,289)	(1,906)	(8,080)	(91)	(54,552)	(370)
Depreciation charge	(22,701)	(14,107)	(2,538)	0	0	0	(39,347)	(380)
Accumulated Depreciation written out	22,540	13,796	0	0	0	0	36,336	380
Accumulated writen out to GCA	0	4,921	0	0	0	0	4,921	0
Impairment (losses)/reversals recognised in surplus/deficit on the provision of services	0	0	0	0	0	0	0	0
Derecognition - disposals	(21)	72	0	7	41	(98)	0	0
Other movements in depreciation & impairment	(735)	0	0	0	0	0	(735)	370
At 31 March 2026	(8,852)	(2,569)	(31,827)	(1,899)	(8,039)	(189)	(53,377)	0
Net Book Value at 31 March 2026	**1,826,567**	**1,287,977**	**6,895**	**31,008**	**238,914**	**15,658**	**3,407,017**	**15,312**

The above note includes the figures from Single Entity only. Group Entity Property, Plant and Equipment assets total £84.1m as of 31 March 2026 (£108.6m as at 31 March 2025). Further details are in Note 38.

	Council Dwellings	Other Land and Buildings	Vehicles, Plant, Furniture and Equipment	Community Assets	Assets Under Construction	Surplus Assets	Total Property, Plant and Equipment	PFI Assets included in Property, Plant and Equipment
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or Valuation at 1 April 2024	1,618,529	1,196,826	36,215	28,698	305,556	20,049	3,205,873	15,273
Additions	27,643	50,842	1,090	1,985	118,192	988	200,740	0
Revaluation increases / (decreases) recognised in the Revaluation Reserve	33,570	59,302	0	156	0	(3,043)	89,985	0
Revaluation increases / (decreases) recognised in SDPOS	(116,659)	(47,816)	0	16	0	(209)	(164,668)	0
Derecognition - disposals	(4,505)	(2,284)	0	0	0	(4,680)	(11,469)	0
Reclassifications and transfers	0	(67)	0	0	(5,264)	0	(5,331)	0
Other movements in cost or valuation	173,742	(9,170)	150	(81)	(167,371)	840	(1,890)	0
At 31 March 2025	**1,732,320**	**1,247,633**	**37,455**	**30,774**	**251,113**	**13,945**	**3,313,240**	**15,273**
Accumulated Depreciation and Impairment at 1 April 2024	595	(12,232)	(24,587)	(1,906)	(8,086)	(91)	(46,307)	0
Depreciation charge	(21,317)	(13,043)	(4,702)	0	0	0	(39,062)	(370)
Accumulated Depreciation written out	21,433	17,536	0	0	0	0	38,969	0
Impairment (losses)/reversals recognised in the Revaluation Reserve	0	79	0	0	0	0	79	0
Impairment (losses)/reversals recognised in surplus/deficit on the provision of services	(8,601)	(167)	0	0	0	0	(8,768)	0
Derecognition - disposals	34	497	0	0	0	0	531	0
Reclassifications and transfers	0	0	0	0	0	0	0	0
Other movements in depreciation & impairment	(79)	79	0	0	6	0	6	0
At 31 March 2025	(7,935)	(7,251)	(29,289)	(1,906)	(8,080)	(91)	(54,552)	(370)
Net Book Value at 31 March 2025	**1,724,385**	**1,240,382**	**8,166**	**28,868**	**243,033**	**13,854**	**3,258,688**	**14,903**

The above note includes the figures from Single Entity only. Group Entity Property, Plant and Equipment assets total £108.6m as of 31 March 2025 (£131.7m as at 31 March 2024). Further details are in Note 38.

Capital Commitments

At 31 March 2026, the Council has entered into several contracts for the construction or enhancement of Property, Plant and Equipment in 2025/26 and future years, budgeted to cost £170.5million (£183.7 million as at 31 March 2025). The major commitments at 31 March 2025 were:

- Major Works - £40.1 million
- New build homes & development of Residential Accommodation - £102.8 million
  Civic Centre Development Project - £27.6 million

Revaluations

The council carries out a rolling programme that ensures that all Property, Plant and Equipment required to be measured at current value, are revalued at least every five years. Investment Properties and any Asset held for sale are subject to a revaluation review on annual basis to ensure that their carrying values are reflective of the latest market value.

HRA dwellings are valued at their existing use based on 'Beacon' valuation principles and then have a social housing adjustment made thus reducing the balance sheet value to 25% of the beacon value as directed by MHCLG

Revaluations	Council Dwellings	Other Land and Buildings	Vehicles, Plant, Furniture and Equipment	Community Assets	Assets Under Construction	Surplus Assets	Total	Infrastructure Assets
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Carried at historical cost	40,788	52,234	6,895	30,835	230,221	0	360,974	216,350
Valued at fair value as at:								
31-Mar-26	1,785,940	1,210,286	0	0	0	3,973	3,000,200	0
31-Mar-25	0	25,467	0	173	3,116	11,684	40,439	0
31-Mar-24	-	0	0	0	5,577	0	5,577	0
31-Mar-23	0	0	0	0	0	0	-	0
31-Mar-22	0	-	0	0	0	0	-	0
Total Cost or Valuation	**1,826,728**	**1,287,987**	**6,895**	**31,008**	**238,914**	**15,657**	**3,407,190**	**216,350**

13. Investment properties

The fair value for investment properties has been based on the market approach using current market conditions and recent sales prices and other relevant information for similar assets in the local authority area. Market conditions for these asset types are such that the levels of observable inputs are significant leading to the properties being categorised at Level 2 in the fair value hierarchy. Typical valuation inputs which have been used in arriving at our Fair Valuations include Market Rental and Sale Values, Yields Void, Letting Periods and condition of the assets.

The values at 31 March are analysed as follows.

	31/03/26	31/03/25
	£'000	£'000
Office units	4,824	4,661
Commercial units	87,825	75,318
Land	24,182	22,599
Other investment property	3,917	5,592
Total	**120,748**	**108,170**

There were no transfers between any of the three levels during 2025/26 or the preceding year.

In estimating the fair value of the Council's investment properties, the highest and best use of the properties is their current use. There has been no change in the valuation techniques used during the year for investment properties.

The following items have been accounted for in the Financing and Investment Income and Expenditure line in the CIES.

	2025/26	2024/25
	£'000	£'000
Rental income from investment property	(13,928)	(11,141)
Direct operating expenses arising from investment properties	3,828	1,335
Net gain	**(10,100)**	**(9,806)**

There are no restrictions on the Council's ability to realise the value inherent in its investment property or on its right to the remittance of income and the proceeds of disposal.

The following table summarises the movements in the fair value of investment properties over the year.

	2025/26	2024/25
	£'000	£'000
Balance at start of the year	108,171	114,981
Subsequent Expenditure	1,738	75
Derecognitions	(446)	0
Net gain / (losses) from FV adjustments	11,128	(12,217)
Transfers to/from PPE	157	5,331
Balance at the end of the year	**120,748**	**108,170**

The fair value of the Council's investment property is measured annually at each reporting date.

14. Financial instruments

A financial instrument is a contract that gives rise to a financial asset and liability between two parties. Non-exchange transactions, such as those relating to taxes and government grants, do not give rise to financial instruments.

Financial instruments are disclosed based on considerations around the business model for holding the instruments, and contractual cashflow characteristics. All of the Council's financial instruments are classified as held at 'amortised cost', and none at 'fair value through profit or loss' (FVTPL) or 'fair value through other comprehensive income' (FVOCI).

Financial liabilities

A financial liability is an obligation to transfer economic benefits controlled by the Council and can be represented by a contractual obligation to deliver cash or financial assets or an obligation to exchange financial assets and liabilities with another entity that is potentially unfavourable to the Council.

The Council's liabilities held during the year are measured at amortised cost and comprised:

- Borrowing: Long term loans from the Public Works Loans Board and commercial lenders, short term loans from other local authorities, plus accrued interest on these loans
- Finance leases detailed in note 33
- Private Finance Initiative contracts detailed in note 34
- Trade payables for goods and services received

The financial liabilities disclosed in the Balance Sheet are analysed across the following categories.

	Long Term		Short Term	
	31/03/26	31/03/25	31/03/26	31/03/25
Financial liabilities Loans at amortised cost:	£'000	£'000	£'000	£'000
Principal Sum borrowed	(1,119,403)	(871,253)	(94,000)	(110,000)
Accrued interest	0	0	(11,459)	(10,180)
EIR adjustments				
Total Borrowing*	(1,121,222)	(873,113)	(105,459)	(120,180)
Liabilities at amortised cost:				
Finance leases	(20,093)	(52,874)	0	0
PFI liabilities	0	0	0	0
Total other Long-term Liabilities*	(20,093)	(52,874)		
Liabilities at amortised cost:				
Trade Payables	(16,159)	(16,724)	(118,968)	(90,621)
PFI liabilities	0	0	0	(2008)
Finance leases	0	0	(24,870)	(20,406)
Included in Creditors**	(16,159)	(16,724)	(143,838)	(113,035)
Total Financial Liabilities	(1,157,474)	(942,711)	(249,297)	(233,215)

*The total short-term borrowing includes £11.5m (31 March 2025 £10.2m) representing accrued interest on long-term borrowing.

**The short-term creditors lines on the Balance Sheet includes £57.5m (31 March 2025 £100.7m) that do not meet the definition of a financial liability as they relate to non-exchange transactions or receipts in advance.

Financial assets

A financial asset is a right to future economic benefits controlled by the Council that is represented by cash or other instruments or a contractual right to receive cash or another financial asset. The financial assets held by the Council during the year are held under the following classifications:

- Cash and cash equivalents, including current account deposits, and short-term investments with other local authorities and the Debt Management Office (DMO) maturing within 3 months of the balance sheet date.
- Short Term Investments - Loans to other local authorities maturing 3 months or more after the balance sheet date (including accrued interest), Loans made to community organisations and other bodies for service purposes (including soft loans)
- Trade receivables for goods and services delivered

Allowances for impairment losses for trade receivables are calculated using the simplified approach recognising lifetime expected losses. Allowances for impairments on loans made for service purposes are made on the expected loss model.

The financial assets disclosed in the Balance Sheet are analysed across the following categories:

	Long Term		Short Term	
	31/03/26	**31/03/25**	**31/03/26**	**31/03/25**
Financial Assets At amortised cost:	£'000	£'000	£'000	£'000
Principal	0	0	163	69
Total Investments*	0	0	163	69
At amortised cost:				
Principal			116,123	23,214
Total Cash and Cash Equivalent*	0	0	116,223	23,214
At amortised cost:				
Trade Receivables	68	68	104,970	115,841
Loans made for service	8,393	9,130	0	0
Included in Debtors**	8,461	9,198	104,970	115,841
Total Financial Assets	**8,461**	**9,198**	**221,256**	**139,094**

*The total cash and Cash equivalent include the Money Market Fund of £81.2m

**The short-term debtors' lines on the Balance Sheet include £34.3m (31 March 2025 £48.3m) that do not meet the definition of a financial asset as they relate to non-exchange transactions or payments in advance.

Income, expense, gains and losses

The income and expense recognised in the CIES in relation to financial instruments consist of the following items. There were no gains or losses on revaluation, or items recognised in other comprehensive income and expenditure.

	Financial Liabilities at Amortised Cost	Financial Assets at Amortised Cost	2025/26	2024/25
	£'000	£'000	£'000	£'000
Interest expense	42,395	0	42,395	35,292
Impairment losses	0	3,463	3,463	3,408
Interest payable and similar charges	42,395	3,463	45,858	38,700
Interest income	0	(3,191)	(3,191)	(2,599)
Interest and investment income	0	(3,191)	(3,191)	(2,599)
Net Gain/(Loss) for the Year	42,395	272	42,667	36,101

Financial instruments – fair values

Financial assets and liabilities are carried in the Balance Sheet at amortised cost. The fair values for all financial assets are the same as the carrying values, reported earlier in this note to the accounts. Fair values for financial liabilities are estimated by calculating the present values of remaining contractual cash flows as at 31 March 2024, using the following methods and assumptions:

- Loans borrowed by the Council have been valued by discounting the contractual cash flows over the whole life of the instrument at the appropriate market rate for local authority loans
- The value of 'Lender's Option Borrower's Option' (LOBO) loans has been increased by the value of the embedded options. Lenders' options to propose an increase to the interest rate on the loan have been valued according to a proprietary model for Bermudan cancellable swaps. Borrower's contingent options to accept the increased rate or repay the loan have been valued at zero, on the assumption that lenders will only exercise their options when market rates have risen above the contractual loan rate
- The fair values of other long-term loans and investments have been discounted at the market rates for similar instruments with similar remaining terms to maturity on 31 March
- The fair values of finance lease assets and liabilities and of PFI scheme liabilities have been calculated by discounting the contractual cash flows (excluding service charge elements) at the appropriate AA-rated corporate bond yield
- No early repayment or impairment is recognised for any financial instrument
- The fair value of short-term instruments, including trade payables and receivables, is assumed to approximate to the carrying amount

Fair values are shown in the tables below, split by their level in the fair value hierarchy as follows:

- Level 1 – fair value is only derived from quoted prices in active markets for identical assets or liabilities e.g. bond prices
- Level 2 – fair value is calculated from inputs other than quoted prices that are observable for the asset or liability e.g. interest rates or yields for similar instruments
- Level 3 – fair value is determined using unobservable inputs e.g. non-market data such as cash flow forecasts or estimated creditworthiness

	Fair Value Level	Balance Sheet	Fair Value	Balance Sheet	Fair Value
		31/03/26	31/03/26	31/03/25	31/03/25
		£'000	£'000	£'000	£'000
PWLB loans	2	(1,146,403)	(956,336)	(812,228)	(617,673)
LOBO loans	2	(50,000)	(51,347)	(104,057)	(111,883)
Other loans*	2	(17,000)	(17,581)	(75,000)	(77,197)
Lease payables	2	(44,963)	0	(73,280)	0
Total		**(1,258,367)**	**(1,025,265)**	**(1,064,565)**	**(806,753)**
Liabilities for which fair value is not disclosed		(148,405)		(111,360)	
Total financial liabilities		**(1,406,771)**		**(1,175,926)**	
Recorded on balance sheet as:					
- Short term creditors		(143,838)		(113,035)	
- Short term borrowing		(105,459)		(120,180)	
- Long term creditors		(16,159)		(16,724)	
- Long term borrowing		(1,121,222)		(873,113)	
- Other long term liabilities		(20,093)		(52,874)	
Total financial liabilities		**(1,406,771)**		**(1,175,926)**	

*Short-term borrowing from other local authorities is £17m (£75m for 2024/25), these are now disclosed as Other Loans.

The fair value of financial liabilities held at amortised cost is higher than their Balance Sheet carrying amount because the Council's portfolio of loans includes several loans where the interest rate payable is higher than the current rates available for their similar loans as at the Balance Sheet date.

	Level	Balance Sheet	Fair Value	Balance Sheet	Fair Value
		31/03/26	**31/03/26**	**31/03/25**	**31/03/25**
		£'000	£'000	£'000	£'000
Cash and Cash Equivalents	2	116,123	116,123	23,214	21,214
Short Term Investments	2	163	163	39	39
Total		**116,286**	**116,286**	**23,253**	**21,253**
Assets for which fair value is not disclosed		113,431		125,039	
Total financial assets		**229,717**	**116,286**	**148,292**	**21,253**
Recorded on balance sheet as:					
- short term debtors		104,970		115,841	
- short term investments		163		39	
- long term debtors		8,461		9,198	
- cash and cash equivalents		116,123		23,214	
Total financial assets		**229,717**		**148,292**	

15. Nature and extent of risks arising from financial instruments

The Council complies with the most recent CIPFA Code of Practice on Treasury Management and the Prudential Code for Capital Finance for Local Authorities.

In line with the Treasury Code, the Council approves a Treasury Management Strategy before the beginning of each financial year. The Strategy sets out the parameters for the management of risks associated with financial instruments. The Council also maintains Treasury Management Practices specifying the practical arrangements to be followed to manage these risks. A copy of the Treasury Management Strategy Statement for 2025/26 can be found on the Council's website, www.haringey.gov.uk.

The Treasury Management Strategy includes an Investment Strategy in compliance with the Department for Levelling Up, Housing and Communities Guidance on Local Government Investments. This Guidance emphasises that priority is to be given to security and liquidity, rather than yield. The Council's Treasury Management Strategy and its Treasury Management Practices seek to achieve a suitable balance between risk and return or cost.

The Council's activities expose it to various financial risks, including:

- **credit risk** – the possibility that the counterparty to a financial asset will fail to meet its contractual obligations, causing a loss to the Council.
- **liquidity risk** – the possibility that the Council might not have the cash available to make contracted payments on time.
- **market risk** - the possibility that unplanned financial loss will materialise because of changes in market variables such as interest rates or equity prices.

Credit risk – Treasury Investments

The Council manages credit risk by ensuring that investments are only placed with organisations of high credit quality as set out in the Treasury Management Strategy. These include commercial entities with a minimum long-term credit rating of A-, the UK government, other local authorities, and organisations without credit ratings upon which the Council has received independent investment advice. Recognising that credit ratings are imperfect predictors of default, the Council has regard to other measures including credit default swap and equity prices when selecting commercial entities for investment.

A limit of £10 million is placed on the amount of money that can be invested with a single counterparty (other than the UK government, through the Debt Management Office). In addition to this, the Council has set limits on investments in certain sectors including group limits. Full details of the Council's approved counterparty list, along with the relevant investment and term limits, are included in the Treasury Investment Strategy section of the Treasury Management Strategy.

As of 31 March 2026, the nominal value of the Council's investment portfolio was £81.3 million. The investments comprised of £50.0m deposited in five low volatility Money Market Funds and the balance of £31.3m was deposited with the Debt Management Office.

All investments made during the financial year were in accordance with the Council's approved credit rating criteria. Furthermore, as at 31 March 2026, there were no loss allowances related to treasury investments.

Liquidity Risk

The Council has ready access to borrowing at favourable rates from the Public Works Loan Board (PWLB) and other local authorities, and at higher rates from banks and building societies. There is no perceived risk that the Council will be unable to raise finance to meet its commitments. It is however exposed to the risk that it will need to refinance a significant proportion of its borrowing at a time of unfavourably high interest rates. This risk is managed by maintaining a spread of fixed rate loans and ensuring that no more than set percentages of the Council's borrowing matures in any one financial year.

The maturity analysis of the Council's borrowing below is as follows, shown both as discounted (principal plus accrued interest to date) and undiscounted (principal plus future interest payments) at 31 March 2026.

Discounted borrowing	31/03/2026	31/03/2025
	£'000	£'000
Public Works Loans Board	1,156,269 812,233	812,233
Market debt	50,990 101,996	101,996
Local government	17,58377,19 7	77,197
Total	**1,224,84399 1,426**	**991,426**
Less than 1 year	154,760	170,172
Between 1 and 2 years	71,320	25,000
Between 2 and 5 years	233,960	190,000
Between 5 and 10 years	343,903 144,750	144,750
Between 10 and 20 years	114,417	150,020
Between 20 and 40 years	151,484	156,484
Between 40 and 50 years	155,000	155,000
More than 50 years		
	1,224,84399 1,426	**991,426**

Undiscounted borrowing	31/03/2026	31/03/2025
	£'000	£'000
Public Works Loans Board	1,654,432	1,249,643
Market debt	51,188 109,413	109,413
Local government	17,71978,32 6	78,326
Total	**1,723,339**	**1,437,381**
Less than 1 year	187,531	193,536
Between 1 and 2 years	110,876 52,715	52,715
Between 2 and 5 years	332,044 261,195	261,195
Between 5 and 10 years	442,729 226,214	226,214
Between 10 and 20 years	208,094	248,478
Between 20 and 40 years	270,729	280,544
Between 40 and 50 years	171,336 174,699	174,699
More than 50 years		
	1,723,339	**1,437,381**

The Council has £50 million (2025: £100m) of “Lender’s option, borrower’s option” (LOBO) loans where the lender has the option on set dates to propose an increase in the rate payable; the Council will then have the option to accept the new rate or repay the loan without penalty. The lender therefore has the effective right to demand repayment and these loans are therefore shown in table above as maturing on the next option date.

Market Risk – Interest Rate Risk

The Council is exposed to risks in terms of its exposure to interest rate movements on its borrowings and investments. Movements in interest rates have complex impact on the authority. For instance, a rise in interest rates would have the following effects

- borrowings at variable rates – the interest expense will rise
- borrowings at fixed rates – the fair value of the liabilities borrowings will fall
- investments at variable rates – the interest income will rise
- investments at fixed rates – the fair value of the assets will fall.

Investments measured at amortised cost and loans borrowed are not carried at fair value, so changes in their fair value will have no impact on the Comprehensive Income and Expenditure Statement. However, changes in interest payable and receivable on variable rate borrowings and investments will be posted to the Surplus or Deficit on the Provision of Services. Movements in the fair value of fixed rate investments measured at fair value will be reflected in Other Comprehensive Income or the Surplus or Deficit on the Provision of Services as appropriate.

The Treasury Management Strategy aims to mitigate these risks by setting an upper limit on the 12-month revenue impact of a 1% fall and rise in interest rates. If all interest rates had been 1% higher (with all other variables held constant) the financial effect would be:

	31/03/2026	31/03/2025
	£'000	**£'000**
Increase in interest receivable on variable rate investments	4,628	2,280
Increase in interest payable on variable rate borrowings	0	0
Impact on Surplus or Deficit on Provision of Services	**4,628**	**2,280**
Decrease in fair value of fixed rate borrowing liabilities	60,33364,740	64,740

Market Risk – Price Risk

The Council does not invest in any pooled equity funds and therefore is not subject to any price risk (i.e., the risk that the Council will suffer loss as a result of adverse movements in the price of this class of financial instruments).

Market Risk – Foreign Exchange Risk

The Council had no direct holdings in financial instruments denominated in foreign currencies. The Council is therefore not exposed to the risk of adverse movements in foreign exchange rates.

16. Debtors

The following tables provide an analysis of money owed to the Council by other bodies as at 31 March 2026 and which at that date was yet to be received. The Council has considered the collectability of the debt and has impaired the debt for the amounts it may not recover.

Short Term Debtors	Gross Debtor	31st March 2026 Expected Credit Loss/ Incurred Credit Loss	Net Debtor	Gross Debtor	31st March 2025 Expected Credit Loss/ Incurred Credit Loss	Net Debtor
	£000	£000	£000	£000	£000	£000
Central Government	15,650	0	15,650	19,475	0	19,475
Commercial Waste	65	(14)	51	127	(127)	0
Health Authorities	24,241	0	24,241	37,199	0	37,199
Housing Benefit Overpayments	32,343	(29,260)	3,083	35,691	(30,850)	4,841
Housing/ HRA Rent Payers	29,060	(31,179)	(2,119)	43,290	(42,499)	791
Local Taxation	58,518	(48,770)	9,749	50,591	(41,957)	8,635
Other Local Authorities	37,567	0	37,567	17,652	0	17,652
Other Receivables	16,387	0	16,387	30,140	0	30,140
Parking	54,766	(49,866)	4,900	55,573	(38,733)	16,840
Payment in Advance	2,673	0	2,673	3,098	0	3,098
Trade Receivables	48,873	(21,696)	27,178	44,233	(18,787)	25,446
Total Short Term Debtors	**320,143**	**(180,785)**	**139,358**	**337,069**	**(172,953)**	**164,116**

Long Term Debtors	Gross Debtor	31st March 2026 Expected Credit Loss/ Incurred Credit Loss	Net Debtor	Gross Debtor	31st March 2025 Expected Credit Loss/ Incurred Credit Loss	Net Debtor
	£'000	£'000	£'000	£'000		
Advances & Deposits	68	0	68	68	0	68
Service Loans	52,859	(44,466)	8,393	53,746	(44,616)	9,130
Total Long Term Debtors	**52,928**	**(44,466)**	**8,461**	**53,814**	**(44,616)**	**9,198**

The above note includes the figures from Single Entity only. Group Entity Short Term Debtors total £141.0m as of 31 March 2026 (£164.1m as at 31 March 2025) and Group Entity Long Term Debtors total £3.6m as of 31 March 2026 (£4.2m as at 31 March 2025).

Expected credit loss is based on the expectation that the future cash flows might not take place because the borrower could default on their obligations. This applies to all of the council's contractual Financial Instrument Assets apart from statutory and tax-based debt.

2025/26 Expected Credit Loss/ Incurred Credit Loss Movement	Opening balance 01/04/2025	Additional/ Release of Provisions made During the Year	Amount Used During the Year	Closing Balance 31/03/2026
	£000	£000	£000	£000
Expected Credit Loss				
Housing Rent	(16,417)	(835)	8,946	(8,306)
Other (Sundry/ Commercial/ Leisure)	(14,103)	(2,628)	430	(16,300)
	(30,519)	**(3,463)**	**9,376**	**(24,606)**
Incurred Credit Loss				
Housing Other	(26,133)	(2,788)	5,965	(22,956)
Housing Benefit Overpayment	(30,850)	314	1,276	(29,260)
Local Taxation	(41,957)	(7,122)	309	(48,770)
Parking	(38,733)	(45,444)	34,311	(49,866)
Other	(4,761)	(566)	1	(5,327)
	(142,433)	(55,606)	41,861	(156,178)
	(172,952)	**(59,069)**	**51,237**	**(180,785)**

16a Debtors for Local Taxation

The past due net of impairments for local taxation (council tax and non-domestic rates) can be analysed by age as follows:

Council Tax	31/03/2026	31/03/2025
	£'000	£'000
One year or less than one year	5,717	5,268
More than one year	3,361	2,795
Total	**9,078**	**8,063**

Non-Domestic Rates	31/03/2026	31/03/2025
	£'000	£'000
One year or less than one year	487	414
More than one year	183	159
Total	**670**	**573**

17. Cash and cash equivalents

The net balance of cash and cash equivalents is made up of the following elements at the balance sheet date.

	Single Entity		Group Accounts	
	31/03/26 £'000	31/03/25 £'000	31/03/26 £'000	31/03/25 £'000
Cash in hand and at bank	34,838	9,584	46,184	16,495
Short-term deposits	81,285	13,630	81,285	13,630
Total	**116,123**	**23,214**	**127,469**	**30,125**

18. Creditors

The following tables provide an analysis of money owed by the Council as at 31 March 2026.

	Long Term		Short Term	
	31/03/26	31/03/25	31/03/26	31/03/25
	£'000	£'000	£'000	£'000
Central Govt bodies	0	0	(14,595)	(35,082)
Other local authorities	0	0	(9,760)	(14,243)
NHS bodies	0	0	(9,050)	(9,250)
Receipt in Advance	0	0	(13,844)	(29,524)
Trade Payables	(1,943)	(1,912)	(139,997)	(111,260)
Other Payables	(14,216)	(14,812)	(1,268)	(558)
PFI	0	0	0	(2,008)
Council Tax & NNDR Overpayments	0	0	(12,835)	(11,860)
Total	**(16,159)**	**(16,974)**	**(201,349)**	**(213,784)**

The above note includes the figures from Single Entity only. Group Entity Short Term Creditors total £211.8m as of 31 March 2026 (£218.7m as of 31 March 2025) and Group Entity Long Term Creditors total £16.1m as of 31 March 2026 (£16.7m as at 31 March 2025).

19. Provisions

Provisions are analysed on the face of the Balance Sheet as either short term or long term. The amounts below are estimates based on the best information available:

	Insurance	NDR appeals	Thames Water	Other	Total
	£'000	£'000	£'000	£'000	£'000
Balance at 1 April 2025	**(11,867)**	**(1,897)**	**(1,577)**	**(11,481)**	**(26,822)**
Provisions made in 2025/26	(2,020)	(657)	0	(2,429)	**(5,106)**
Amounts used in 2025/26	1,302	0	0	594	**1,896**
Unused amount reversed in 2025/26	0	0	1,577	0	**1,577**
Balance at 31 March 2026	**(12,585)**	**(2,554)**	**0**	**(13,316)**	**(28,455)**
Of which:					
Long Term	0	0	0	(1,004)	(1,004)
Short Term					(27,451)

The **insurance provision** is required as some of the Council's insurance policies are met by deposit premiums under which insurers ask for additional sums some years after the original claim. Furthermore, balances are accrued each year to meet future known claims where the Council self-insures. Depending on the claims, these payments may be made over a period of many years.

The **Non-Domestic Rates (NDR) provision** reflects the potential liabilities of the repayments to businesses based on current outstanding appeals and an estimate of any future appeals.

20. Unusable reserves

	2025/26	2024/25
	£'000	£'000
Collection Fund Adjustment	(1,152)	(5,422)
Revaluation Reserve	(1,341,717)	(1,287,832)
Pensions Reserve	148,730	213,026
Capital Adjustment Account	(860,532)	(940,972)
Deferred Capital Receipts	(960)	(960)
Financial Instruments Adjustment	1,819	1,860
Dedicated School Grant Adjustment	9,772	9,507
Accumulated Absences	8,847	10,897
Total	**(2,035,195)**	**(1,999,897)**

Collection Fund Adjustment Account

The collection fund adjustment account manages the differences arising from the recognition of Council tax income in the CIES as it falls due from Council taxpayers compared with the statutory arrangements for paying across amounts to the general fund from the collection fund.

	2025/26	2024/25
	£'000	£'000
Balance as at 1 April	**(5,422)**	**(5,586)**
Amount by which council tax and non domestic rates income credited to the CIES is different from council tax and non domestic rates income calculated for the year in accordance with statutory requirements	4,270	164
Balance as at 31 March	**(1,152)**	**(5,422)**

Revaluation reserve

The revaluation reserve contains the gains made by the Council since April 2007 arising from increases in the value of its property, plant and equipment. The balance is reduced when assets with accumulated gains are revalued downwards or impaired and the gains are lost, used in the provision of services and the gains are consumed through depreciation or disposed of and the gains are realised. The Revaluation Reserve includes the figures from the Single Entity only but excludes those from the Group Entity. This is an additional £80m as at 31 March 2025 (£104m at 31 March 2024).

	2025/26	2024/25
	£'000	£'000
Balance as at 1 April	**(1,287,832)**	**(1,188,187)**
(Surplus) or deficit on revaluation of property, plant and equipment	(67,929)	(129,033)
Difference between fair value depreciation and historical cost depreciation	13,335	11,805
Revaluation losses & impairments written off to previous gains	(5,239)	15,720
Revaluation balances on disposed assets	5,947	1,863
Balance as at 31 March	**(1,341,718)**	**(1,287,832)**

Pension reserve

The pensions reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Council accounts for post-employment benefits in the CIES as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Council makes employer's contributions to the pension fund or eventually pay any pensions for which it is directly responsible. The debit balance on the pensions reserve therefore shows a shortfall in the benefits earned by past and current employees and the resources the Council has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid. The credit balance represents the surplus of the present value of the defined benefit obligation less the fair value of plan assets.

	2025/26	2024/25
	£'000	£'000
Balance as at 1 April	**213,026**	**(87,281)**
Remeasurements recognised in Other Comprehensive Income and Expenditure	(55,632)	312,417
Reversal of items relating to retirement benefits debited or credited to SDPOS	(8,664)	(12,110)
Balance as at 31 March	**148,730**	**213,026**

Capital adjustment account

The capital adjustment account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The account therefore represents amounts set aside to finance expenditure on fixed assets or for the repayment of external loans and certain other financing transactions.

The account also contains revaluation gains accumulated on property, plant and equipment before 1 April 2007, the date that the revaluation reserve was created to hold such gains.

	2025/26	2024/25
	£'000	£'000
Balance as at 1 April	(940,972)	(1,077,716)
Reversal of items relating to capital expenditure debited or credited to CIES		
- charges for depreciation and impairment of NCA	54,774	77,012
- revaluation gains and reversals of losses on PPE	128,783	164,668
- amortisation of intangible assets	5,041	5,185
- REFCUS	46,351	24,563
- amounts of NCA written off on disposal or sale as part of the gains/loss on disposal to CIES	40,021	10,937
	274,970	**282,365**
Adjusting amounts written out of Revaluation Reserve	(13,642)	(29,388)
Net written out amount of the cost of NCA consumed in the year	**261,328**	**252,977**
Capital financing applied in the year		
- Capital Receipts	(9,098)	(7,215)
- Capital Grants	(25,065)	(78,397)
- Major Repairs Reserve	(102,235)	(22,891)
- Revenue Contributions	(173)	(1,898)
- Minimum revenue provision	(17,586)	(31,103)
	(154,158)	**(141,505)**
Movements in the market value of Investment Properties debited or credited to CIES	(11,128)	19,444
Other adjustments*	(15,602)	5,828
Balance as at 31 March	**(860,532)**	**(940,972)**

Dedicated Schools Grant (DSG) Adjustment Account

The Dedicated Schools Grant adjustment account holds accumulated deficits relating to the schools' budget. Where the authority has incurred a deficit on its schools' budget in years beginning 1 April 2025 ending 31 March 2026, the Local Authorities (Capital Finance and Accounting) Regulations do not allow for such amounts to be included in the General Fund and instead must be held in this adjustment account.

	2025/26	2024/25
	£'000	£'000
Balance as at 1 April	**9,508**	**9,553**
Transferred into DSG Reserve during year	264	(45)
Balance as at 31 March	**9,772**	**9,508**

As part of the high level of deficit on the High Needs Block, intervention support (Safety Valve) was agreed with the DfE to reduce the cumulative DSG deficit, including the deficit for 2022/23, and reach a positive position by 2027/28. To deliver the required improvement over the five years, the Council developed a DSG Management Plan which was coproduced with various stakeholders. The plan was approved by DfE in 2022-23 and as a result financial support of £29.9m is being provided. The amount provided up to 2025/26 is £20.93m. As a result of the funding, the cumulative High Needs Block DSG deficit at 31st March 2026 is £9.772m from the high level of £20.505m as at 31st March 2022.

Accumulated Absences

The accumulated absences account absorbs the differences that would otherwise arise on the General Fund balance from accruing for compensated absences earned but not taken in the year, e.g. annual leave entitlement carried forward at 31 March. Statutory arrangements require that the impact on the General Fund balance is neutralised by transfers to or from the account.

	2025/26	2024/25
	£'000	£'000
Balance as at 1 April	**10,897**	**9,103**
Settlement / cancellation of accrual made at the end of the preceding year	**(10,897)**	**(9,103)**
Amounts accrued at the end of the current year	8,847	10,897
Amount by which officer remuneration charged to the CIES on an accruals basis is different from charges in accordance with statute	(2,050)	1,794
Balance as at 31 March	**8,847**	**10,897**

21. Cash Flow Statement - Operating Activities

	Single Entity 2025/26 £000	Single Entity 2024/25 £000	Group 2025/26 £000	Group 2024/25 £000
Interest received	3,067	2,579	3,067	2,579
Interest paid	(41,157)	(33,486)	(41,157)	(33,486)

The surplus or deficit on the provision of services has been adjusted for the following non-cash movements:

	Single Entity 2025/26 £000	Single Entity 2024/25 £000	Group 2025/26 £000	Group 2024/25 £000
Depreciation	59,959	68,244	61,960	70,153
Impairment and downward valuations	134,757	172,152	134,757	172,152
Amortisation	(144)	5,185	(144)	5,185
Increase/(decrease) in creditors	(4,357)	20,753	(736)	21,972
Increase/(decrease) in Provisions	1,632	(1,857)	1,632	(1,857)
(Increase)/decrease in debtors	25,239	(36,591)	25,596	(37,407)
(Increase)/decrease in inventories	(11)	(28)	(48)	(26)
Movement in pension liability	(8,664)	(12,110)	(8,830)	(12,223)
Carrying amount of non-current assets and non-current assets held for sale, sold or derecognised	23,165	10,937	23,615	10,937
Movement in FV of Investment Property	11,128	19,444	11,128	19,444
Other non-cash items charged to the net surplus or deficit on the provision of services	(3,996)	6,043	(6,548)	5,305
	238,709	**252,172**	**242,382**	**253,635**

The surplus or deficit on the provision of services has been adjusted for the following items that are investing and financing activities:

	Single Entity		Group	
	2025/26	2024/25	2025/26	2024/25
	£000	£000	£000	£000
Proceeds from the sale of property, plant and equipment, investment property and intangible assets	(22,132)	(14,664)	(22,132)	(14,664)
Capital Grants credited to SDPOS	(98,795)	(73,043)	(98,795)	(73,043)
	(120,927)	(87,707)	**(120,927)**	(87,707)

22. Cash Flow Statement - Investing Activities

	Single Entity		Group	
	2025/26	**2024/25**	**2025/26**	**2024/25**
	£000	£000	£000	£000
Purchase of property, plant and equipment, investment property and intangible assets	(289,190)	(220,478)	(290,507)	(223,385)
Capital Loans to Subsidiaries	0	0	(409)	(469)
Proceeds from the sale of property, plant and equipment, investment property and intangible assets	22,132	14,664	22,132	14,664
Capital Grants and Other Investments received	132,612	56,208	132,612	56,208
Net cash flows from investing activities	**(134,446)**	**(149,606)**	**(136,172)**	**(152,982)**

23. Cash Flow Statement - Financing Activities

	Single Entity		Group	
	2025/26	2024/25	2025/26	2024/25
	£000	£000	£000	£000
Cash receipts of short- and long-term borrowing	392,150	265,000	392,150	265,000
Other receipts from financing activities	419	0	419	0
Cash payments for the reduction of outstanding liabilities relating to finance leases and on-Balance-Sheet PFI contracts	(31,630)	(27,548)	(31,630)	(27,548)
Repayments of short- and long-term borrowing	(160,000)	(103,179)	(160,000)	(103,179)
Other payments for financing activities	(7,743)	(2,665)	(7,743)	(2,665)
Net cash flows from financing activities	**193,196**	**131,608**	**193,196**	**131,608**

23a Reconciliation of Financial Liabilities from financing activities

	Opening Balance as at 01.04.2025	Financing Cash Flows	Non Cash Changes	Closing Balance as at 31.03.2026
	£'000	£'000	£'000	£'000
Long Term Borrowings	873,113	248,109	(41)	1,121,181
Short Term Borrowings	120,179	(16,000)	1,279	105,458
Lease Liabilities	3,187	(658)	44,684	47,213
On Balance sheet PFI liabilities	2,008	(2,105)	98	1
Total	**998,487**	**229,346**	**46,020**	**1,273,853**

24. Members allowances

The total of Members' allowances paid in 2025/26 was £1.177 million compared to £1.164 million in 2024/25. These figures are included in the 'Corporate Budget- Service' line of the CIES.

25. External audit costs

The authority has incurred the following costs in relation to the audit of the statement of accounts:

	2025/26	2024/25
	£'000	£'000
Fees payable with regard to external audit services carried out by the appointed auditor for the year -KPMG	555	533
Fees for HB subsidy claims audit- KPMG	26	74
Fees payable in respect of grant claims and returns provided during the year-KPMG	16	22
Provisional Fee Variation	132	0
Total	**729**	**629**

26. Pooled budgets*

In 2024/25, Haringey Council (the Council) entered into 2 pooled budget arrangements with NHS North Central London ICB (The ICB), established under Section 75 (s75) of the NHS Act 2006:

a) Better Care Fund which provides the financial support to jointly plan and deliver local services.

b) Commissioning and provision of integrated learning disabilities service

2025/26 Section 75 Pooled Budget

	Gross Expenditure 2025/26	ICB's Contribution 2025/256	Haringey's Contribution 2025/26	TOTAL Contribution 2025/26
	£'000	£'000	£'000	£'000
Adults Mental Health	21,758	(6,820)	(14,938)	21,758
Adult Learning Disabilities Support	44,077	(13,266)	(30,810)	44,077
Child and Adolescent Mental Health services (CAMHS)	2,715	(1,747)	(968)	2,715
Better Care Fund (BCF)	26,223	(26,223)	0	26,223
OP/LTC (incl DFG & Additional Discharge Fund)	4,671	(1,347)	(3,324)	4,671
Improved Better Care fund (iBCF)	12,097	0	(12,097)	12,097
Violence Against Women and Girls (VAWG)	59	(32)	(28)	59
Children and Young Persons (CYP)	10,083	(2,845)	(7,238)	10,083
TOTAL	121,684	(52,280)	(69,404)	121,684

2024/25 Section 75 Pooled Budget

	Gross Expenditure 2024/25	ICB's Contribution 2024/25	Haringey's Contribution 2024/25	TOTAL Contribution 2024/25
	£'000	£'000	£'000	£'000
Adults Mental Health	21,751	(6,813)	(14,938)	21,751
Adult Learning Disabilities Support	43,694	(12,883)	(30,810)	43,694
Child and Adolescent Mental Health services (CAMHS)	3,108	(1,674)	(1,434)	3,108
Better Care Fund (BCF)	26,604	(26,604)	0	26,604
OP/LTC (incl DFG & Additional Discharge Fund)	5,839	(626)	(5,213)	5,839
Improved Better Care fund (iBCF)	9,806	0	(9,806)	9,806
Violence Against Women and Girls (VAWG)	59	(32)	(28)	59
Children and Young Persons (CYP)	9,892	(2,767)	(7,125)	9,892
TOTAL	120,755	(51,399)	(69,355)	120,755

*The account presented here are memorandum account as the figures are already incorporated in the Core Statement of Account set out in Page 29 to 33

Haringey and ICB contribution is presented net of recharges for both prior and current year.

In 2024/25, the Council and the ICB continued the expanded and unified partnership agreement, under Section 75 of the NHS Act 2006, to support the implementation of strategic plans for more integrated commissioning and provide for:
a) Lead commissioning and the establishment and maintenance of pooled fund for the commissioning of learning disability services for eligible adults' resident in Haringey.

b) Lead commissioning and the establishment and maintenance of a pooled fund for the commissioning of mental health services for eligible adults' resident in Haringey.

c) Joint commissioning and the establishment and maintenance of a pooled fund for the commissioning of older people's services for eligible adults' resident in the London Borough of Haringey.

d) Joint commissioning and the establishment and maintenance of a pooled fund for the commissioning of child and adolescent mental health services for the residents of the London Borough of Haringey.

e) Lead commissioning and the establishment and maintenance of a pooled fund for the commissioning of the Independent Domestic Violence Advocacy Service and the Identification and Referral to Increase Safety Service for eligible adults' resident in Haringey.

f) Lead commissioning and the establishment and maintenance of a pooled fund for the commissioning of a range of young people's health and wellbeing services for eligible young people resident in Haringey.
It should be noted that whilst the Partnership Agreement allows for all budgets mentioned above to be pooled, it is only the BCF, DFG, and the learning disability staffing budgets which are in fact pooled, all other budgets are aligned. The partnership agreement for the Better Care Fund comprises the ICB and the Council for the provision of services to facilitate closer integration of health and social care for local people. Haringey CCG, as the host Authority, held the revenue element whilst the Council held the capital element of the pooled budget.

The gross expenditure of the Better Care Fund (not including Improved Better Care Fund) was £32.4m in 2024/25 to which the Council's contribution was £5.2m and £27.2m was the contribution of Haringey ICB. In relation to the improved Better Care Fund the Council utilised the entire amount of £9.8m.

27. Officers' Remuneration

The following table sets out the remuneration for senior officers whose salary is £150,000 or more per year.

Post Holder Details	Financial Year	Salary, Fees and Allowances	Compensation for Loss of Office	Employer Pension Contribution	Total Remuneration
		£	£	£	£
Chief Executive - A Donald	2025-26	235,584	0	0	235,584
	2024-25	228,279	0	0	228,279
Taryn Eves (started 01.05.2024)	2025-26	168,374	0	40,410	208,784
((Director of Finance & Resources))	2024-25	139,956	0	32,805	172,761
Director of Placemaking & Housing - D Joyce	2025-26	0	0	0	0
(Left 30.09.2024)	2024-25	77,791	0	18,281	96,072
Director of Adults, Health & Communuities - B Tarka	2025-26	0	0	0	0
	2024-25	169,920	0	39,931	209,851
Director of Adults, Health & Communuities - S Fishenden	2025-26	164,799	0	39,552	204,351
(previously assistant Director)	2024-25	115,755	0	27,202	142,957
Corporate Director of Children's Services - A Graham	2025-26	175,359	0	42,086	217,445
	2024-25	170,389	0	39,931	210,320
Jess Crowe	2025-26	160,618	0	39,748	200,366
(Director of Culture, Strategy & Engagement)	2024-25	161,775	0	38,017	199,792
Barry Francis	2025-26	175,359	0	42,086	217,445
(Corporate Director of Environment & Resident Experience)	2024-25	169,968	0	39,931	209,899

The number of employees whose remuneration including redundancy payments but excluding pension contributions was £50,000 or more is detailed in the table below. These numbers cover all Council activities, including schools-based staff (it excludes senior officers who are disclosed in the previous tables):

	2025/26	2024/25
	No. of employees	No. of employees
£50,000 - £54,999	540	472
£55,000 - £59,999	409	376
£60,000 - £64,999	325	269
£65,000 - £69,999	271	178
£70,000 - £74,999	112	106
£75,000 - £79,999	89	63
£80,000 - £84,999	51	38
£85,000 - £89,999	35	35
£90,000 - £94,999	14	21
£95,000 - £99,999	44	25
£100,000 - £104,999	13	15
£105,000 - £109,999	12	14
£110,000 - £114,999	12	11
£115,000 - £119,999	12	6
£120,000 - £124,999	6	9
£125,000 - £129,999	8	4
£130,000 - £134,999	8	2
£135,000 - £139,999	0	3
£140,000 - £144,999	0	0
£145,000 - £149,999	0	5
£190,000 - £194,999	3	2
Total	**1,964**	**1,654**

28. Termination benefits

The tables below show the number of exit packages including pension strain contributions agreed in the year together with the total cost per band (including schools-based staff):

Exit Package 2025/26	No of compulsory redundancies	No of other agreed departures	Total number	Total cost £
£0 - £20,000	66	15	81	822,568
£20,001 - £40,000	30	7	37	1,099,585
£40,001 - £60,000	14	1	15	794,969
£60,001 - £80,000	8	0	8	548,406
£80,001 - £100,000	5	1	6	536,871
£100,001 - £150,000	**3**	**0**	3	320,703
£150,001 - £200,000	0	0	0	0
£200,001 - £250,000	0	0	0	0
	126	24	150	4,123,102

Exit Package 2024/25	No of compulsory redundancies	No of other agreed departures	Total number	Total cost
£0 - £20,000	36	18	54	**464,744**
£20,001 - £40,000	20	9	29	**830,148**
£40,001 - £60,000	7	10	17	**782,599**
£60,001 - £80,000	0	2	2	**129,235**
£80,001 - £100,000	0	1	1	**92,270**
£100,001 - £150,000	0	2	2	**251,470**
£150,001 - £200,000	1	3	4	**655,852**
£200,001 - £250,000	0	1	1	**201,303**
	64	**46**	**110**	**£ 3,407,621**

29. Dedicated Schools Grant (DSG)

The council's expenditure on schools is funded primarily by grant monies provided by the Department for Education and Skills Funding Agency (ESFA), the Dedicated Schools Grant (DSG). The DSG is ring-fenced and can only be applied to meet expenditure properly included in the Schools Budget, as defined in the School Finance (England) Regulations 2022. The Schools Budget includes elements for a range of educational services provided on an authority-wide basis and the Individual Schools Budget (ISB), which is divided into a budget share for each maintained school.

	Central £'000	ISB £'000	Total £'000
Final DSG for 2025/26 before academy and high needs recoupment			343,402
Academy and high needs figure recouped for 2025/26			90,681
Total DSG after academy and high needs recoupment for 2025/26			252,721
Plus: Brought forward from 2024/25			10,997
Less: Carry-forward to 2026/27 agreed in advance			0
Agreed initial budgeted distribution in 2025/26	118,008	145,711	263,719
In-year adjustments	2,825	0	2,825
Final budget distribution for 2025/26	120,832	145,711	266,543
Less: Actual central expenditure	110,099		110,099
Less: Actual ISB deployed to schools		145,711	145,711
Plus: Local authority contribution for 2025/26			0
In-year carry-forward to 2026/27	10,733	0	10,733
Plus: Carry-forward to 2026/27 agreed in			0
Carry-forward to 2026/27			10,733
DSG unusable reserve at the end of 2024/25			(20,505)
Addition to DSG unusable reserve at the end of 2025/26			0
Total of DSG unusable reserve at the end of 2025/26			(20,505)
Net DSG position at the end of 2025/26			(9,772)

30. Grant income

The Council credited the following grants, contributions and donations to the CIES in 2025/26.

		2025/26	2024/25
Credited to Services		**£000**	**£000**
Dept of Works & Pensions Grants	Housing Benefits Subsidy	(112,871)	(139,994)
	Household Support Fund	(4,242)	(4,813)
	Discretionary Housing payment	(1,193)	(1,193)
Dept for Education Grants	Dedicated Schools Grant	(250,751)	(231,101)
	Safety Valve Payment	(2,990)	(1,910)
	Pupil Premium	(8,955)	(9,533)
	Schools Supplementary Grant (SSG)	(4,483)	(3,473)
	16+ Learning	(6,842)	(6,925)
	PFI	(2,596)	(5,669)
	Universal Infant school meal	(6,399)	(6,405)
	DFE Other Revenue Grants	(10,276)	(11,917)
Department of Health Grants	Public Health Grant	(24,660)	(23,214)
	DHSC Other Revenue Grants	(7,929)	(8,141)
MHCLG Grants	Homelessness Grant	(2,892)	(3,096)
	Tackling Troubled Families	(1,663)	(1,663)
	Council tax Rebate- Energy	0	0
	Flexible Housing	(14,560)	(10,772)
	Adult Social Care	(41,838)	(37,491)
	Ukraine Refugees Grant	0	(2,059)
GLA Grants	GLA Grants	(1,020)	(1,265)
Home Office Grants	Home Office Grants	(3,902)	(3,587)
Various Government Depts	Other Revenue Grants	(12,220)	(7,586)
Contributions	NHS Bodies	(16,913)	(26,674)
	Other Bodies	(15,964)	(6,893)
Capital Grants to services	Disability Facility Grant	(3,526)	(3,215)
Total Government Grants		**(558,685)**	**(558,589)**

		2025/26	2024/25
Credited to Taxation and Non-Specific Grant Income		**£000**	**£000**
	New Homes Bonus	(320)	(1,789)
	Revenue Support Grant	(27,858)	(27,333)
	S31 Business Rate Relief	(24,655)	(25,892)
	Services Grant	0	(572)
	Employer NIC Grant	(2,539)	0
	Recovery Grant	(5,358)	0
	Other General Grants	(446)	(2,026)
Sub Total Government Grants		(61,176)	(57,612)
	Business Rates (NNDR) top up	(66,271)	(66,718)
Sub Total Revenue Grants		(127,447)	(124,330)
	Capital Grants	(95,242)	(69,828)
	Donations	(27)	(9)
Total		(222,716)	(194,167)

The Council has received a number of capital grants and contributions that have yet to be recognised as income as they have unmet conditions attached to them that will require the money or property to be returned. The balances at the year-end are as follows:

Capital Grants & Contribution Received in Advance		2025/26 £000	2024/25 £000
	New Build Grant	(94,856)	(69,996)
	S106 Contribution	(16,405)	(17,452)
	DBEIS Funding	(8,644)	(8,652)
	Mayors Land Fund	(5,669)	0
	MHCLG Grants	(3,904)	(479)
	Other Grants	(2,058)	(1,271)
Total		**(131,536)**	**(97,850)**

Capital Grants Received in Advance Balance Sheet Analysis		2025/26 £000	2024/25 £000
	Short Term	(115,131)	(80,398)
	Long Term	(16,405)	(17,452)
Total		**(131,536)**	**(97,850)**

Revenue Grants Received in Advance		2025/26 £000	2024/25 £000
	GLA Revenue Grants	0	0
	MHCLG Revenue Grants	(1,176)	0
	CO - One Pub Est Pship	(230)	(230)
Total		**(1,406)**	**(230)**
Total Grants & Contributions Received in Advance		**(132,942)**	**(98,080)**

31. Related Parties

The Council is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the Council or to be controlled or influenced by the Council. Disclosure of these transactions allows readers to assess the extent to which the Council might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Council.

<u>Central Government</u>

Central government has significant influence over the general operations of the Council – it is responsible for providing the statutory framework within which the Council operates, most of its funding in the form of grants and prescribes the terms of many of the transactions that the Council has with other parties (e.g., housing benefits). Grants received from government departments are set out in note 30 Grant income.

<u>Pooled Budgets</u>

The Council has entered into partnership agreements under Section 75 of the Health Act 2006. The specific details of these partnerships are shown in note 26 relating to Pooled Budgets.

<u>Pension Fund</u>

The pension fund accounts are set out elsewhere in the Statement of Accounts. The pension fund operates a separate bank account and makes investments separately from the Council. The pension fund owed the council £0.09m as at 31 March 2026 and the Council charged the fund £1.051m for administration in 2025/26 (£0.546m and £0.966m respectively in 2024/25).

Homes for Haringey Limited, and Alexandra Park and Palace Charitable Trust Limited

Both are wholly owned subsidiaries of Haringey Council and have been consolidated into the Council's Group Accounts. The net value of payments and receipts in 2025/26 were £5.4 million and £0.3 million (respectively £8.9 million and £0.2 million in 2024/25).

The Total debt owed by Alexandra Park and Palace Charitable Trust at the year-end is £48.4m. Most of these debts (£43.1m), are historic debt balances owed by the Trust that have not been legally discharged. £5.3m of the remaining debt relates to loans for refurbishment of the Ice Rink facility, the West Yard Storage and lighting, which are being repaid by the Trust in line with the loan agreements.

The historic debt dates back to previous decades when the Council expended funds on behalf of the Trust. Although the debt has not been legally discharged, the Council has agreed that it will only seek to recover the debt when the Trust is in a position to repay amounts due.

North London Waste Authority (NLWA)

NLWA has seven participating boroughs, and each borough can appoint up to 2 members to the board. The value of the levy paid is disclosed in note 7.

Members and Senior Officers

Members of the Council including the Mayor have direct control over the Council's financial and operating policies. The total of members allowances paid in 2025/26 is shown in note 24. Members of the Council and senior officers participate in and are members of a variety of other public bodies and community groups either in a personal capacity or appointment by the Council.

In 2025/26, Haringey has provided financial support to or purchased services from 11 charitable or voluntary organisations (11 in 2024/25) in which 24 members have declared an interest (30 in 2024/25). 16 of these instances were as a representative of the Council and 8 in a personal capacity (21 and 12 respectively in 2024/25). For 2025/26, the total value of payments due and amounts receivable totalled £7.447 million (£2.102 million in 2024/25). This includes amounts outstanding of £0.273 million (£0.145 million in 2024/25).

The balance due to Haringey at the end of the year in respect of a loan made to Bernie Grant Centre is £0.340 million. The Centre is a registered charity and performing arts centre in Tottenham set up in memory of MP Bernie Grant.

The Council has well established mechanisms and procedures for preventing undue influence in awarding of contracts or grant funding to organisations. Supporting these mechanisms is the disclosure of interests in the Register of Members' Interest which is open to public inspection at George Meehan House, 294 High Road, Wood Green, London N22 8YX. This note has been compiled using this register and individual declarations made by elected members and senior officers. Three ex-senior officer did not submit a declaration form.

32. Capital Expenditure and Capital Financing

The total amount of capital expenditure incurred in the year is shown in the table below (including the value of assets acquired under finance leases and PFI contracts), together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by charges to revenue as assets are used by the authority, the expenditure results in an increase in the capital financing requirement (CFR), a measure of the capital expenditure incurred historically by the authority that has yet to be financed. The CFR is analysed in the second part of this note.

Capital Financing Requirement at 1 April	**1,418,891**	**1,219,671**
Adjustment to correct historic discrepancy on reported CFR		**30,721**
Capital investment		
- Property, Plant and Equipment	288,372	219,436
- Long term loans	150	6,025
- Right of Use Assets	261	56,818
- Investment Properties	1,738	75
- Intangible Assets	2,643	3,086
- REFCUS	11,063	24,563
	304,227	**340,724**
Sources of finance		
- Capital receipts	(13,064)	(7,215)
- Government grants and other contributions	(102,235)	(78,397)
- Major Repairs Allowance	(25,065)	(22,891)
- Direct revenue contributions	(173)	(1,898)
- Minimum Revenue Provision**	(17,586)	(31,103)
	(158,123)	**(141,504)**
Closing CFR	**1,564,995**	**1,418,891**
Explanation of movements in year		
Provision to reduce underlying need to borrow (MRP)	(17,586)	(31,103)
Increase in underlying need for supported borrowing	163,690	230,323
Increase/(Decrease) in CFR	**146,104**	**199,220**

33. Leases

Authority as Lessee - Finance leases

The Council holds several assets under finance leases. The assets acquired under these leases are carried as Investment Property or Right of Use Assets in the Balance Sheet at the following net amounts.

Right of Use Assets	Land and Buildings	Vehicles, Plant, Furniture and Equipment
	£'000	£'000
Balance at 1 April 2025	18,430	21,258
Digital Contracts	0	(21,258)
Additions	261	26,137
Disposals	(2,138)	
Depreciation and Amortisation	(2,787)	(7,916)
Balance at 31 March 2026	**13,766**	**18,221**

	Investment Properties
	£'000
Balance at 1 April 2025	11,182
Additions	123
Revaluations	1,136
Balance at 31 March 2026	**12,441**

Maturity Analysis

	2025/26	2024/25
	£'000	£'000
Less than one year	24,870	20,406
Between one and five years	2,223	25,767
Greater than five years	21,057	27,107
Total	**48,150**	**73,280**

	31/03/26	31/03/25
	£'000	£'000
Interest expense on lease liabilities	1,960	3,481

Authority as Lessor - Operating leases

The Council leases out property and equipment under operating leases for the following purposes:

- Community services, such as sports facilities, tourism services and community centres
- Economic development to provide suitable affordable accommodation for local businesses.

The future minimum lease payments receivable under non-cancellable leases in future years are as follows.

	31/03/26	31/03/25
	£'000	£'000
Not later than one year	4,461	7,063
Later than one year and not later than five years	15,020	18,877
Later than five years	92,247	87,330
Total	**111,728**	**113,270**

The minimum lease payments do not include rents that are contingent on events taking place after the lease was entered into, such as adjustments following rent reviews.

34. Service Concession Arrangements

In 2000, the Council entered into a PFI contract that encompassed major building work and ongoing facilities management for its eight secondary schools. In February 2007, the agreement was suspended, and all of the assets were brought back onto the Council's balance sheet.

The remaining contract that the Council has with the contractor is for the repayment of the outstanding liability of debt incurred when the original PFI works were first undertaken. This debt has also been recognised within the Council's Balance Sheet. The PFI arrangement ended in September 2025. The total sum paid in the 2025/26 is £2.1m, including interest charges.

Opening Balance as at 1/4/2025	2,008
Interest Charge	105
Payment during 2025/26	(2,112)
Closing balance as at 31/3/2026	**0**

35. Pension schemes accounted for as defined contribution schemes

Teachers

Teachers employed by the Council are members of the Teachers' Pension Scheme, administered by the Teachers' Pensions Agency. The Scheme provides teachers with specified benefits upon their retirement and the Council contributes towards the costs by making contributions based on a percentage of members' pensionable salaries.
In 2025/26 the Council paid £21.625 million (£21.180 million in 2024/25) to Teachers' Pensions in respect of teachers' pension costs which represented 28.68% of teachers' pensionable pay from April 2025 to March 2026. From 1st April 2025, the employer's contribution rate will increase to 28.68%. The expected contributions for 2025/26 is £22.037 million.

The Council is responsible for additional benefits awarded upon early retirement outside of the terms of the teachers' scheme. These costs are accounted for on a defined benefit basis and detailed in note 36.

36. Defined benefit pension schemes

Participation in the Local Government Pension Scheme (LGPS)

As part of the terms and conditions of employment of its officers and other employees, the Council offers retirement benefits. Although these benefits will not actually be payable until employees retire, the Council has a commitment to make the payments that need to be disclosed at the time that employees earn their future entitlement.

The Council participates in the Local Government Officers' Pension Fund administered by Haringey Council. This is a funded scheme, meaning that the Council and employees pay contributions into a fund, calculated at a level intended to balance the pension's liabilities with investment assets.

Where appropriate, the following disclosures include group amounts in respect of some employees of Alexandra Palace and Palace Charitable Trust.

Discretionary post-retirement benefits

Discretionary post-retirement benefits on early retirement (added years) are an unfunded defined benefit arrangement, under which liabilities are recognised when awards are made. There are no plan assets built up to meet these pension liabilities. Included within the present value of unfunded liabilities detailed in the following notes is £17.697 million for the LGPS (£19.215 million in 2024/25) and £9.655 in respect of Teachers unfunded pensions (£10.520 million in 2024/25). At 31st March 2026 the Scheme had 699 members in respect of LGPS and 263 members in respect of Teachers unfunded pensions (765and 288 respectively as at 31st March 2025).

Transactions relating to post-employment benefits

The Council recognises the cost of retirement benefits in the Cost of Services on Continuing Operations when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge the Council is required to make against Council Tax is based on the cash payable in the year, and the real cost of retirement benefits is reversed out in the adjustments between accounting basis & funding basis under regulations line, in the Movement in Reserves Statement.

The following transactions have been made in the CIES:

	LGPS		Unfunded	
	2025/26	2024/25	2025/26	2024/25
Cost of Services	£'000	£'000	£'000	£'000
- Current Service Cost	29,982	37,352	0	0
- Past Service Cost	568	946	0	0
Total	**30,550**	**38,298**	**0**	**0**
Net Interest Expense	11,747	(4,370)	0	0
Total charged to SDPOS	**42,297**	**33,928**	**0**	**0**
Other Comprehensive Income and Expenditure				
- Return on plan assets	(119,999)	22,926	0	0
- actuarial gains/losses (changes in financial assumptions	(47,783)	(250,111)	0	0
- actuarial gains/losses (changes in demographic assumptions)	(26,345)	(2,912)	0	0
- other	117,781	(16,115)	0	0
Changes in the effect of asset ceiling	16,714	558,629		
Total	**(55,632)**	**312,417**	**0**	**0**

	Group	
	2025/26	2024/25
Cost of Services	£'000	£'000
- Current Service Cost	29,993	37,365
- Past Service Cost	568	946
Total	**30,561**	**38,311**
Net Interest Expense	11,595	(4,472)
Total	**42,156**	**33,839**
Other Comprehensive Income and Expenditure		
- Return on plan assets	(120,338)	22,926
- actuarial gains/losses (changes in financial assumptions	(26,372)	(250,116)
- actuarial gains/losses (changes in demographic assumptions)	(43,834)	(3,236)
- other	117,709	(16,145)
Changes in the effect of asset ceiling	16,714	558,629
Total	**(56,121)**	**312,058**

The following transactions have been made in the adjustments between accounting basis and funding basis under regulations line in the MIRS during the year for the single entity.

	£'000	£'000
Reversal of net IAS 19 charges	(42,297)	(33,928)
Actual amount charged for pensions in the year	50,961	46,038

Pension assets and liabilities recognised in the Balance Sheet

	LGPS		Unfunded	
	2025/26	2024/25	2025/26	2024/25
	£'000	£'000	£'000	£'000
Present value of obligation	(1,505,780)	(1,422,945)	(27,352)	(29,735)
Fair value of plan assets	2,030,679	1,798,283	0	0
Net Asset / (liability)	524,899	375,338	(27,352)	(29,735)
Effect of asset ceiling	(646,277)	(558,629)	0	0
Net (Liability) / asset	**(121,378)**	**(183,291)**	**(27,352)**	**(29,735)**

	Single Entity		Group Amounts	
	2025/26	2024/25	2025/26	2024/25
	£'000	£'000	£'000	£'000
Present value of obligation	(1,533,132)	(1,452,680)	(1,535,766)	(1,455,302)
Fair value of plan assets	2,030,679	1,798,283	2,001,930	1,803,530
Net Asset/ (liability)	497,547	345,603	466,164	348,228
Effect of asset ceiling	(646,277)	(558,629)	(646,104)	(558,629)
Net Asset/ (liability)	**(148,730)**	**(213,026)**	**(179,940)**	**(210,401)**

Note: In 2025/26 the Council assessed the availability of economic benefits from its participation in the LGPS in accordance with IAS 19 and IFRIC 14. Under these requirements, a surplus may only be recognised to the extent the Council has an unconditional right to a refund and/or can realise reductions in future contributions; in addition, where a minimum funding requirement commits the Council to agreed deficit (secondary) contributions that cannot be recovered through refunds or future contribution reductions, an additional liability must be recognised. Following updated actuarial measurements and the funding arrangements in place at 31 March 2026, the Council concluded that no surplus was recognisable and that the commitment to future deficit recovery (secondary) contributions gave rise to an additional liability of £148 million at the year end. This reflects the application of IFRIC 14 to the Council's current funding position and assumptions as at the balance sheet date. In 2024/25 the Council applied an asset ceiling of £558m. The 2025/26 outcome therefore is in line with the same accounting policy and judgement applied in 2024/25. The Council will reassess these conditions at each reporting date.

Asset Ceiling Reconciliation

	Impact
	£'000
	2025/26
Effect of asset ceiling - start of period	0
Net interest	0
Remeasurement gain/(loss)	646,277
Effect of asset ceiling - end of period	**646,277**

Reconciliation of Movement in Fair Value of Scheme Assets

Scheme Assets	LGPS		Unfunded	
	2025/26	2024/25	2025/26	2024/25
	£'000	£'000	£'000	£'000
Opening fair value of scheme assets	1,834,727	1,748,618	0	0
Interest income	106,285	83,614	0	0
Remeasurement gain / (loss)				
- the return on plan assets	119,999	(22,926)	0	0
- other experience changes	(25,831)	0	0	0
Employer contributions	50,961	42,513	3,374	3,525
Contributions from employees into the scheme	13,590	12,380	0	0
Benefits paid	(65,678)	(65,916)	(3,374)	(3,525)
Effect of Business combinations & Disposals	0	0	0	0
Closing fair value	**2,034,053**	**1,798,283**	**0**	**0**

	Single Entity		Group Accounts	
	2025/26	2024/25	2025/26	2024/25
	£'000	£'000	£'000	£'000
Opening fair value of scheme assets	1,834,727	1,748,618	1,839,974	1,753,740
Interest income	106,285	83,614	106,585	83,856
Remeasurement gain / (loss)				
- the return on plan assets	119,999	(22,926)	120,338	(22,887)
- other experience changes	(25,831)	0	(25,831)	0
Employer contributions	50,961	46,038	50,986	46,062
Contributions from employees into the scheme	13,590	12,380	13,593	12,383
Benefits paid	(65,678)	(69,441)	(69,225)	(69,624)
Effect of Business combinations & Disposals	0	0	0	0
Closing fair value	**2,034,053**	**1,798,283**	**2,036,420**	**1,803,530**

Reconciliation of Present Value of Defined Benefit Obligation

Scheme Assets	LGPS		Unfunded	
	2025/26	2024/25	2025/26	2024/25
	£'000	£'000	£'000	£'000
Opening Defined Benefit Obligation	(1,422,945)	(1,629,133)	(29,735)	(32,204)
Current Service cost	(29,982)	(38,298)	0	0
Service cost	(568)	(946)	0	0
Interest cost	(83,542)	(79,244)		
Contributions by Scheme Participants	(13,590)	(12,380)	0	0
Remeasurement gain / (loss)				
- financial assumptions	43,783	250,111	0	0
- demographic assumptions	26,345	2,912	0	0
- other experience changes	(91,950)	16,115	0	0
Effect of Business combinations & Disposals	0	65,916	0	3,525
Benefits paid	65,678	0	3,374	0
Closing Defined Benefit Obligation	**(1,506,771)**	**(1,424,001)**	**(26,361)**	**(28,679)**

Scheme Liabilities	Single Entity		Group Amounts	
	2025/26	2024/25	2025/26	2024/25
	£'000	£'000	£'000	£'000
Balance as at 1st April	(1,452,680)	(1,661,337)	(1,664,345)	(1,664,345)
Current service cost	(29,982)	(37,352)	(37,365)	(37,365)
Past service cost	(568)	(946)	(946)	(946)
Interest cost	(83,542)	(79,244)	(79,384)	(79,384)
Contributions from scheme participants	-13590	(12,380)	(12,383)	(12,383)
Remeasurement gain / (loss)			0	0
- financial assumptions	43,783	250,111	2,917	250,116
- demographic assumptions	26,345	2,912	250,435	3,236
- other experience changes	(91,950)	16,115	16,145	16,145
Benefits paid	69,052	69,441	69,441	69,624
Balance as at 31st March	**(1,533,132)**	**(1,452,680)**	**(1,455,485)**	**(1,455,302)**

Analysis of Scheme Assets:

Single Entity

2025/26	Quoted - active markets	Not quoted - no active markets	Total	% of Total Assets
	£'000	£'000	£'000	%
Cash and cash equivalents	0	231,712	**231,712**	11
Private equity	0	110,239	**110,239**	5
Debt securities	349,996	0	**349,996**	17
Real estate: UK property	0	205,858	**205,858**	10
Investment funds and unit trusts				0
- equities	843,149	0	**843,149**	42
- bonds	221,324	0	**221,324**	11
- infrastructure	0	68,977	**68,977**	3
Sub-total	1,064,473	68,977	1,133,450	56
Total assets	**1,414,469**	**616,786**	**2,031,255**	**100**

2024/25	Quoted - active markets	Not quoted - no active markets	Total	% of Total Assets
	£'000	£'000	£'000	%
Cash and cash equivalents	0	53,641	**53,641**	3
Private equity	0	123,557	**123,557**	7
Debt securities	245,436	0	**245,436**	14
Real estate: UK property	0	191,682	**191,682**	11
Investment funds and unit trusts				
- equities	774,073	0	**774,073**	43
- bonds	344,046	0	**344,046**	19
- infrastructure	0	65,847	**65,847**	4
Sub-total	1,118,119	65,847	1,183,966	66
Total assets	**1,363,555**	**434,727**	**1,798,283**	**100**

Group Accounts

2025/26	Quoted - active markets	Not quoted - no active markets	Total	% of Total Assets
	£'000	£'000	£'000	%
Cash and cash equivalents	632	231,712	**232,344**	11
Private equity	0	110,239	**110,239**	5
Debt securities	349,996	0	**349,996**	17
Real estate: UK property	0	205,858	**205,858**	10
Investment funds and unit trusts			**0**	0
- equities	846,077	0	**846,077**	42
- bonds	222,931	0	**222,931**	11
- infrastructure	0	68,977	**68,977**	3
Sub-total	**1,069,008**	**68,977**	**1,137,985**	**56**
Total assets	**1,419,636**	**616,786**	**2,036,422**	**100**

2024/25	Quoted - active markets	Not quoted - no active markets	Total	% of Total Assets
	£'000	£'000	£'000	%
Cash and cash equivalents	105	53,641	**53,746**	3
Private equity	0	123,557	**123,557**	7
Debt securities	245,436	0	**245,436**	14
Real estate: UK property	0	192,259	**192,259**	11
Investment funds and unit trusts			**0**	
- equities	777,064	0	**777,064**	43
- bonds	345,620	0	**345,620**	19
- infrastructure	0	65,847	**65,847**	4
Sub-total	1,122,684	65,847	1,188,531	66
Total assets	**1,368,225**	**435,304**	**1,803,530**	**100**

Basis for estimating assets and liabilities.

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in the future years dependent on assumptions about mortality rates, salary levels, etc. Liabilities are discounted to their value at current prices using a discount rate of 6.2% (5.8% in 2024/25).

The Council's Pension Scheme liabilities as at 31st March 2026 have been assessed by Hymans Robertson, an independent firm of actuaries, and are projections based on data pertaining to the full valuation of the scheme as 31st March 2022. There are risks and uncertainties associated with whatever assumptions adopted as these are in effect projections of future investment returns and demographic experience many years into the future. The principal risks to the Council of the scheme are the longevity assumptions, statutory changes to the scheme, structural changes to the scheme (i.e. large-scale withdrawals from the scheme), changes to inflation, bond yields and the performance of the equity investments held by the scheme. These are mitigated to a certain extent by the statutory requirements to charge to the General Fund and HRA the amounts required by statute as described in the accounting policies note.

	2025/26	2024/25
Mortality assumptions		
- Longevity at 65 for male current pensioners	21.7 years	21.1 years
- Longevity at 65 for female current pensioners	24.5years	24.0 years
- Longevity at 65 for male future pensioners	22.8 years	22.3 years
- Longevity at 65 for female future pensioners	25.9years	25.6 years
Rate of increase in salaries	4.0%	3.8%
Rate of increase in pensions	3.0%	2.8%
Rate for discounting scheme liabilities	6.2%	5.8%

A commutation allowance is included for future retirements to elect to take 52% of the maximum additional tax-free cash up to HMRC limits. All other demographic assumptions are as per the latest funding valuation.

The estimate of the defined benefit obligation is sensitive to the actuarial assumptions set out in the table above. The sensitivity analyses below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while all the other assumptions remain constant. The assumptions in longevity, for example, assumes that life expectancy increases or decreases for men and women. In practice, this is unlikely to occur and changes in some of the assumptions may be interrelated. The estimations in the sensitivity analysis have followed the accounting policies for the scheme, i.e. on an actuarial basis using the projected unit credit method. The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in the previous period.

The impact on the liability of these changes would be as follows.

	Approximate increase to liability	Approximate value
	%	£'000
0.1% decrease in real discount rate	1	21,471
1 year increase in member life expectancy	4	61,325
0.1% increase in salary increase rate	0	770
0.1% increase in pension increase	1	20,686

Impact on the Council's Cash Flows

The objectives of the scheme are to achieve and maintain full funding on an ongoing basis and to seek stability of employers' contributions. At its last triennial valuation, the Council and the Fund's actuary agreed a strategy designed to achieve a funding level of 100% over the next 20 years. Funding levels are monitored on a quarterly basis. The next triennial valuation is due to be completed as at 31st March 2025, during 2025/26.

To mitigate the existing funding deficit, the Council anticipates paying contributions of £43.099m for the period to 31st March 2026.

The scheme actuary has estimated that the weighted average duration of the defined benefit obligation for scheme members is 16 years.

Virgin Media Ltd vs NTL Trustees - On 25 July 2024, the Court of Appeal dismissed the appeal in the case of Virgin Media Limited v NTL Pension Trustees II Limited and others. The appeal was brought by Virgin Media Ltd against aspects of the High Court's ruling handed down in June 2023 relating to the validity of certain historical pension changes due to the lack of actuarial confirmation required by law. The Court of Appeal upheld the High Court's ruling. The ruling may have implications for other UK defined benefit plans. It is understood this could apply to the LGPS and HM Treasury is currently assessing the implications for all public service pension schemes. No further information is available at this stage.

37. Contingent assets and liabilities

There were no material contingent assets as at 31st March 2026.

There were no material contingent liabilities as at 31st March 2026.

38. Adjustments between group and single entity accounts

The Council uses different forms of service delivery and in some cases, it has created separate companies with its partners to deliver those services. The use of separate companies and Trusts means that the Council's single entity financial statements on their own may not fully reflect the assets and liabilities or income and expenditure associated with all its activities. The aim of the Group Accounts is to give an overall picture of the activities of the Council and the resources used to carry out those activities. The Group Accounts also provide further information on the material financial risks and benefits of all entities over which the Council exercises control, significant influence or joint control.

The Group Accounts have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

To give a full picture of the financial activities of the Council, Group Accounts have been prepared which include those organisations where the Council's interest is considered material. This information is still subject to audit by each organisation's own auditor. Accordingly, the Group Accounts consolidate the Council's accounts with the following subsidiaries:

- Homes for Haringey Ltd
- Alexandra Park and Palace Charitable Trust (APPCT)

A new subsidiary was registered in September 2025, Haringey Culture Collective – A Charitable Company Limited by Guarantee to deliver the London Borough of Culture in 2027. The only financial activity in the year is an immaterial sum paid to it by the Council.

The entities have prepared accounts in line with UK GAAP and:

- The Charity SORP, in the case of Alexandra Park and Palace Charitable Trust
- FRS 102 - The Financial Reporting Standard applicable in the UK and Republic of Ireland, in the case of Homes for Haringey.

With the exception of the Alexandra Park & Palace, there are no other material areas where these accounting standards conflict with the Council's accounting policies. The accounting policies applied to the Group financial statements are consistent with those set in Note 1 to the single entity statements. The subsidiaries have been consolidated on a full line by line basis with the financial transactions and balances of the Council.

APPCT carry its main asset, the Park and Palace, at £27m on its Balance Sheet (all of which are leaseholder improvements) as allowed under the Charity SORP. Upon consolidation however, the Council is required to value this as an operational asset and depreciate it in accordance with its accounting policy. The Group Balance Sheet therefore includes £106.978 million (£130.149 million as at 31 March 2024) in Property Plant and Equipment in respect of this asset. The basis of valuation is mainly Depreciated Replacement Cost with some elements using the Existing Use Value method.

Key information on a group basis has been included alongside the single entity disclosure notes for debtors, creditors, segmental reporting and defined benefit schemes. The following notes provide additional details of the Council's involvement in the entities consolidated to form the Group Accounts.

Homes for Haringey Limited (Company No. 05749092)

Homes for Haringey Limited (HfH) is a wholly owned subsidiary of the Council and was set up as an Arm's Length Management Organisation (ALMO) in March 2006. The Council could appoint one third of the board, with the balance of directors being drawn from council tenants (including leaseholders) and members of the wider community. The ALMO managed and maintained council homes under the terms of a Management Agreement with the Council until 31 May 2022. The ALMO also assessed homeless applications and provided management and support for homeless households in temporary accommodation on behalf of the Council.

From 1 June 2022, following an insourcing of the housing management function, HfH ceased to provide these services mentioned above. HfH now solely undertakes the management of its own stock of private sector leases (PSLs) which provides temporary accommodation to homeless residents nominated by the Council HfH is a private company, registered in England and limited by guarantee without share capital. The financial statements of HfH are consolidated within the Council's group accounts.

The financial performance of Homes for Haringey Limited is summarised below:

	2025/26	2024/25
	£000	£000
Turnover	(4,351)	(4,467)
(Surplus)/ Deficit for the year	0	67
Accumulated deficit/ (suplus)	151	151

A copy of HfH annual accounts can be obtained from the Company Secretary, Homes for Haringey Limited, 6th Floor 10 Station Road, London N22 7TR. The accounts are audited by Knox Cropper LLP.

Alexandra Park and Palace Charitable Trust (Charity No. 281991)

The principal activity of Alexandra Park and Palace Charitable Trust is to maintain and operate the park and palace for the free use and recreation of the public forever as defined in the Alexandra Park and Palace Act 1985. The Council is corporate trustee of the charity. The accounts have been consolidated on the basis that the Council has the power to govern the financial and operating policies of the entity so as to benefit from its activities.

The organisation consists of two elements; Alexandra Park and Palace Charitable Trust responsible for the charitable activities, including maintaining, restoring and repairing the Park and Palace and a wholly owned trading subsidiary, Alexandra Palace Trading Ltd, (APTL), which donates its taxable profit to the Trust in the form of Gift Aid. APTL delivers and manages events, entertainment, leisure and hospitality activities assisting the charitable purposes by providing not just funding but enlivening the venue for the purposes of its creation and encouraging a broad cross section of the public to access and enjoy it.

The financial performance of the Trust is summarised below:

	2025/26	2024/25
	£000	£000
Turnover	(31,776)	(28,626)
(Surplus) / Deficit for the year	(899)	(1,023)
Reserves:		
Unrestricted Reserves	(25,309)	(25,309)
Restricted Reserves	(959)	(952)
	(26,268)	(26,261)

APPCT Property, Plant and equipment consolidated in Group Accounts:

	Palace & Park	Asset Under Construct	Vehicles, plant and equipm't	Total
	£000	£000	£000	£000
Cost at 1 April 2025	106,978	0	3,527	110,505
Additions	730	0	587	1,317
Revaluations	(25,498)	22	0	(25,476)
Disposals	0	0	0	0
Transfers	0	(22)	22	0
At 31 March 2026	**82,210**	**0**	**4,136**	**86,346**
Depreciation				
At 1 April 2024	0	0	1,864	1,864
Transfer	0	0	0	0
Charge for the year	772	0	345	1,117
Disposals	0	0	0	0
Accumulated Dep written out	(772)	0	0	(772)
At 31 March 2026	**0**	**0**	**2,209**	**2,209**
NBV as 31 March 2026	82,210	0	1,927	84,137
NBV as 31 March 2025	106,978	0	1663	108,641

A full copy of the Trust’s accounts can be obtained from the Chief Executive, Alexandra Park and Palace, Alexandra Palace Way, London N22 7AY. The accounts are audited by Hays Macintyre LLP.

Supplementary Financial Statements

HOUSING REVENUE ACCOUNT

HRA Income & Expenditure Statement	2025/26	2024/25
	£'000	£'000
Expenditure		
Repairs and maintenance	41,434	37,262
Supervision and management	43,911	46,091
Rents, rates, taxes and other charges	5,816	5,897
Depreciation	25,065	22,891
Revaluation (gains) / losses	122,708	169,474
Debt Management Costs	196	49
Increase in impairment of debtors	2,788	2,027
Total Expenditure	**241,918**	**283,691**
Income		
Dwelling rents	(105,103)	(100,373)
Non-dwelling rents	(644)	(708)
Charges for services and facilities	(27,134)	(27,423)
Contributions towards expenditure	(3,034)	(3,400)
Total Income	**(135,915)**	**(131,904)**
Net Cost of HRA Services as included in the whole authority Comprehensive Income and Expenditure Statement	**106,003**	**151,787**
HRA service share of Corporate and Democratic Core	744	681
Net expenditure or (income) for HRA Services	**106,747**	**152,468**
HRA share of operating income and expenditure included in the Comprehensive I&E Statement		
Gain on sale of HRA non-current assets	(2,097)	(4,527)
Interest payable and similar charges	22,650	16,943
Interest and investment Income	(6,198)	(4,886)
Net interest on the net defined benefit liability	1,574	(594)
Changes to fair value of investment properties	(3,393)	(1,085)
Capital grants and contributions	(74,212)	(42,238)
	(61,676)	(36,387)
(Surplus) or deficit for the year on HRA services	**45,071**	**116,081**

HOUSING REVENUE ACCOUNT

Movement on the HRA Statement	2025/26	2024/25
	£'000	£'000
Balance on the HRA at the end of the previous year	**(25,345)**	**(22,348)**
(Surplus) or deficit for the year on HRA Income and Expenditure Statement	45,071	116,081
Adjustments between accounting basis and funding basis under the legislative framework		
- Difference between any other item of income and expenditure determined in accordance with the Code and determined in accordance with statutory HRA requirements	(45,107)	(126,157)
- Gain on sale of HRA non-current assets	2,097	4,527
- HRA share of contributions to or from the Pensions Reserve	563	952
- Capital expenditure funded by the HRA	0	1,600
- Transfer to/(from) Major Repairs Reserve	25,065	22,891
- Transfer to/(from) Capital Adjustment Account	(25,065)	(22,891)
Net (increase)/decrease before transfers to or from reserves	**2,624**	**(2,997)**
(Increase)/Decrease in year on the HRA	**2,624**	**(2,997)**
Balance on the HRA at the end of the year	**(22,721)**	**(25,345)**

HOUSING REVENUE ACCOUNT

HOUSING REVENUE ACCOUNT

1. Vacant possession

As at 31st March 2026, the vacant possession value of dwellings within the HRA was £7,185 million (£6,895 million as at 31st March 2025). The difference between vacant possession value and the Balance Sheet value of dwellings within the HRA shows the economic cost to government of providing council housing at less than open market rents, net of the impairment to the value of the housing Stock.

2. Number and types of dwellings in the housing stock

	31 March 2026	31 March 2025
Hostels	103	103
Houses and bungalows	4,969	4,962
Flats and maisonettes	11,362	10,936
Shared ownership	13	13
Total	**16,447**	**16,014**

3. Value of assets held on the balance sheet

	31 March 2026	31 March 2025
Type of assets	£'000	£'000
Dwellings	1,826,728	1,724,384
Other land and buildings	242,267	187,803
Assets under construction	182,534	204,414
Surplus assets	0	1,120
Investment properties	8,781	5,231
Total	**2,260,310**	**2,122,952**

4. Capital expenditure

The following summarises HRA capital expenditure on land, houses and other property during the financial year and the sources of funding used.

	2025/26	2024/25
	£'000	£'000
Capital investments		
Existing dwellings	43,765	41,640
New homes and acquisitions	177,645	118,300
	221,410	**159,940**
Funded by		
Borrowing	110,086	83,917
Useable capital receipts	7,984	2,673
Revenue contributions	0	1,600
Grants and contributions	78,275	48,859
Major repairs reserve	25,065	22,891
	221,410	**159,940**

5. Capital receipts

The following is a summary of capital receipts from disposals of land, dwellings and other property within the HRA during the financial year.

	2025/26	2024/25
	£'000	£'000
Dwellings	(20,996)	(9,059)
Land and other property	(436)	(359)
	(21,432)	**(9,418)**

6. Depreciation

	2025/26	2024/25
	£'000	£'000
Operational assets:		
Dwellings	22,701	21,317
Other land and buildings	2,364	1,574
	25,065	**22,891**

7. Major Repairs Reserve

The HRA capital asset charges are based on building values and asset lives of the property held.

	2025/26	2024/25
	£'000	£'000
Balance at 1st April	**0**	**0**
Amount transferred to Major Repairs Reserve	(25,065)	(22,891)
Capital expenditure on dwellings	25,065	22,891
Balance at 31st March	**0**	**0**

8. Rent Arrears

The rent arrears at the end of the financial year are set out below.

	31 March 2026	31 March 2025
	£'000	£'000
Tenants (Permanent and Temporary)	21,031	26,512
Total Tenants Arrears	**21,031**	**26,512**

9. Bad Debt Provision

The bad debt provision in respect of all HRA uncollectable debts at the end of the financial year is set out below.

	31 March 2026	31 March 2025
	£'000	£'000
Tenants	19,213	23,012
Leaseholders	3,660	3,070
Commercial	30	22
Sundry	53	29
Total Bad Debt Provision	**22,956**	**26,133**

HOUSING REVENUE ACCOUNT

COLLECTION FUND

	2025/26				2024/25			
	BRS £000	NNDR £000	Council Tax £000	Total £000	BRS £000	NNDR £000	Council Tax £000	Total £000
Income								
Council Tax Receivable	0	0	(191,943)	(191,943)	0	0	(180,322)	(180,322)
Council Tax Discounts Funded from Billing Authority Gener	0	0	(134)	(134)	0	0	(246)	(246)
Business Rates Receivable	0	(78,205)	0	(78,205)	0	(70,155)	0	(70,155)
Business Rates Supplement	(1,580)	0	0	(1,580)	(1,645)	0	0	(1,645)
Transitional Proctection Payments	0	(439)	0	(439)	0	(2,497)	0	(2,497)
	(1,580)	**(78,644)**	**(192,077)**	**(272,301)**	(1,645)	(72,652)	(180,568)	(254,865)
Expenditure								
Precepts, Demands and Shares								
Central Government	0	26,047	0	26,047	0	22792	0	22792
Greater London Authoriry	0	29,205	40,500	69,705	0	25,554	38,596	64,150
Billing Authority	0	23,679	141,852	165,531	0	20,720	133,941	154,661
	0	**78,931**	**182,352**	**261,283**	0	69,066	172,537	241,603
Apportionment of PY Surplus / (Deficit)								
Central Government	0	1,965	0	1,965	0	2,335	0	2,335
Greater London Authoriry	0	2,203	710	2,913	0	2,618	726	3,344
Billing Authority	0	1,786	2,465	4,251	0	2,123	2,607	4,730
	0	5,954	3,175	9,129	0	7,076	3,333	10,409
BRS - Payment to Levying Authorities	**1,329**	**0**	**0**	**1,329**	1,410	0	0	1,410
Charges to Collection Fund								
Increase / (Decrease) in Impairment	244	2,333	7,781	10,358	229	4,276	4,250	8,755
Increase / (Decrease) in Provision for Appeals	0	2,190	0	2,190	0	(6,421)	0	(6,421)
Cost of Collection	6	301	0	307	6	298	0	304
	250	**4,824**	**7,781**	**12,855**	235	(1,847)	4,250	2,638
(Surplus) / Deficit arising during the year	**0**	**11,065**	**1,231**	**12,296**	**0**	**1,643**	**(448)**	**1,195**
(Surplus) / Deficit arising at start of year	**0**	**(7,721)**	**(4,000)**	**(11,721)**	**0**	**(9,364)**	**(3,552)**	**(12,916)**
(Surplus) / Deficit arising at end of year	**0**	**3,344**	**(2,769)**	**575**	**0**	**(7,721)**	**(4,000)**	**(11,721)**

1. Income from Business Rates

Under the Business Rates Retention Scheme the business rates collected by the Council are distributed so that the Council receives 30%, MHCLG receives 33% and the GLA receives 37%.

The Council collects business rates for its area based on local rateable values and multipliers set by central government. There are two multipliers:

(i) The small business multiplier was 49.9 pence (49.9 pence in 2024/25); and
(ii) The standard multiplier was 55.5 pence (54.6 pence in 2024/25).

The total business rateable value for the Council at 31 March 2026 was £214.425 million (£214.502 million in 2024/25) of which £92.150 million (£90.885 million in 2024/25) related to small businesses.

2. Council Tax

In 2025/26 the tax base for Haringey was 82,589 properties (81,875 in 2024/25) which was used to calculate the Band D Council Tax of £2,207.94 (£2,107.32 in 2024/25), sufficient to generate the income required to cover the net expenditure of the two authorities which precept on the Collection Fund. The table below shows the number of properties in each band and the number of Band D equivalent properties after allowing for non-collection (the tax base).

Band	Ranges from	to	Number of chargeable dwellings		Proportion	Band D Equivalent No.	
	£	£	2025/26	2024/25		2025/26	2024/25
A	up to	40,000	4,374	4,578	0.67	2,916	3,052
B	40,001	52,000	12,253	12,025	0.78	9,530	9,353
C	52,001	68,000	26,351	25,672	0.89	23,422	22,819
D	68,001	88,000	22,361	21,738	1.00	22,361	21,738
E	88,001	120,000	9,672	9,368	1.22	11,821	11,450
F	120,001	160,000	4,930	4,863	1.44	7,121	7,024
G	160,001	320,000	4,567	4,512	1.67	7,613	7,521
H	320,001	and above	735	725	2.00	1,471	1,451
			85,244	83,482		86,255	84,408
Collection rate after allowance for non-collection						95.8%	97.0%
Council Tax base used to calculate Band D						**82,589**	**81,875**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LONDON BOROUGH OF HARINGEY

[TO BE INSERTED AT END OF AUDIT]

PENSION FUND

2025/26	Pension Fund Account	Note	2024/25
£000			**£000**
	Dealings with members, employers and others directly involved in the fund		
62,756	Contributions	7	**62,276**
10,825	Transfers in from other pension funds	8	**15,796**
78,581			**78,072**
(74,522)	Benefits	9	**(73,669)**
(9,931)	Payments to and on account of leavers	10	**(10,545)**
(84,453)			**(84,214)**
(5,872)	**Net additions/(withdrawals) from dealings with members**		**(6,142)**
(7,365)	Management expenses	11	**(7,114)**
(13,237)	**Net withdrawals including fund management expenses**		**(13,256)**
	Returns on Investments:		
31,511	Investment Income	12	31,487
-	Taxes on income		**-**
138,080	Profit and losses on disposal of investments and changes in market value of investments	13a	**50,823**
172,591	**Net return on investments**		**82,310**
159,354	**Net increase/decrease in the net assets available for benefits during the year**		**69,054**
1,940,113	**Opening net assets of the scheme**		**1,871,059**
2,099,466	**Closing net assets of the scheme**		**1,940,113**

2025/26	Net Assets Statement	Note	2024/25
£000			£000
220	Long Term Investments	13	150
2,101,596	Investment assets	13	1,944,728
-	Investment liabilities	13	-
2,101,816	**Total net investments**		**1,944,878**
2,285	Current assets	19	2,453
(4,635)	Current liabilities	20	(7,218)
2,099,466	**Net assets of the fund available to fund benefits at the end of the reporting period**		**1,940,113**

Notes to the Haringey Pension Fund Accounts for the year ended 31st March 2026

1. Description of the fund

The Haringey Pension Fund is part of the Local Government Pension Scheme (LGPS) and is administered by Haringey Council.

a) General

The scheme is governed by the Public Service Pensions Act 2013. The fund is administered in accordance with the following secondary legislation.

- The Local Government Pension Scheme Regulations 2013 (as amended)
- The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 (as amended)
- The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016.

It is a contributory defined benefit pension scheme administered by Haringey Council to provide pensions and other benefits for pensionable employees of Haringey Council, a range of other scheduled bodies, and admitted bodies within the London Borough of Haringey area. Teachers, police officers and firefighters are not included as they come within other national pension schemes. The fund is overseen by Haringey Pension Fund's Combined Pensions Committee and Board, which is a committee of Haringey Council.

b) Fund administration and membership

Membership of the LGPS is voluntary and employees are free to choose whether to join the scheme, remain in the scheme or make their own personal arrangements outside of the scheme.

Organisations participating in the Haringey Pension Fund include the following:

- scheduled bodies, which are automatically entitled to be members of the fund.
- admitted bodies, which participate under the terms of an admission agreement between the fund and the employer. Admitted bodies include voluntary, charitable, and similar not-for-profit organisation, or private contractors undertaking a local authority function following outsourcing to the private sector.

Membership details of the Pension Fund are set out below:

Haringey Pension Fund	31 March 2026	31 March 2025
Number of employers	61	63
Number of employees		
Haringey Council	5,534	5,463
Other employers	1,129	1,100
Total	**6,663**	**6,563**
Number of pensioners		
Haringey Council	8,529	8,194
Other employers	1,111	1,034
Total	**9,640**	**9,228**
Deferred pensioners		
Haringey Council	8,843	8,806
Other employers	1,859	1,774
Total	**10,702**	**10,580**
Total number of members in pension scheme	**27,005**	**26,371**

c) Funding

Benefits are funded by contributions and investment earnings. Contributions are made by active members of the fund in accordance with the Local Government Pension Scheme Regulations 2013 and ranged from 5.5% to 12.5% of pensionable pay for the financial year ending 31 March 2026. Employers' contributions are set based on triennial actuarial funding valuations. The valuation for the period to 31 March 2028 was carried out as at 31 March 2025. The primary employer contribution rate for the whole fund was 17.3%.

d) Benefits

Prior to 1 April 2014, pension benefits under the LGPS were based on final pensionable pay and length of pensionable service. From April 2014, the scheme became a career average scheme, whereby members accrue benefits based on their pensionable pay in that year at an accrual rate of 1/49th. Accrued pension is uplifted annually in line with the Consumer Prices Index inflation rate.

A range of other benefits are also provided included early retirement, disability pensions and death benefits, as explained on the LGPS website – see www.lgpsmember.org.

2. Basis of Preparation

The statement of accounts summarises the fund's transactions for the 2025/2026 financial year and its financial position at 31 March 2026. The accounts have been prepared in accordance with the *Code of Practice on Local Authority Accounting 2024/25* (the Code), which is based upon International Financial Reporting Standard (IFRS), as amended for the UK public sector. The accounts have been prepared on a going concern basis.

The accounts report on the net assets available to pay pension benefits. They do not take account of obligations to pay pensions and benefits that fall due after the end of the financial year, nor do they take into account the actuarial present value of promised retirement benefits. The Code gives administering authorities the option to disclose this information in the net assets statement, in the notes to the accounts or by appending an actuarial report prepared for this purpose. The pension fund has opted to disclose this information in Note 18.

3. Summary of significant accounting policies

Fund account – revenue recognition

a) Contribution income

Normal contributions are accounted for on an accruals basis as follows:

- Employee contribution rates are set in accordance with LGPS regulations, using common percentage rates for all schemes that rise according to pensionable pay.
- Employer contributions are set at the percentage rate recommended by the fund actuary for the period to which they relate.

Employer deficit funding contributions are accounted for on the basis advised by the fund actuary in the rates and adjustment certificate issued to the relevant employing body.

Additional employer contributions in respect of ill-health and early retirements are accounted for in the year the event rose. Any amount due in year but unpaid will be classed as a current financial asset. Amounts not due until future years would be classed as long-term financial assets.

b) Transfers to and from other schemes

Transfers in and out relate to members who have either joined or left the fund. Individual transfers in/out are accounted for when received or paid. Bulk (group) transfers are accounted for in accordance with the terms of the transfer agreement.

c) Investment income

i. Interest income is recognised in the fund account as it accrues, using the effective interest rate of the financial instrument as at the date of acquisition or origination.
ii. Distributions from pooled funds are recognised at the date of issue. Any amount not received by the end of the reporting period is disclosed in the net assets statement as a current financial asset.
iii. Changes in value of investments (including investment properties) are recognised as income and comprise all realised and unrealised profits/losses during the year.

Fund account – expense items

d) Benefits payable

Pensions and lump-sum benefits payable include all amounts known to be due as at the end of the financial year. Any amounts due but unpaid are disclosed in the net assets statement as current liabilities, providing that payment has been approved.

e) Management expenses

The fund discloses its management expenses in line with the CIPFA guidance *Accounting for Local Government Pension Scheme Management Expenses* (2016), as show in the following table. All items of expenditure are charged to the fund on an accrual basis as follows:

Administrative expenses	All staff costs relating to the pensions administration team are charged directly to the fund. The Council recharges for management and legal costs which are also accounted for as administrative expenses of the fund.
Oversight and governance	All costs associated with governance and oversight are separately identified, apportioned to this activity, and charged as expenses to the fund.
Investment management expenses	Investment fees are charged directly to the fund as part of management expenses and are not included in, or netted from, the reported return on investments. Where fees are netted off returns by investment managers, these are grossed up to increase the change in value of investments. Fees charged by external investment managers and the custodian are set out in the respective mandates governing their appointments. Broadly, these are based on the market value of the investments under management and therefore increase or reduce as the value of the investments change throughout the year. In addition, the fund has agreed with Pantheon Ventures and BlackRock that an element of their fee be performance related.

f) Taxation

The fund is a registered public service scheme under Section 1 (1) of the Finance Act 2004 and as such is exempt from UK income tax on interest received and from capital gains tax on proceeds of investments sold. Income from overseas investments suffers withholding tax in the country of origin unless exemption is permitted. Irrecoverable tax is accounted for as a fund expense as it arises.

Net assets statement

g) Financial assets

All investment assets are included in the financial statements on a fair value basis as at the reporting date. A financial asset is recognised in the net assets statement on the date the fund becomes party to the contractual acquisition of the asset. Any amounts due or payable in respect of trades entered into but not yet completed at 31 March each year are accounted for as financial instruments held at amortised cost and reflected in the reconciliation of movements in investments and derivatives in Note 13. Any gains or losses on investment sales arising from changes in the fair value of the net asset are recognised in the fund account.

The values of investments as show in the net assets statement have been determined at fair value in accordance with the requirements of the Code and IFRS13 (see Note 15). For the purposes of disclosing levels of fair value hierarchy, the fund has adopted the classification guidelines recommended in Practical Guidance on Investment Disclosures (PRAG/Investment Association, 2016).

h) Foreign currency transactions

Dividends, interest and purchases and sales of investments in foreign currencies have been accounted for at the spot market rates at the date of transaction. End-of-year spot market exchange rates are used to value cash balances held in foreign currency bank accounts, overseas investments and purchases and sales outstanding at the end of the reporting period.

i) Cash and cash equivalents

Cash comprises cash in hand and demand deposits and includes amounts held by the fund's external managers. All cash balances are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to minimal risk of changes in value.

j) Loans and receivables

Financial assets classified as amortised cost are carried in the net asset statement at the value of outstanding principal receivable at the year-end date plus accrued interest.

k) Financial liabilities

A financial liability is recognised in the net assets statement on the date the fund becomes legally responsible for that liability. The fund recognises financial liabilities related to investments trading at fair value. Any gains or losses arising from changes in the fair value of the liability's value, between the contract date, the year-end date, and the eventual settlement date, are recognised in the fund account as part of the change in value of investments.

Other financial liabilities classed as amortised cost are carried in the net asset statement at the value of the outstanding principal at 31 March each year. Any interest due not yet paid is accounted for on an accruals basis and included in administration costs.

l) Actuarial present value of promised retirement benefits

The actuarial present value of promised retirement benefits is assessed on a triennial basis by the scheme actuary in accordance with the requirements of IAS19 and relevant actuarial standards. As permitted under the Code, the fund has opted to disclose the actuarial present value of promised retirement benefits by way of a note to the net assets statement (Note 18).

m) Additional voluntary contributions

The fund provides an additional voluntary contribution (AVC) scheme for its members. The assets of these AVCs are invested separately from those of the pension fund and are therefore not included in the accounts in accordance with Section 4 (1) (b) of the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016. However, this information is disclosed in Note 21 for informational purposes only.

n) Contingent assets and contingent liabilities

A contingent asset arises where an event has taken place giving rise to a possible asset whose existence will only be confirmed or otherwise by future events.

A contingent liability arises where an event prior to the end of the year-end has created a possible financial obligation whose existence will only be confirmed or otherwise by future events. Contingent liabilities can also arise when it is not possible at the balance sheet date to measure the value of the financial obligation reliably.

Contingent assets and liabilities are not recognised in the net assets statement but are disclosed by way of narrative in the notes.

4. Critical judgements in applying accounting policies

The Council has not applied any critical judgements in applying accounting policies in the preparation of the statement of accounts.

5. Assumptions made about the future and other major sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts. Estimates and assumptions take account of historical experience, current trends, and future expectations. However, actual outcomes could be different from assumptions and estimates made. The items in the net assets statement for which there is a significant risk of material adjustment the following year are as follows:

Items	Uncertainties	Effect if actual results differ from assumptions
Actuarial present value of promised retirement benefits (Note 18)	Estimation of the net liability to pay pensions depends on several complete judgements relating to the discount rate used, salary increases, changes in retirement ages, mortality rates and returns on fund assets. A firm of consulting actuaries is engaged to provide the fund with expert advice about the assumptions to be applied.	For instance: • a 0.1% decrease in the discount rate would increase future pension liabilities by c. £23m (2%) • a 0.1% increase in earnings inflation would increase future pension benefits by c. £0.9m (0%) • a one-year increase in assumed life expectancy would increase future pension benefits by c. £58m (4%)
Private equity investments (Note 14)	Private equity investments are valued at fair value in accordance with *International Private Equity and Venture Capital Valuation Guidelines* (December 2018). Investments are not publicly listed and as such there is a degree of estimation involved in the valuation. For the purposes of estimation, private equity investments include infrastructure and private debt.	Private equity investments are valued at £118m in the financial statements. There is a risk that this investment may be under- or overstated in the accounts by up to 5% i.e., an increase or decrease of approximately £10m.

6. Events after the reporting date

No significant events occurred after the reporting date.

7. Contributions receivable

2025/26		2024/25
£000	**By category**	**£000**
15,240	Employee contributions	14,122
	Employer contributions	
51,642	- Normal contributions	47,370
0	- Deficit recovery contributions	-
874	- Augmentation contributions	784
52,516	**Total employers' contributions**	**48,154**
67,756	**Total contributions receivable**	**62,276**

2025/26		2024/25
£000	**By type of employer**	**£000**
60,098	Administering authority	55,508
7,438	Scheduled bodies	6,048
220	Admitted bodies	720
67,756	**Total contributions receivable**	**62,276**

8. Transfers in from other pension funds

During 2025/26, there were transfers of £10.8 million into the Pension Fund, a decrease compared to £15.8 million in 2024/25. These transfers all related to individuals.

Benefits payable

2025/26		2024/25
£000	**By category**	**£000**
60,266	Pensions	57,375
12,971	Commutation and lump sum retirement benefits	14,951
1,285	Lump sum death benefits	1,343
74,522	**Total benefits payable**	**73,669**

9. Benefits payable (continued)

2025/26		2024/25
£000	**By type of employer**	**£000**
73,444	Administering authority	65,433
171	Scheduled bodies	5,653
907	Admitted bodies	2,583
74,522	**Total benefits payable**	**73,669**

10. Payments to and on account of leavers

2025/26		2024/25
£000		**£000**
256	Refunds to members leaving service	182
9,675	Individual transfers	10,363
9,931	**Total**	**10,545**

11. Management Expenses

2025/26		2024/25
£000		**£000**
1,453	Administrative costs	1,337

5,222	Investment management expenses	5,410
690	Oversight and governance costs	367
7,365	**Total management expenses**	**7,114**

11a. Investment Management Expenses

2025/26		2024/25
£000		£000
4,892	Management Fees	4,959
-	Performance Related Fees	-
51	Custody fees	69
279	Transaction Fees	382
5,222	**Total**	**5,410**

12. Investment income

2025/26		2024/25
£000		£000
33,867	Pooled investments - unit trusts and other managed funds	31,121
644	Interest on cash deposits	366
34,511	**Total**	**31,487**

13. Investments

Market Value 31 March 2026		Market Value 31 March 2025
£000	**Investment assets**	£000
	Pooled funds	
862,501	Global equity	834,154
550,030	Fixed income unit trusts	456,998
64,945	Multi-asset absolute return fund	146,239
75,051	Infrastructure funds	70,958
1,552,527		**1,508,349**
	Other investments	
285,752	Pooled property investments	209,683
119,777	Private equity funds	137,035
31,869	Infrastructure debt funds	31,999
437,398		**378,717**
120,058	Cash deposits	57,437
875	Accrued Income	225
2,110,859	**Total investment assets**	**1,944,728**
	Long-term investments	
	UK unquoted equities	
220	Shares in London CIV	150
	Investment liabilities	
	Payables for purchases	-
2,111,079	**Total net investment assets**	**1,944,878**

13a. Reconciliation of movements in investments and derivatives

2025/26	Market Value 1 April 2025	Purchases at cost	Sales proceeds	Change in market value	Market Value 31 March 2026
	£000	£000	£000	£000	£000
Pooled investment vehicles	1,887,066	95,605	(133,463)	147,729	1,996,936
	1,887,066	**95,605**	**(133,463)**	**147,729**	**1,996,936**
Other Investment balances					
Cash deposits	57,438	222,734	(76,219)	(9,648)	120,058

	Market Value 1 April 2025	Purchases at cost	Sales proceeds	Change in market value	Market Value 31 March 2026
Other Investments asset/liabilities	225	690	(39)		875
Spot FX		1	(0)		0
Total	**1,944,729**	**319,028**	**(209,722)**	**138,080**	**2,117,870**

2024/25	Market Value 1 April 2024	Purchases at cost	Sales proceeds	Change in market value	Market Value 31 March 2025
	£000	£000	£000	£000	£000
Pooled investment vehicles	1,841,119	81,465	(86,680)	51,162	1,887,066
	1,841,119	**81,465**	**(86,680)**	**51,162**	**1,887,066**
Other Investment balances					
Cash deposits	37,126			(339)	57,437
Other investment assets/liabilities	287			-	225
Spot FX	(4,800)			-	-
Total	**1,873,732**			**50,823**	**1,944,728**

13b. Investments analysed by fund manager

Market Value 31 March 2026 £000	%		Market Value 31 March 2025 £000	%
		Investments managed by London CIV asset pool:		
1,086,579	51.5	Legal & General Investment Management	960,939	49.4
64,945	3.1	LCIV Absolute Return	146,239	7.5
190,389	9.0	LCIV Multi-Asset Credit	192,515	9.9
51,433	2.4	LCIV Renewable Infrastructure	46,788	2.4
25,205	1.2	London Fund	22,047	1.1
135,564	6.4	LCIV Long Duration Buy and Maintain Credit Fund	137,700	7.1
1,554,114	**73.6**		**1,506,228**	**77.4**
		Investments managed outside of London CIV asset pool:		
119,778	5.7	Pantheon	137,035	7.1
117,044	5.5	CBRE Global Investors	106,571	5.5
145,068	6.9	Aviva Investors	86,715	4.5
31,869	1.5	Allianz Global Investors	31,999	1.6
1,200	0.1	BlackRock	3,419	0.2
22,418	1.1	CIP	20,752	1.1
119,674	5.7	In-house cash deposits*	52,009	2.6
557,049	**26.4**		**438,500**	**22.6**
2,111,164	**100.0**	**Total**	**1,944,728**	**100.0**

*In-house cash excludes non-discretionary cash managed by external managers. Any such cash is allocated to the respective asset manager.

The following investments represent over 5% of net assets of the fund.

Market Value 31 March 2026 £000	%		Market Value 31 March 2025 £000	%
363,466	17.2	LGIM MSCI World Low Carbon Index Fund	364,905	18.8
245,938	11.6	LGIM RAFI Multi Factor Climate Transition Fund	343,099	17.7
4,804	0.2	LCIV Long Duration Buy and Maintain Credit Fund	192,512	9.9
184,165	8.7	LCIV Multi-Asset Credit	146,239	7.5
133,877	6.3	LCIV Absolute Return Fund (Ruffer LLP)	137,700	7.1

190,388	9.0	LGIM Index Linked Gilts (Over 5 year) Fund	126,786	6.5
135,564	6.4	LGIM Bespoke Low Carbon Emerging Markets Fund	126,149	6.5
1,258,201	**59.7**	**Total**	**1,437,390**	**74.0**

14. Fair Value – Basis of valuation

All investment assets are valued using fair value techniques based in the characteristics of each instrument where possible, using market-based information. There has been no change in the valuation techniques used during the year.

Assets and liabilities have been classified into three levels, according to the quality and reliability of information used to determine fair values.

Level 1 – where the fair values are derived from unadjusted quoted prices in active markets for identical assets or liabilities, comprising quoted equities, quoted bonds, and unit trusts.

Level 2 – where quoted market prices are not available, or where valuation techniques are used to determine fair value based on observable data.

Level 3 – where at least one input that could have a significant effect on the instrument's valuation is not based on observable market data.

The valuation basis for each category of investment asset is set out below:

Description of asset	Basis of Valuation	Observable and unobservable inputs	Key sensitivities affecting the valuations provided
Level 1			
Quoted equities and pooled fund investments	The published bid market price on the final day of the accounting period	Not required	Not Required
Quoted fixed income bond and unit trusts	Quoted market value based on current yields	Not required	Not Required
Cash and cash equivalents	Carrying value is deemed to be fair value because of the short-term nature of these financial instruments	Not required	Not Required
Amounts receivable from investment sales	Carrying value is deemed to be fair value because of the short-term nature of these financial instruments	Not required	Not required
Investment debtors and creditors	Carrying value is deemed to be fair value because of the short-term nature of these	Not required	Not required

Description of asset	Basis of Valuation	Observable and unobservable inputs	Key sensitivities affecting the valuations provided
Level 1			
	financial instruments		

Description of asset	Basis of Valuation	Observable and unobservable inputs	Key sensitivities affecting the valuations provided
Level 2			
Pooled property funds where regular trading takes place	Closing bid price where bid and offer prices are published; closing single price where single price published	NAV-based pricing set on a forward pricing basis	Not Required
Unquoted fixed income bonds and unit trusts	Average broker prices	Evaluated price feeds	Not required

Description of asset	Basis of Valuation	Observable and unobservable inputs	Key sensitivities affecting the valuations provided
Level 3			
Pooled property funds where regular trading does not take place	Valued by investment managers on a fair value basis each year using PRAG guidance	NAV-based pricing set on a forward pricing basis	Not required
Shares in London CIV asset pool	Based on the historical cost at acquisition of shares	Not required	Not required
Other unquoted and private equities	Comparable valuation of similar companies in accordance with International Private Equity and Venture Capital Valuation Guidelines 2018	EBITDA multiple Revenue multiple Discount for lack of marketability Control premium	Valuations could be affected by changed to expected cashflows or by differences between audited and unaudited accounts.

Sensitivity of assets valued at level 3

The fund has determined that the valuation methods described above for Level 3 investments are expected to be accurate within the following ranges, and has set out below the consequent potential impact on the closing value of investments held at 31 March 2026.

	Potential variation in fair value	Valuation as at 31 March 2025	Value on Increase	Value on Decrease
		£000	£000	£000
Pooled property investments	2%	105,638	107,751	103,525
Private equity and joint venture funds	5%	133,147	139,804	126,490
Infrastructure funds	5%	70,958	74,506	67,410
Total		**309,743**	**322,061**	**297,425**

14a. Fair value hierarchy

The following table provides an analysis of the assets and liabilities of the pension fund grouped into levels 1 to 3, based on the level at which the fair value is observable.

Values as at 31 March 2026	Quoted market price Level 1	Using observable inputs Level 2	With significant unobservable inputs Level 3	Total
	£000	£000	£000	£000
Financial assets / liabilities at fair value through profit and loss				
Pooled investments	224,078	64,945	1,188,453	1,477,476
Pooled property investments	16,115		244,432	260,547
Private equity	51,433		200,468	251,901
Cash deposits	100,660			100,660
Accrued income	356		519	875
Payables for investment purchases				
Total	**392,643**	**64,945**	**1,633,872**	**2,091,460**

Values as at 31 March 2025	Quoted market price Level 1	Using observable inputs Level 2	With significant unobservable inputs Level 3	Total
	£000	£000	£000	£000
Financial assets / liabilities at fair value through profit and loss				
Pooled investments	1,437,390	32,000	70,958	1,540,348
Pooled property investments	-	100,922	108,761	209,683
Private equity	-	-	137,035	137,035
Cash deposits	57,437	-	-	57,437
Accrued income	225	-	-	225
Payables for investment purchases	-	-	-	-
Total	**1,495,052**	**132,922**	**316,754**	**1,944,728**

14b. Transfers between Levels 1 and 2

There were no transfers between levels 1 and 2 during the year.

14c. Reconciliation of fair value measurements within level 3

2025/26	Value at 1st April 2025	Purchases in the year	Sales in the year	Unrealised gains (losses)	Realised gains (losses)	Value at 31st March 2026
	£000	£000	£000	£000	£000	£000
UK Property Funds	180,006	77,502	(15,062)	2,964	(459)	244,951
UK Venture Capital	59,538	1,978	(1,542)	49	845	60,868
UK Fixed Income Funds	330,212	0	(124)	(4,136)	0	325,952
Overseas Venture Capital	151,825	4,875	(19,612)	(9,123)	11,635	139,600
UK Equity Funds	834,154	0	(103,000)	85,211	46,137	862,501
Total	1,555,735	84,355	(139,340)	74,965	58,157	1,633,872

15. Classification of financial instruments

	31 March 2026 Fair value through profit and loss	Assets at amortised cost	Liabilities at amortised cost
	£000	£000	£000
Financial assets			
Pooled investments	1,584,396		
Pooled property investments	285,752		
Private equity	119,777		
Equities		220	
Cash	100,660	19,704	
Debtors		2,285	
Other investment balances		875	
Total financial assets	**2,090,584**	**23,084**	**-**
Financial liabilities			
Other investment balances			0
Creditors			(4,635)
Total financial liabilities	**-**	**-**	**(4,635)**
Grand total	**2,090,584**	**23,084**	**(4,635)**

	31 March 2025 Fair value through profit and loss	Assets at amortised cost	Liabilities at amortised cost
	£000	£000	£000
Financial assets			
Pooled investments	1,540,348		
Pooled property investments	209,683		
Private equity	137,035		
Equities		150	
Cash	39,512	17,925	
Debtors		2,453	
Other investment balances		225	
Total financial assets	**1,926,578**	**20,753**	**-**
Financial liabilities			
Other investment balances			-
Creditors			(7,218)
Total financial liabilities	**-**	**-**	**(7,218)**
Grand total	**1,926,578**	**20,753**	**(7,218)**

15a. Net gains and losses on financial instruments

All realised gains and losses arise from the sale or disposal of financial assets that have been derecognised in the financial statements. The fund has not entered into any financial guarantees that are required to be accounted for as financial instruments.

2025/26		2024/25
£000		£000
	Financial Assets	
147,730	Fair value through profit or loss	51,163
(9,649)	Financial assets and liabilities at amortised cost	(340)
138,080		50,823

16. Nature and extent of risks arising from Financial Instruments

Risk and risk management

The fund's primary long-term risk is that its assets will fall short of its liabilities (i.e., promised benefits payable to members). The aim of investment risk management is to minimise the risk of an overall reduction in the value of the fund and to maximise the opportunity for gains across the whole fund portfolio. The fund achieves this through asset diversification to reduce exposure to market risk (price risk, currency risk, and interest rate risk) and credit risk to an acceptable level. In addition, the fund manages its liquidity risk to ensure there is sufficient liquidity to meet the fund's forecast cash flows. The fund manages these investment risks as part of its overall pension fund risk management programme.

Responsibility for the fund's risk management strategy rests with the pension fund's Combined Committee and Board. Risk management policies are established to identify and analyse the risks faced by the pension fund's operations, then reviewed regularly to reflect changes in activity and market conditions.

a) Market risk

Market risk is the risk of loss from fluctuations in equity and commodity prices, interest and foreign exchange rates and credit spreads. The fund is exposed to market risk from its investment activities, particularly through its equity holdings. The level of risk exposure depends on market conditions, expectations of future price and yield movements, and the overall asset mix. The objective of the fund's risk management strategy is to identify, manage and control market risk exposure within acceptable parameters, while optimising investment return.

In general, excessive volatility in market risk is managed through the diversification of the portfolio's strategic asset allocation across different asset classes, industry sectors, and jurisdictions. To mitigate market risk, the pension fund and its investment advisors undertake appropriate monitoring of market conditions and benchmark analysis on a regular basis. The strategic asset allocation is reviewed each quarter and any significant deviations from this are rebalanced as appropriate.

Other price risk

Other price risk represents the risk that the value of a financial instrument will fluctuate because of change in market prices (other than those arising from interest rate risk or foreign exchange risk), whether those changes are caused by factors specific to the individual instrument or by factors affect all such instruments in the market.

The fund is exposed to share price risk. The fund's investment managers mitigate this price risk through diversification and the selection of securities and other financial instruments is monitored to ensure it is within limits specified in the fund investment strategy.

Other price risk – sensitivity analysis

A significant portion of the pension fund's assets are invested in pooled investment vehicles with underlying assets which can fluctuate daily as market prices change. To demonstrate the impact of this volatility, the table below shows the impact of potential price changes based on the observed historical volatility of asset class returns. The assessment of the potential volatilities is consistent with a one standard deviation movement in the change in value of assets over the last three years.

As at 31 March 2026	Value	% change	Value on increase	Value on decrease
	£000	%	£000	£000
Overseas equities	967,359	12.0	1,083,442	851,276
Fixed Income	510,117	11.9	570,822	449,414
Property	286,327	6.3	304,366	268,288
Alternatives	226,697	16.5	264,102	189,292
Cash	120,359	0.0	120,359	120,359
Total Assets	**2,110,859**		**2,343,091**	**1,878,630**

As at 31 March 2025	Value	% change	Value on increase	Value on decrease
	£000	%	£000	£000
Overseas equities	960,939	12.0	1,076,252	845,627
Fixed Income	476,455	11.9	533,153	419,757
Property	209,793	6.3	223,010	196,576
Alternatives	239,992	16.5	279,5062	197,147
Cash	57,549	0.0	57,549	57,549
Total Assets	**1,944,728**		**2,161,706**	**1,713,730**

Interest rate risk

The fund recognises that interest rates can vary and can affect both income into the fund and the carrying value of fund assets, both of which affect the value of net assets available to pay benefits. A 100-basis point (BPS) movement in interest rates is consistent with the level of sensitivity applied as part of the fund's risk management strategy.

Interest rate risk – sensitivity analysis

The analysis that follows assumes that all other variables, in particular exchange rates, remain constant, and shows the effect in the year on the net assets available to pay benefits of a +/– 1% change in interest rates. The analysis demonstrates that a 1% increase in interest rates will not affect the interest received on fixed interest assets but will reduce their fair value, and vice versa. Changes in interest rates do not impact on the value of cash and cash equivalent balances but they will affect the interest income received on those balances.

Assets exposed to interest rate risk:

	Interest earned 2025/26	Interest rate if 1% higher	Interest rate if 1% lower
	£000	£000	£000
Cash deposits	644	761	446
Total	**644**	**761**	**446**

	Interest earned 2024/25	Interest rate if 1% higher	Interest rate if 1% lower
	£000	£000	£000
Cash deposits	366	425	265
Total	**366**	**425**	**265**

Currency risk

Currency risk represents the risk that future cash flows will fluctuate because of changes in foreign exchange rates. The fund is exposed to currency risk on any cash balances and investment assets not denominated in UK sterling. The table below demonstrates how a 10% strengthening/weakening of the pound against the various currencies in which the fund holds investments would increase/decrease the net assets available to pay benefits as follows.

Currency risk – sensitivity analysis

As at 31 March 2026	Value	% change	Value on increase	Value on decrease
	£000	%	£000	£000
Overseas equities	500,652	10.0	550,717	450,586
Fixed Income	190,389	10.0	209,427	171,350
Private equity	119,778	10.0	131,755	107,800
Infrastructure	23,618	10.0	25,980	21,256
Cash	39,485	10.0	43,434	35,537
Total Assets	**873,921**	**10.0**	**961,314**	**786,529**

As at 31 March 2025	Value	% change	Value on increase	Value on decrease
	£000	%	£000	£000
Overseas equities	473,073	10.0	520,381	425,766
Fixed Income	192,515	10.0	211,766	173,263
Private equity	133,147	10.0	146,462	119,832
Infrastructure	24,171	10.0	26,588	21,754
Cash	19,563	10.0	21,520	17,607
Total Assets	**842,469**	**10.0**	**926,717**	**758,222**

b) Credit risk

Credit risk represents the risk that the counterparty to a financial transaction will fail to discharge an obligation and cause the fund to incur a financial loss. Assets potentially affected by this risk are investment assets, cash deposits and third-party loans. The selection of high-quality counterparties, brokers and financial institutions minimises credit risk and the market values of investments generally reflect an assessment of credit risk.

Credit risk may also occur if an employing body not supported by central government does not pay contributions promptly, or defaults on its obligations. The pension fund has not experienced any actual defaults in recent years and the current practice is to obtain a guarantee before admitting new employers so that all pension obligations are covered in the event of that employer facing financial difficulties. All contributions due at 31 March 2026 were received within the first two months of the financial year.

Money market funds and bank accounts all have AAA rating from a leading ratings agency, and the pension fund has experienced no defaults from fund managers, brokers or bank accounts over the past five years.

Summary	Credit Rating	Balances at 31 March 2026	Balances at 31 March 2025
		£000	£000
Money Market Funds			
Blackrock institutional sterling liquidity fund	AAA		7,925
Invesco liquidity fund	AAA	9,490	10,000
Aviva Liquidity Fund	AAA	10,000	
Bank current accounts			
Northern Trust	A+	100,660	39,513
Barclays Bank plc	A+	51	142
Total		**120,201**	**57,580**

c) Liquidity risk

Liquidity risk represents the risk that the fund will not be able to meet its financial obligations as they fall due. The pension fund therefore takes steps to ensure that it always has adequate cash resources to meet its commitments.

Refinancing risk

The key risk is that the pension fund will need to replenish a significant proportion of its financial instruments at a time of unfavourable interest rates. The pension fund does not have any financial instruments that have a refinancing risk as part of its investment strategy.

17. Funding Arrangements

In line with the Local Government Pension Scheme Regulations 2013 the fund's actuary undertakes a funding valuation every three years for the purpose of setting employer contributions rates for the forthcoming triennial period. The pensions fund accounts for the period were based on the most recent valuation which took place as at 31 March 2025.

The key elements of the funding policy are:

- to ensure the long-term solvency of the fund, using a long-term prudent view i.e., that sufficient funds are available to meet all members'/dependants' as they fall due for payment.
- to ensure that employer contribution rates are reasonably stable where appropriate.
- to minimise the long-term cost of the scheme by recognising the link between assets and liabilities and adopting an investment strategy that balances risk and return.
- to reflect the different characteristics of employing bodies in determining contribution rates where it is reasonable to do so.
- to use reasonable measures to reduce the risk to other employers and ultimately to the council taxpayer from an employer defaulting on its obligations.

The aim is to achieve 100% solvency over a period of 20 years and to provide stability in employer contribution rates by spreading any increases in rates over a period of time. Normally this is three years but, in some cases, a maximum period of 12 years can be granted. Solvency is achieved when the funds held, plus future expected investment returns and future contributions, are sufficient to meet expected future pension benefits payable. When an employer's funding level is less than 10% of the 100% funding target, then a deficit recovery plan will be put in place requiring additional employer contributions.

At the 2025 actuarial valuation, the fund was assessed as 139% funded (113% at the March 2022 valuation). Contribution changes will be phased in over the three-year period ending 31 March 2027 for both scheme employers and admitted bodies.

The whole-fund primary contribution rate was due to decrease over a three-year period from 17.5% to 17.3% of pensionable pay. However, each employer will be different, and the primary contribution rate will reflect the membership and experiences of each employer.

In addition to the primary contribution rate, most employers also pay a secondary contribution rate depending on the demographic and actuarial factors particular to each employer. Full details of the contribution rates payable can be found in the 2025 actuarial valuation report and the funding strategy statement on the fund's website.

The valuation of the fund has been undertaken using the projected unit method under which the salary increase for each member is assumed to increase until they leave active service by death, retirement, or withdrawal from service. The principal assumptions were as follows.

Financial assumptions

Future assumed rates	31-Mar-25	31-Mar-22
	%	%
Discount rate (annual nominal return rate)	6.1	4.3
Pay increase (annual change)	3.3	3.7
Benefit increase (CPI)	2.3	2.7

Demographic assumptions

The assumed life expectancy from 65 is as follows:

Life expectancy from age 65		2025	2022
Retiring today	Males	21.6	21.7
	Females	24.4	24.4
Retiring in 20 years	Males	22.7	23.0
	Females	25.8	26.1

18. Actuarial present value of promised retirement benefits

In addition to the triennial funding valuation, the fund's actuary also undertakes a valuation of the pension fund liabilities on an IAS 19 basis every year using the same base data as the funding valuation rolled forward to the current financial year but taking account of changes in membership numbers and updating assumptions to the current year. This valuation is not carried out on the same basis as that used for setting fund contribution rates and the fund accounts do not take account of liabilities to pay pensions and other benefits in the future.

In order to assess the value of the benefits on this basis, the actuary has updated the actuarial assumptions (set out below) from those used for funding purposes (see Note 17). The actuary has also valued ill health and death benefits in line with IAS 19.

31 Mar 26		31 Mar 25
£000		£000
(1,505,780)	Present Value of promised retirement benefits	(1,500,000)
1,933,375	Fair Value of scheme assets	1,940,113
427,595	**Net (liability)/asset**	**440,113**

As noted above, the liabilities above are calculated on an IAS 19 basis and therefore will differ from the results of the 2025 triennial funding valuation (see Note 17) because IAS 19 stipulates a discount rate rather than a rate which reflects market rates.

Other key assumptions used are:

	31-Mar-26	31-Mar-25
	%	%
Pension increase rate (CPI)	3.0	2.8
Salary increase rate	4.0	3.8
Discount rate	6.2	5.8

19. Current assets

31/03/2026		31/03/2025
£000		£000
108	Contributions due - employees	116
1,432	Contributions due - employers	1,283
694	Sundry debtors	912
2,234		**2,311**
51	Cash	142
2,285		**2,453**

20. Current liabilities

31/03/2026		31/03/2025
£000		£000
3,984	Sundry creditors	5,061
651	Benefits payable	2,157
4,635		**7,218**

21. Additional Voluntary Contributions ("AVCs")

	Contributions Paid 2025/26	Market Value 31 March 2026
	£000	£000
Utmost life and pensions	-	87
Prudential assurance	686	2,161
Clerical and medical	2	25

	Contributions Paid	Market Value
	2024/25	31 March 2025
	£000	£000
Utmost life and pensions	-	99
Prudential assurance	361	1,250
Clerical and medical	1	22

22. Related party transactions

Haringey Council

The Haringey Pension Fund is administered by Haringey Council. During the reporting period, the Council incurred costs of £1.051m (2024/25 £0.966m) in relation to the administration and management of the fund and was reimbursed by the fund for these expenses.

The Council is also the single largest employer of members of the pension fund. As at 31 March 2026 an amount of £0.090m was due from the fund to the Council.

The Pension Fund is a minority shareholder in the London CIV (LCIV) Asset Pool, and shares valued at £0.220m as at 31 March 2026 are included in the net asset statement. Part of the portfolio of pension fund investments is managed by the LCIV, as detailed in Note 13.

Each member of the pension fund's Combined Pensions Committee and Board is required to declare their interests at each meeting. One member of the Combined Pensions Committee and Board were a scheme member in the Haringey Pension Fund.

23. Key management personnel

Key management personnel are the Section 151 Officer and the head of pensions. Their remuneration is set out below:

31/03/2026	Key Management Personnel	31/03/2025
£000		£000
127	Short - term benefits	101
30	Post-employment benefits	24
157		125

24. Contingent liabilities and contractual commitments

Outstanding capital commitments (investments) at 31 March 2026 were £76.4m (2024/25 £82.2m). These commitments relate to outstanding capital call payments due on limited partnership funds held within the private equity and infrastructure portion of the portfolio. The amounts ‘called’ by these funds are irregular in both size and timing over a period of between four and six years from the date of each original commitment. There were no contingent liabilities at 31 March 2026.

Annual Governance Statement 2025/26

1. Scope of responsibility

1.1 We are responsible for ensuring that our business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. We also have a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which our functions are exercised, with regard to a combination of economy, efficiency and effectiveness.

1.2 In discharging this, we are also responsible for putting in place proper arrangements for the governance of our affairs, facilitating the effective exercise of our functions, which includes arrangements for the management of risk.

1.3 We have approved and adopted a Local Code of Corporate Governance, which is consistent with the principles of the CIPFA/SOLACE Framework ‘Delivering Good Governance in Local Government’. Haringey’s local code of corporate governance is published on the Council’s website and a copy can be obtained from the Council’s Monitoring Officer. This statement explains our commitments as part of the Local Code of Corporate Governance, together with how we obtain assurance that these commitments are in place and effective; it also meets the requirements of regulation 6(1) of the Accounts and Audit Regulations 2015, in relation to the publication of an Annual Governance Statement.

2. The purpose of the governance framework

2.1 The governance framework comprises the systems and processes, and culture and values, by which we direct and control the activities of the Council. The framework also comprises the activities through which we are accountable to, engages with and leads the community. Through the framework, we monitor the achievement of our strategic objectives and consider whether those objectives have led to the delivery of appropriate and cost-effective services.

2.2 The system of internal control is a significant part of the governance framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives, but it can provide a reasonable assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise risks to the achievement of our approved policies, aims and objectives. The system of controls also allows for the evaluation of the likelihood of risks being realised and the impact should they be realised, ensuring that we are able to manage them efficiently, effectively and economically.

2.3 The governance framework has been in place for the year ended 31st March 2026 and up to the date of the approval of the annual report and accounts.

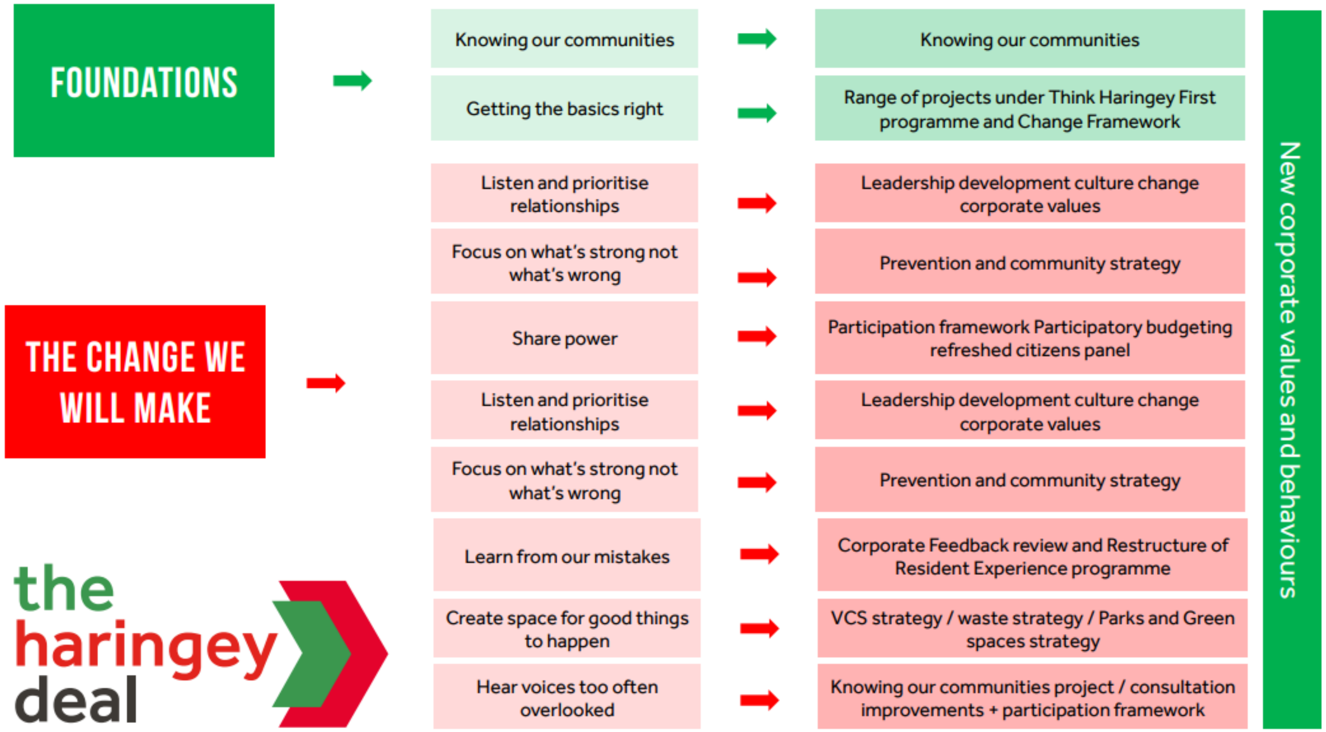
2.4 As a local authority, we operate in a complex and constantly evolving financial, policy and legislative environment and consequently, our responsibilities and operations continue to evolve. The funding models for local government continue to present challenges. We continue to deliver our ambitions set out in our corporate plan The Council's Corporate Plan sets out our priority actions for delivering our strategy for Haringey.

2.5 The Council's leadership remains committed to being collaborative, competent, and radical. In January 2023, we published our Corporate Delivery Plan for the period 2022/26. This Corporate Delivery Plan covers the activity we will focus on delivering including the second half of the cycle between April 2024 and April 2026 with 2025/26 being the final year. A further Corporate Delivery Plan will be produced following the 2026 local elections and published in the Autumn. The Plan outlines our strategic objectives, priorities, and initiatives aimed at creating a fairer, greener borough. The Plan includes the outcomes we are working towards as an organisation; the activity planned to deliver these outcomes; how we will work to deliver it; and the key delivery dates. The plan is organised around the following eight separate themes:

- Resident experience and enabling success
- Responding to the climate emergency
- Children and young people
- Adults, health and welfare
- Homes for the future
- Safer Haringey
- Culturally rich borough
- Place and economy

2.6 These themes demonstrate how we are focussed on working collaboratively, in line with the Haringey Deal, with residents, businesses and partners to tackle the biggest issues affecting our communities.

2.7 Haringey Deal was launched in November 2022. The Deal is all about forging a different way of working. It builds on the findings of the Fairness Commission and is grounded what we have heard from residents more recently. This includes pledges to focus on building greater trust between the council and residents; learning when mistakes are made and putting things right quickly; empowering communities to make change happen for themselves; and finding new ways to share power with residents and communities. The Deal also recognises the critical importance of 'getting the basics right.' This means delivering the fundamental core services that any local authority provides to ensure residents are safe and supported, and able to live a good life. The Deal has eight core elements, each of which is being embedded and delivered via a series of programmes and pieces of work. Details of the Deal are set out in the chart below.



2.8 A core element of the Haringey Deal has been the launch and roll out of a new set of corporate values. These were developed following a series of staff workshops hosted by the Chief Executive in the autumn of 2022 and continued to be in place for the financial year 2025/26. Our core values are Caring, Collaborative, Community Focused, Courageous and Creative. These were launched via a series of informal staff 'huddles' across the corporate estate including depots and neighbourhood offices. These behaviours are at the heart of refreshed My Conversation (our appraisal approach) guidance which was launched at the start of the 2023.

2.9 Following the launch of The Haringey Deal, we have created a portal called The Haringey Deal implementation guidance for staff, which outlines our ambition to change the way we work and change our practices. It makes a commitment to both designing services and developing different relationships with residents and partners with a key focus in the Haringey Deal on working in partnership with communities to address residents' priorities. The implementation guidance intranet hub aims to clarify the ambitions of the Haringey Deal and provide practical examples of exemplary practice, to support us in continuing to develop our approach.

2.10 In January 2026 Ofsted conducted a Children's Services Inspection which rated the Local Authority outstanding.

2.11 On 19 August 2025 the Local Government Ombudsman issued a decision in relation to a complaint brought by Ms X in relation to a case dealt with by the Adult Social Care team. Ms X complained the Council did not act when she raised concerns about Mr Y's welfare. She also complained about the Council's handling of her complaint. Ms X said the Council's actions caused distress to Mr Y, his family and Ms X. The LGO found that the Council was at fault. The LGO made several recommendations to the Council and confirmed on 1 December 2025 that it was satisfied with the Council's response.
In November 2025 the Cabinet approved the Adult Social Care improvement plan which sets out the Council's three-year transformation plan for the service focusing on 10 priority areas during the first 12-18 months. Alongside this the Chief Executive chairs a cross-party Adult Improvement Board to oversee the improvement plan. The service has also strengthened the operational governance structures within Adult social care.

2.12 The Council continues to have a Housing Improvement Board and are on track to deliver against the improvement plan. On 17th December 2025 the regulator for social housing withdrew the regulatory notice confirming that Haringey had returned to compliance and the key issues underpinning the regulatory notice had been addressed.

2.13 The Council has a statutory obligation to set a balanced budget and for 2025/26, Cabinet received a paper in February 2025 setting out the proposed General Fund Budget for 2025/26; the Medium-Term Financial Strategy (MTFS) 2025/30, and the capital programme. To set a balanced budget for 2025/26, required special permission from Government to allow the Council to use capital receipts and borrowing (referred to as Exceptional Financial Support) of £37m for its day to day running costs and supporting the borough's most vulnerable residents. While the Exceptional Financial Support is required in order for us to set a balanced budget it is not sustainable and for every £1m of borrowing for EFS in 2025/26, this incurred £62,000 of borrowing costs. This is on top of the £10m required for 2024/25 to be able to balance the budget at the year end.

2.14 In addition, Cabinet received a budget report in March 2025 for the third quarter (April to December 2024) of 2024/25 setting out the actual expenditure for the period with projected outturn for the remainder of the financial year. The report projected a year-end outturn of £37.2m forecast overspend, and as the Council has a legal requirement to deliver a balanced position each year, the report noted the authority may not have sufficient resources to cover the full forecast £37.2m overspend and reach a balanced financial position. Consequently, Cabinet was notified the authority may require use of Exceptional Financial Support from government, and that government had agreed in principle that up to £28m could be drawn down for the financial year 2024/25. Following the annual closure of accounts/ £10m was required and agreed.

2.15 Reliance on EFS is not sustainable. At the average cost of £62,000 for every £1m borrowed by Government, this places additional long term burdens on the residents of Haringey. Throughout 2025/26, spending and financial controls were in place and have been tightened through the year as in year forecasts were showing reliance on EFS could exceed the £37m agreed in principle. In February 2026, based on the 2025/26 financial forecast as at Period 7, the Council requested an increase in EFS to £54m for 2025/26 and this was subsequently approved in February 2026.

2.16 A Financial Response and Recovery Plan was agreed in April 2025. Oversight and delivery has been through the Finance Recovery Board, chaired by the Chief Executive and progress reported quarterly to Cabinet and Scrutiny. These measures include:

- Spend Control Panels for all non-essential expenditure over £1000;
- Recruitment Control Panel to provide check and challenge and approve or reject all permanent, temporary and agency recruitment;
- Improve purchasing compliance across the whole organisation within financial regulations, contract standing orders and purchasing compliance rules;
- Implementation of central gateway arrangements for capital projects, procurement and commissioning;
    - These are having an impact in reducing spending (estimated at £800,000 of rejections through the Spend Control Panel) but also shifting the culture in the organisation to one of good financial management is the responsibility of all. The final update on this Finance and Recovery Plan will be published as part of the outturn report to Cabinet on 14 July and has been replaced with the Financial Resilience Plan (see Section 2.21 below).

2.17 Although the key driver of the need for the EFS has been the demand for statutory services where costs have exceeded the available funding, it is recognised that the Council has struggled over recent years to deliver agreed savings. In 2025/26, £29.3m of savings across services and cross cutting initiatives were assumed to be delivered but only 62% were achieved, with many through other mitigations.

2.18 This issue and the Council's overall financial sustainability has now been the subject of a Statutory Recommendation from KPMG, the Council's appointed external auditor. The Council's full response will be presented to full Council on 20 July 2026 and actions have already been taken by the corporate leadership team to set in motion enhanced governance to ensure that agreed savings both from prior years and new for 2026/27 are delivered as planned.

2.19 Across the next five years, the financial position is even more challenging. In 2026/27, a balanced budget was only possible with the use of £84m of EFS. We recognise this is not sustainable and reliance on EFS continues to show an upward trajectory. The last update on the five year position was presented to Council in March 2026 and showed a cumulative deficit of £239m between 2027/28 and 2030/31 if nothing changes.

2.20 There are a number of emerging risks that are not yet factored into the MTFS position for the next five year period. These include:

- The North London Waste Authority levy – a project currently underway to replace the incinerator is likely to lead to a significant increase in the level paid by the authority from 2030/31; and
- The future level of Government funding when the current 3 year settlement expires in 2028/29.

2.21 The 2025 Fair Funding Review and three-year local government financial situation provided welcome additional grant funding from government, allowing the Council to increase its core spending power. This equates to only £25.3m over the next three years in Government grant. With growing demand and price pressures, the additional resources have made only a small dent into the scale of the challenge we face. The Council will continue to lobby and work with Government to consider the role of Local Government and the statutory services it provides but also less punitive EFS measures to support Haringey in reaching a more sustainable future.

2.22 The Council must take all the necessary action to reduce spending or increase income it remains in control of. Historically the Council has undertaken an annual budget setting cycle but with a three year Government finance settlement now in place, a medium term approach must be considered and the Council has developed its three year Financial Resilience Plan which recognises that the problem is intractable in a single year, and also that the traditional savings approaches that the Council have adopted, whilst delivering some significant efficiencies, cost reductions and new income, have not had the impact that we would have desired.

2.23 The Financial Resilience Plan will focus on eight key priority areas, mainly those which are high spending and all other services will be required to produce a Value for Money Action Plan with proposals to reduce spend and increase income that align Haringey's spending and performance in line with statistical neighbours and limiting the year on year increase in cash limits.

2.24 Spending controls already in place will continue and we will introduce a clear Section 151 Officer approval process for any department to spend beyond its cash limits, to ensure that there is a clear and agreed funding strategy before expenditure is committed and ensure that there are clear consequences for any budget holder or manager who is found to be breaching or circumnavigating any of these measures. A full update on the plan and associated delivery plans will be published as part of the Medium Term Financial Strategy to Cabinet in November 2026.

2.25 KPMG are our external auditors and as such, are required to provide an assessment of the Council's arrangements to secure value for money (VfM). In their assessment, KPMG focused on three key domains: -

- **Financial sustainability:** How we manage our resources to ensure we can continue to deliver our services;
- **Governance:** How we ensure we make informed decisions and properly and manage our risks; and

- **Improving economy, efficiency and effectiveness:** How we use information about our costs and performance to improve the way we manage and deliver our services.

2.26 From their work, KPMG identified five areas of improvement in respect of arrangements to secure VfM and noted these in their Auditor's Annual Report published in February 2026, for the 2024/25 financial year. KPMG's opinion is that the Council does not have appropriate arrangements in place to secure economy, efficiency, and effectiveness in the use of resources. Areas of concern include – Council's financial sustainability, management of commercial property, procurement arrangements and adult social care. The Council has agreed the recommendations and set ambitious targets to implement their recommendations. Their VFM risk assessment for 2025/26 will be presented to Audit Committee on 23 July 2026 and the full report published in February 2027.

2.27 At the end of March 2025, the Chief Executive concluded his consultation on the changes to the senior leadership of the organisation. The change was in part, a response to the government signalling new ways of doing things, new priorities and the challenging financial position. Following the change, the Placemaking & Housing directorate was disbanded and its services moved to other parts of the council and the senior leadership roles were renamed in order to keep the Council competitive in the recruitment and retention market.

2.28 A new directorate of Adults, Housing & Health was established, with a focus on supporting the borough's vulnerable adults and the existing Finance directorate expanded to become the Finance & Resources directorate, adding Digital & Change, Capital Projects & Property and Housing Delivery functions to its portfolio.

2.29 The following section highlights each of the seven governance principles set out in the CIPFA / SOLACE framework "Delivering Good Governance in Local Government" and the arrangements in place demonstrating how we meet the governance principles. Any gaps identified as part of the annual review will form an action plan agreed and monitored by the Statutory Officers with all actions expected to be completed by March 2027.

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law	
<u>Behaving with Integrity</u> a) The standards to which Members and Officers are expected to comply are outline here along with links to key policies which are developed in accordance with legislative requirements and good practice. [Our standards | Haringey Council] b) The Council's Member Code of Conduct is captured in the Council's constitution under Part 5 – Codes and Protocols, Part 5 Section A (Nov 2019), which requires members to declare interests; applies to Members and co-opted voting members on election or appointment. Published on the internet: [Part 5 Section A Members Code of Conduct.pdf] c) The offer of induction is provided for all new Members when they are elected on expected standards of behaviour. A comprehensive programme has been established since the election in May 2022 and again in May 2026 to on board new and re-elected members into the Council. The training programme is designed to ensure members are equipped to carry out their role on as committee members. Training on all regulatory committees is mandatory. d) The Officer Code of Conduct was reviewed in 2023, and a new version was published to staff following approval by Members. A copy of the Code is provided to all new officers on appointment and annual reminders are made of the need for employees to comply with specific requirements such as ensuring declarations of interest are formally recorded and declaring any offers of gifts or hospitality which are received. e) Haringey Values were updated in 2023 (Caring, Community-Focused, Collaborative, Creative, and Courageous). The Council ran numerous seminars for staff on what the values meant and how services should demonstrate Haringey values.	Complaints process reviewed 24/25. Review of Code planned for 2026/27 once legislation comes forward on the standards regime.

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
f) Decision-making practices for member decisions follow legal and transparency requirements. Agendas and Minutes of Cabinet and Committees and Officer decisions are recorded and published on Modern.gov. How Decisions are made and scrutinised	
g) Register of interests and gifts and hospitality for members/co-opted checked on election/appointment. Minutes show declarations of interest sought, and appropriate declarations made for each meeting.	Ensure full compliance by officers with the requirements set out.
h) Requirement for all new staff to complete Register of Interests declaration. Senior managers are required to complete a declaration every two years; officers are reminded to complete a new form as/when circumstances change. The HALO system is used to efficiently manage HR processes under a single portal. Gifts and hospitality for members are recorded with their declarations of interests and are published on the website. Our standards | Haringey Council. For 2025/26, this process has been strengthened and all senior managers will be required to review annually.	
i) Standard report format requires report authors to state how their proposal meets the corporate objectives and priorities. Report authors must also provide reasoning and evidence for proposals, so that the basis for decisions is clear and include statutory officer's advice, including legal and finance advice. The standard template for reports was refreshed in 2023/24 with updated guidance included for report authors. Regular training is provided as well.	
j) Anti-fraud and corruption strategy is in place, including the Whistle blowing policy (Oct 2024) they will be reviewed again in 2026. The Head of Audit and Risk Management reports on actions, effectiveness and outcomes (and use of the whistle blowing policy) to Audit Committee, in quarterly report and in July as part of the Annual internal Audit Report and provides awareness presentations to Senior Leadership Team. Copies of the policies are on the internet.	

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
Anti-fraud and Corruption Policy Oct 2024 k) Corporate and service specific complaints policies are in place and published on the website. Level of complaints upheld at Stage 1 and 2 is monitored and reported regularly to the Council's Senior Leadership Team. More information is being published and made easily accessible to customers. Training sessions have been developed looking at examples of best practice in responses and getting it right first time. Following comments from the Peer Review a forum has been periodically held to help with improvements in this area. In 2026, all services will be required to complete a Complaints Improvement Plan. Make a complaint | Haringey Council l) Local Code of Corporate Governance was refreshed in 2023/24 and was approved at the Full Council in July 2024. Local Code of Corporate Governance **Demonstrating strong commitment to ethical values** m) The Standards Committee, along with the Council's Monitoring Officer, establishes monitors and maintains the organisation's ethical standards and performance, reporting to full Council, as necessary. The committee deals with allegations of breaches of the Member Code and issue (or require Groups to issue) reminders/advice notes to Members where issues of conduct cause concern. The Standards Committee n) The Council incorporated the Social Value Act requirements into all procurement and contracts; including a standard clause referring to 'PREVENT' in all contracts, as well as safeguarding and health and safety. A broader review of how the authority carries out procurement activity has been completed, and changes, including the centralisation of all contracts over £25,000 has been embedded in 2025/26. A	

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
report will go to Cabinet to approve the Council's methodology of complying with Social Value Act requirements. o) A major review of all the Human Resources policies & procedures is continuous. The policies for revision undergo extensive discussion with relevant groups within the council and with trade unions before the final version is presented to Members for their approval, only when approved are policies published, and details communicated to officers. During 2024/25, HR published the Workforce Plan. p) The Council encourages external providers of services to act with integrity and in compliance with high ethical standards expected by the organisation in information sharing: **<u>Respecting the rule of law</u>** q) The Chief Executive is appointed by Full Council. Any disciplinary action or dismissal of the statutory officers is dealt with in line with legal requirements that take into account the need for them to fulfil their responsibilities in accordance with legislative and regulatory requirements. Member Committees make decisions on appointments and dismissal of Chief Officers and Deputy Chief Officers. A Statutory Officers Group meets monthly and ensures statutory compliance and is both forward and backward looking and support the organisation and Statutory Officers in fulfilling their roles. r) The Council optimises the powers available for the benefit of citizens, communities and other stakeholders. Decisions are taken, in accordance with relevant statutory requirements and the Council Constitution, by full Council, Cabinet, individual Cabinet members and officers under delegated powers. The Council Constitution is reviewed updated and published on the internet:	of completed

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
Council Constitution s) Breaches of law/financial regulations can be the subject of a report to full Council or Cabinet by the relevant statutory officer. No statutory officer reports have been required in 202526. t) Statutory officers are available at meetings of the Council/Cabinet to advise and ensure law and regulations are not breached.	
B. Ensuring openness and comprehensive stakeholder engagement	
Openness/ Implementing good practice in transparency a) The Council Publication Scheme sets out information available to view or download including under the requirements of the Transparency Code 2015. Our publication scheme | Haringey Council Member decisions are rarely taken in the private (Part 2) section of meetings. Member delegated decisions are also taken at meetings advertised and open to the public. The constitution allows for deputations and petitions and a call-in procedure for cabinet key decisions is in place. The local and statutory requirements are set out in the Council Constitution: Council Constitution	

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
b) The Council carries out consultation on a regular basis with stakeholders. It has a consultation co-ordinator and a consultation charter and toolkit on its internal website. Consultations | Haringey Council Under the Haringey Deal, the authority seeks to better understand all its communities including communities that it engages with reduced frequency. c) To ensure we are able to effectively monitor delivery of the outcomes as set out in our Corporate Delivery Plan, reporting takes place formally on a six-monthly basis (for the lifetime of the plan) and quarterly via dedicated performance sessions at our Corporate Leadership Team and via internal meetings and forums with officers and Cabinet Members. d) Formal reporting includes progress updates reported to the council's Overview and Scrutiny Committee for more in-depth consideration. Briefings for Scrutiny Panel Members are arranged ahead of formal meetings and training is provided to encourage understanding of performance issues and risks. Browse meetings - Overview and Scrutiny Committee | Haringey Council e) In 2022/23 we established a framework for monitoring progress against commitments and intermediate outcomes as set out in our Corporate Delivery Plan (CDP). The framework brings together activity and monitors progress towards the achievement of intermediate outcomes with metrics and commentary on all commitments in the CDP including Manifesto pledges.	Project Pathway was implemented in 2025/26 and is currently being rolled out but is not yet fully utilised by all services and fully embedded so this work will continue and complete in 2026/27. 2025/26 was the final year of the current CDP and plans are in place to develop the new CDP with the new administration for

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
The framework is not solely based on Performance Indicators so gives a broader picture of change and progress towards achieving our objectives. Updates include metrics and a rating on Direction of Travel. [The Corporate Delivery Plan 2024-2026] Previously the Council used Monday.com" as a tool for tracking progress and progress is captured and reported on a quarterly basis with dynamic links and Dashboards so progress can be actively monitored. This has now been replaced with Project Pathway. As part of the early warning and risk analysis Directors also produce a summary of highlights and areas for focus each quarter and these are shared as part of the published papers. The Council has a robust performance management approach reviewing our approach to monitoring whereby we have established a single performance framework. f) Documentation demonstrating compliance with the governance principles Identified gaps in compliance, or further action required and covers key performance indicators, capital delivery, savings programme delivery and transformation programme delivery as part of the Council's corporate planning, financial planning and capital programme frameworks. Members are briefed on performance across all these workstreams so that they get a holistic view of progress, and we ensure consistency of reporting and aligned governance arrangements as part of the Cabinet Accountability Model. Our Leader is the Cabinet Member responsible for the CDP and performance so there is clear leadership and accountability. In addition to the local arrangements that are in place to monitor the delivery of the Corporate Delivery Plan, new arrangements have been introduced by central Government in the form of an Office for Local Government (OfLOG). The stated purpose of OfLOG is "to provide authoritative and accessible data and analysis about	publication in the Autumn, reflecting updated priorities, actions and performance measures, including the Local Outcomes Framework..

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
the performance of local government and support its improvement.” The data can be viewed at Home - Local Authority Data Explorer - GOV.UK . A report updating on the OfLOG metrics, and any associated risks or early warning flags is discussed at Corporate Leadership Team on a periodic basis to reflect on what the comparator data is telling us. **<u>Engaging comprehensively with institutional stakeholders</u>** g) Formal and informal partnerships allow for resources to be used more efficiently, and outcomes achieved more effectively; key partnerships include the Haringey Safeguarding Children Partnership, Safeguarding Adults Board (SAB), Multi-Agency Risk Assessment Conference (MARAC) and the Community Safety Partnership (CSP). Agendas and minutes for the CSP are published on the website: http://www.minutes.haringey.gov.uk/ieListMeetings.aspx?CId=444&Year=0 h) Resident engagement also occurs in formal consultation and engagement processes during 2025/26 this has included extensive community engagement via Wood Green Voices: Wood Green Voices | Haringey Council, and Tottenham Voices Tottenham Voices | Haringey Council and in relation to key strategies including the Parks and Green Spaces Strategy and Community Safety Strategy. i) The Haringey Engagement Hub which is developing into a ‘one stop shop’ for all engagement and consultation opportunities. Have Your Say Today - Haringey Engagement Hub - Commonplace	
C. Defining outcomes in terms of sustainable economic, social, and environmental benefits; and **D. Determining the actions necessary to optimise the achievement of the intended outcomes**	
<u>Defining actions/outcomes and sustainable economic, social and environmental benefits</u>	

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
a) The Borough Vision and Corporate Delivery Plan sets out how the Council will work with partners and with communities to improve the borough and make Haringey a more successful place. The plan has eight themes, each under-pinned by a series of ambitious targets. It considers and balances the economic, social and environmental impact of policies, plans and decisions. The Plan includes a challenging set of performance measures. Documentation demonstrating compliance with the governance principles Identified gaps in compliance, or further action required. b) Programme planning and management require focus on outcomes and benefits identification and tracking as part of project implementation. There is a clear and consistent approach to the reporting of outcomes, benefits, risks and issues. In 2024, an updated plan was published on the website and recently refreshed to reflect the manifesto priorities of the administration at that time: Ambitious new vision for Haringey | Haringey Council The Council Plan is now subject to review to reflect the priorities of the administration following the local elections in May 2026. c) The Council publishes updates on its website to show how the Council and partners are achieving against specified outcomes and activity including metrics where applicable every six months. https://www.minutes.haringey.gov.uk/ieListDocuments.aspx?CId=128&MID=10689#AI77431 Agenda for Overview and Scrutiny Committee on Thursday, 27th March, 2025, 7.00 pm | Haringey Council d) The intermediate outcomes specify the intended impact on service users, residents and other stakeholders. Effective performance monitoring of the Council's progress towards achieving the outcomes in the Corporate Delivery Plan is fundamental to understanding impact and as such provides a means to measure progress on what we are delivering against what we said we would do i.e. The change we expect to see over the 18-month period of the strategic plan. e) The Council has an agreed Medium-Term Financial Strategy (MTFS). These set out how the Council will deliver the corporate plan taking into account the full cost of operations and within available resources, balancing service priorities, and ensure its workforce has the right skills to enable it to achieve the agreed outcomes. Regular reports are provided to the Cabinet: 2025.26Budget and 2025.30MTFFS ver1.0.pdf. The most recent MTFS was agreed by full Council in March 2026 Annex 1 -10 February 26 Cabinet _ 2026.27Budget and	The Council's financial position has deteriorated over the last 12months. Increased demand pressures in social care and temporary accommodation means that closing the accounts in 2024/25 required £10m of Exceptional Financial

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
2026.31MTFFS ver2.0 10022026 Cabinet.pdf and Annex 2. Summary of General Fund Revenue 2026.27 Budget and Medium Term Financial Plan 2030.2031.pdf f) Robust planning and control cycles cover strategic and operational plans, priorities and targets. An internal process provides regular monitoring and scrutiny of the Corporate Delivery Plan and resources applied. Performance against objectives and outcomes is published on the website as part of papers for Cabinet and also accessible in viewable. Documentation demonstrating compliance with the governance principles identified gaps in compliance, or further action required dashboards from our web-based project and programme management tool: Corporate Delivery Plan (monday.com) 2025/26 was the final year of the current CDP and the final closure report was presented to Cabinet in March 2026 CDP March 2026 g) A five-year capital programme was approved by Full Council on 11 February 2025, which sets out the Council's longer-term investment requirements linked to policy objectives, updates are provided to Cabinet annually at the February meeting: 025.26Budget and 2025.30MTFFS ver1.0.pdf During 2025/26, the Council introduced a new framework for developing and managing the Capital Programme and developed its Capital Strategy to one of best practice. Full details are here Capital Strategy and was adopted by Council in March 2026. **Determining actions and optimising achievement of intended outcomes** h) The Council includes requirements to enhance social value in contracts. For example, construction projects over £1m in value must include an apprenticeship scheme, and where possible, employers are encouraged to pay the London Living Wage. i) High value procurements include a significant weighting in the 'social value' section and, where applicable, requirements as to the use of community assets.	Support (EFS) and £37m was agreed in principle for 2025/26 to enable a balanced budget to be set in March 2025. A response and recovery plan was agreed in April 2025 to reduce spending and the reliance on EFS and improve the culture across the organisation of good financial management being everyone's responsibility. The plan covers all aspects of improvement needed across financial planning, monitoring, reporting and compliance and is based on recommendations from internal and external audit, financial resilience exercise and the compliance with the Financial Management Code. Progress has been reported quarterly to Cabinet and Overview and Scrutiny Committee and the final update report will be to Cabinet on 14 July Agenda for Cabinet on Tuesday, 14th July, 2026, 6.30 pm | Haringey Council This plan has now been replaced with the Financial Resilience Plan The Financial Resilience Plan will focus on eight key priority areas, mainly those which are high spending and all other services will be required to produce a Value for Money Action Plan with proposals to reduce spend and increase income that align Haringey's spending and performance in line with statistical neighbours and limiting the year on year increase in cash limits. Full details will be published as part of our next Medium Term Financial Strategy in Autumn and this will include clear delivery plans to improve the financial position. Spending controls that were introduced in 2025/26 will continue into 2026/27.

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
E. Developing the entity's capacity, including the capability of its leadership and the individuals within it	
<u>Developing the entity's capacity</u> a) The Council's Workforce Development Strategy aims to create a better place to work and to ensure the Council has the right people in the right places with the appropriate skills to deliver the Council's priorities. The plan is published on the website: haringey_workforce_strategy.pdf. During 2023/24 the Council reviewed this strategy, and on 18 June 2024, Cabinet approved the refreshed strategy and accompanying action plan. There is a clear focus on Directorate-led workforce planning, supported by the Council's corporate services, in the new strategy. b) Workforce expectations also form a clear part of contracting and commissioning processes, as our workforce is not limited to employed staff, including complying with minimum and London Living Wage requirements. **<u>Developing the capability of the entity's leadership and other individuals</u>** The Council Constitution specifies the types of decisions that is delegated and those reserved for the collective decision making of the full Council or Cabinet. Council Constitution c) The Council's Constitution sets out the leader and chief executive roles to ensure the respective responsibilities are defined in accordance with decision-making accountabilities. These comply with relevant statutory requirements. It also includes the general scheme of	Following the change in the structure of the senior leadership, ensure all Council policies and strategies (such as scheme of delegation) that facilitate its operations are up to date and reflect the new structure.

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
delegation. Each service area also has a service area scheme of authorisation for officers, currently published on the intranet. d) Members who sit on Committees are provided with training specific to their responsibilities for these committees. Training sessions have commenced for member for planning, licensing, audit, finance, pensions and treasury following the local elections in May 2026. e) The Council provides a programme of training for all members, and members have access to the Council's corporate training and development programme, which is published on the internal website. f) The Council rolled out 'My Conversation', a performance management process, to all staff, which focuses on personal and organisational development and performance; the General Purposes Committee receives regular reports on people management issues in line with the Workforce Plan objectives. Guidance and templates for all staff are published on the internal website. A review was undertaken to refresh the current performance management process in line with best practice and the Council's new organisational values, which rolled out in 2023. g) The Council's Workforce Development Strategy aims to create a better place to work. The update Strategy was launched in 2024. The Council's corporate Health, Safety and Wellbeing Board monitors all key aspects of statutory and local requirements and has an action plan in place to address any identified gaps in compliance. Health and Wellbeing Fairs have been run to promote employee health. and there is a dedicated suite of pages on the Council's intranet site focussed on all aspects of employee wellbeing. h) The Council ran a comprehensive staff survey in late 2023, with the results being disseminated in 2024 and an action plan will be developed. i) A wide-ranging management and leadership development programme has been rolled out in 2024, to increase the capability and capacity of all people managers within the organisation, along with a complete refresh of mandatory training, which is required to be completed by all employees. This includes a specific module of financial management	Directors to ensure completion of the My Conversation process by all officers and managers as a matter of course. The External Audit Annual Report January 2025 encouraged the Council to consider the Workforce Strategy due to high reliance on Agency Workers and that the 'time to hire' metric should be monitored. The protocol will be refreshed during 2026/27.

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
The Council has protocols in place which govern how the operational and working relationships between officers and members are managed and forms part of the Constitution: [Council Constitution] j) The Council reviews operations, performance and use of assets on a regular basis to ensure their continuing effectiveness; the Delivery Plan highlights key performance objectives, targets and outcomes, which are monitored and reported via the Council website. The performance reporting also compares current performance with statistical neighbours, London and England averages in most cases: [Data and finance | Haringey Council]	
F. Managing risks and performance through robust internal control and strong public financial management; and **G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability**	
Managing risk a) The Council has a Corporate Risk Management Policy and Strategy in place; it was reviewed and approved by the Audit Committee in Oct 2024 and is reviewed annually. Updates on risk management are presented to Audit Committee each quarter and from 2026/27 will be included in the quarterly reports to Cabinet. A project to strengthen risk management and embed the strategy commenced and has started to be embedded in 2025/26 and will continue into 2026/27. Risk Management is embedded through a variety of processes and procedures, management teams, groups and boards across the organisation and is central to activities, including business planning and project management processes. Zurich Municipal have supported the risk management project as part of their role as the Council's insurers with some specific targeted workshops has been developed to capture directorate and corporate risk registers alongside the other risk and performance information held by the Council. Investment into Corporate Risk Management activity and a technological solution to support achievement of objectives was procured in 2023/24 but in 2026/27 a priority needs to be for all services to be utilising. https://www.minutes.haringey.gov.uk/ieListDocuments.aspx?CId=730&MId=9449&Ver=4	Continue to embed risk management principles. Over the year, Zurich Municipal have supported arrangements for embed risk management by running corporate and directorate risk workshops and with advice on managing appropriate risk registers. Embed technology to support the framework and process in 2026/27.

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
b) The Council's key risks are managed via corporate risk and directorate risk registers. Responsibility for individual risks and issues identified is clearly set out in risk registers. Internal audit reviews of key risks are undertaken as part of the annual audit programme. Performance objectives and outcomes are reported on the website: Data and finance | Haringey Council. The corporate risk register was reported to the Audit Committee most recently in March 2026 Corporate cttee - audit.	
c) Haringey's business continuity planning is based on risk assessment and business impact analysis. Each service area produces a business continuity plan which is updated twice a year. Service continuity plans are incorporated into the Council-wide Business Continuity Plan. The resilience of the Council's digital infrastructure is central to these plans. A Corporate Resilience and Emergency Planning Board, chaired by the Corporate Director of Finance and Resources meets quarterly to ensure risks and issues are collectively understood and response is collaborative; the Board reflects on incidents to ensure learning from experience. Proactive exercises are undertaken to test arrangements for the Council or as part of a wider exercise in the Borough/London. More information on business continuity and emergency planning is available at: Major emergencies | Haringey Council	The nature of Business Continuity means that Business Continuity arrangements will be under regular review and this will continue into 2026/27 and any changes reported to the Council's Audit Committee for scrutiny.
d) Extensive work took place in 2025/26 to review policies and procedures, and the updated Business Continuity Plan presented to Cabinet on 16 September 2025 Business Continuity Policy report.pdf. These take account for changes in guidance and requirements (including recommendations from the Grenfell enquiry) as well as any lessons learnt from local and regional incidents. Service specific workshops have been undertaken and further planned to work through scenario planning of emergency situations to ensure plans in place are robust in practice. These workshops will continue in 2026/27. The Corporate Director and Head of Emergency Planning attends the NCL Emergency Planning Group to share experience and learn from others to consider as part of our own arrangements.	
Managing performance	

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
e) The Council monitors service delivery effectively including planning, specification, execution and independent post implementation review which is set out in the Delivery Plan and outcome priorities: The Corporate Delivery Plan | Haringey Council f) Overview and Scrutiny takes a detailed look at the Council's decisions and policies and works to promote open decision making and democratic accountability in Haringey by holding the Cabinet to account; developing and reviewing policy in an inclusive cross-party manner that involves local communities and other interested parties, reviewing the performance of the Council and scrutinising local services not provided by the Council, such as health services. Overview and Scrutiny Committee also reviews performance on a quarterly basis and individual Scrutiny Panels consider performance with reference to their reviews. The reports and recommendations are discussed and responded to by the Cabinet and published on the Council's website: Browse meetings - Overview and Scrutiny Committee | Haringey Council **Strong public financial management and robust internal control** g) The Medium-Term Financial Strategy (MTFS) outlines the overall financial strategy for achieving the Council's priorities. The MTFS identified savings required to deliver a balanced budget position each year. Each Departmental Management Team (DMT) considers finance and budgets at least every quarter and monthly for high risk budgets. Transformation and delivery of outcomes are aligned to achieving savings and remaining within budget limits; the performance outcomes are reported on the website. h) The Council's financial management is based on a framework of regular management information and review to inform managers and members of the current budget position. Managers submit monthly budget forecasts which is reviewed by the Corporate Leadership Team and the Cabinet receives quarterly budget management information. i) The Council operates a 'zero tolerance' approach to fraud, bribery and corruption. The anti-fraud, bribery and corruption policy and strategy was reviewed in 2024 and includes appendices specifically relating to money laundering and terrorist financing and a	Re-assess the Council's financial management arrangements against CIPFA's Financial Management Code (FM Code), which provides guidance for good and sustainable financial management in local authorities.

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
whistleblowing which form part of the overall governance framework to tackle fraud. The policies are published on the Council website and regular articles on how to report fraud and successful outcomes are published. A fraud risk assessment is undertaken annually to help determine the prioritise and the work plan for the year. In 2024/25, the Council investigated Housing fraud and 42 properties were recovered and 49 potentially fraudulent Right to Buy applications were prevented. The Council prosecuted three blue badge fraud cases. Referrals made using the whistle blowing policy and all internal cases were reviewed and investigated, in line with our policy and fraud outcomes are reported to the Audit Committee, copies of the reports are on the website. Browse meetings - Audit Committee | Haringey Council	
j) The Council's Head of Internal Audit produces an Annual Report including a Head of Internal Audit Opinion which is presented to Statutory Officers and Corporate Leadership Team and formally presented to Audit Committee in July every year. The Annual Report is a key document used as part of our annual review of governance. k) KPMG were appointed as the Council's external auditors from 2023/24. During 2024/25 the outgoing external auditor completed the outstanding audits, which were presented to Audit Committee in December 2024. KPMG completed their work for the 2024/25 financial year and presented to Audit Committee on in January 2026. l) Regular internal and external audit reviews check compliance with financial and contract procedure rules across the Council and the outcomes of these are reported to the Audit Committee on a quarterly basis. Most high priority recommendations, excluding those covering schools' audits, made by internal audit were found to be implemented when follow up audits were undertaken. The Audit Committee fulfilled its terms of reference in relation to audit functions. This Committee's terms of reference are in line with the CIPFA guidance and conforms with CIPFA's application note. Details of the Committee can be found at Browse meetings - Audit Committee | Haringey Council m) The Council's internal control arrangements are subject to annual self-assessment by the Head of Audit and Risk Management; any gaps in compliance with mandatory standards are included in the statutory annual Head of Audit report. In line with the Public Sector Internal Audit Standards, a peer review was commissioned and reported the Internal Audit Service was fully compliant with the standards Final Report for the external assessment of the internal audit function (haringey.gov.uk)	

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
<u>Managing data</u> n) The Council has policies dealing with various aspects of data management including security and data protection; Freedom of Information Act; information asset registers; and general records management. These and supporting guidance are all published on the intranet. Data quality policy is published on the website: Haringey Council Electronic records management policy **<u>Implementing good practices in reporting</u>** o) We produce an annual report to accompany its statement of accounts; for 2024/25, we received a (disclaimer) qualified opinion from the external auditor. This means that while the auditors believe the financial statements generally present a true and fair view, there were certain matters where they were unable to obtain sufficient and appropriate audit evidence. The auditors also raised a number of recommendations following their review of the Council's arrangements for delivering value for money. https://www.minutes.haringey.gov.uk/documents/s149588/Haringey%20Draft%20AAR%20AC.pdf p) The Council's Annual Governance Statement (AGS) is produced in accordance with required guidance and included in the statement of accounts; the AGS is reviewed by the Statutory Officers Group and the Audit Committee to ensure that any gaps in assurance or compliance issues are identified and addressed. In 2025/26 there was a formal follow up presented to Audit Committee to communicate the progress with the action plans. Significant issues reported are being addressed but most will remain in 2025/26 and possible 2026/27. q) As part of the Delivery Plan, Corporate Directors are responsible for delivering the activity against specific milestones with a responsible manager and Lead Member allocated as owners for each outcome as specified in the Corporate Delivery Plan (CDP). Outcomes, activity, and performance on delivery against the 188 lines of activity and milestones as set out in the CDP. The last performance update report to Cabinet was on 12th March 2026 and	

Documentation demonstrating compliance with the governance principles	Identified gaps in compliance, or further action required
papers can be found here: Corporate Delivery Plan Performance Update-Quarter 3 Cabinet 10_03_26Final.pdf **<u>Assurance and effective accountability</u>** r) Internal and external audit provide assurance on the Council's system of internal control to support the Section 151 officer requirements, including reporting compliance with financial and contract procedure rules across the Council. The outcomes of internal audits were reported to Audit Committee on a quarterly basis. All outstanding recommendations were reported to each meeting; a focus is maintained on ensuring all high priority recommendations are implemented. All outstanding recommendation continue to be monitored. s) The Head of Audit and Risk Management and the internal audit service fully complied with the requirements of the mandatory UK Public Sector Internal Audit Standards, as evidenced by peer review and self-assessment. Access to officers, members and information is provided by the Constitution.	

3. Significant governance issues

3.1 Following our review of governance in 2024/25, we identified some key areas where work would be undertaken in 2025/26 to ensure governance arrangements were in place and effective. An action plan was drawn up and progress as at 31 January was reported to the Audit Committee in March 2026, this is set out below. All of these issues continue and will continue to be reported and monitored in 2026/27.

Issue & Agreed Action/ Deadline	Progress update (as at January 2026)

We need to ensure we deliver savings identified in our Medium-Term Financial Strategy (MTFS) to manage within our financial means and embed change in following transformation of our services, including schools. (This may need to be strengthen depending upon the financial outturn / future financial projections).
 	
Corporate Director of Finance and Resources (s151)
 	
March 2026
	The Council's Financial Recovery Plan has been in place since April 2025) based on the Council's current financial position, recommendations from the CIPFA resilience review and work by an external consultant in Autumn 2024. The focus of the plan was to eliminate the Council's reliance on EFS for 2026/27 onwards and move towards financial sustainability in the short to medium term. Progress has been reported quarterly to Cabinet and Overview and Scrutiny Committee and latest update will be to Cabinet on 14 July Appendix 10 - Finance Response and Recovery Plan.pdf
	
	Given the deteriorating financial position and the reliance on £84m of EFS in 2026/27, this plan is now subject to review with a focus on reducing reliance on EFS and improving financial resilience over the next three years and this will be presented in full as part of the next MTFS published in the Autumn (see further details below). Specific actions in 2025/26 included:
	
	• Continuing with the emergency governance and oversight arrangements that are established within the organisation, through the Finance Recovery Board and Cabinet Recovery Board;
	• Further strengthening the spend control mechanisms that are already in place across the organisation in order to further drive a consistent commitment to value for money, namely:
	    ➢ Spend control panel (and continue to review thresholds)
	    ➢ Recruitment Panel - agency and permanent recruitment restrictions on non-essential roles.
	    ➢ Single point of governance for all of the capital programme (Strategic Capital Board)
	    ➢ Single point of governance for all commissioning and procurements over £160,000 (Commissioning Panel and Board)
	    ➢ All reports which involved spending over £25,000 to be reviewed by the Section 151 Officer.
	• A strong focus has been on delivering the £30m of savings already contained within the 2025/26 budget but this is still an area for improvement with the end of year position showing

Issue & Agreed Action/ Deadline	Progress update (as at January 2026)
	only 62% has been delivered at the year end and many through mitigations rather than the original changes planned. Improvements have already been made in estimating current and future service pressures with much greater use of non-financial trend data, scenario planning and estimates for risks and uncertainties. There has resulted in some improvement in forecasting but with forecasting variations month on month being less volatile but this good practice is not consistent across all services. In 2026/27 corporate contingency was increased to £25m to recognise the uncertainty in demand led services. A significant proportion of the audit plan for 2025/26 has been focused on this corporate risk area and outcomes will be shared with Audit Committee as part of the routine cycle of reporting. In January 2026 KPMG presented their Annual Report to the Audit Committee and Value for Money Report and the Council has since received a Statutory Recommendation which the Council will respond to at Full Council on 20 July and ongoing reporting to Audit Committee. Both the VFM report and the Statutory Recommendation contains recommendations relating to financial sustainability and the VFM report on procurement, commercial property and adult social care. These have been accepted by management and full responses on progress are highlighted in the next section.
We need to continue to embed the planned improvements across strategic and operational Asset Management which include fully embedding robust management of our operational and Commercial Properties because audit work continues to conclude that systems and controls are inadequate. Corporate Director of Finance and Resources (s151) March 2026	Good progress continues on the SAMPIP, as highlighted by four of the ten original objectives of the SAMPIP being closed out and delivered, and the remaining six being progressed against the action plan. Our next key milestone is June 2026 for the next annual report to Cabinet on the SAMPIP and operational asset reviews being completed. Income from the commercial portfolio is over £1m higher than the same period last year with full delivery of the improvement plan remaining 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. The Council's disposal policy, taken to cabinet in June 2025 and associated list, identified sites that were surplus to the Council's requirements, following their assessment through the council property review process, which is contained within the SAMPIP. These robust processes highlight a continued improvement in the management of our strategic and operational properties. Progress against this disposal list is managed through the Council's Disposal Board. An internal audit review was carried out in year and arrangements were given 'adequate' assurance.

Issue & Agreed Action/ Deadline	Progress update (as at January 2026)
Following our self-referral to regulator we continue with our Housing Improvement Programme to deliver improvements in the delivery of our housing service and implement recommendations to address weaknesses in our management systems, including Health and Safety risks in Council owned residential properties that deliver improvements to housing for tenants and meets the requirements of the Social Housing Regulator including safe housing. Corporate Director Adults, Housing and Health March 2026	There has been good progress against the action plan developed in response to the mock inspection with monitoring by the Housing Improvement Board continuing to date to ensure oversight. HQN have since been commissioned to carry out an assessment of the actions within the plan against their recommendations from the mock inspection and the evidence against completed actions to provide assurance. Their findings following their assessment in October 2025 have indicated that we have a robust framework in place to identify, implement and monitor actions to meet the HQN recommendations and that significant, positive progress has been made in delivering the improvements identified by HQN. Since June 2025, 83% of the 213 actions included within the Housing Improvement Programme are now complete showing steady progress. Our improvement progress and performance across Housing Services continues to be regularly overseen by a variety of boards and panels, such as the Housing, Planning and Development Scrutiny Panel, the Housing Improvement Board, internal Housing governance boards, and our Resident Voice Board. The Council has continued to provide externally assured updates on compliance, where the Council's latest Housing Annual Compliance Statement was presented to Cabinet on 11 November 2025 which included a summary of the results of the Council's auditors Mazars' audit of the service's reporting against the 'big six' compliance indicators - gas, electric, fire safety, asbestos, legionella and lifts for March 2025 data. This continues to provide Cabinet and council tenants and leaseholders with the assurance and confidence that the Housing Service's arrangements for monitoring the 'big six' compliance areas are robust and are subject to ongoing review and improvement. The data continues to show consistently good performance against the 'big six' health and safety indicators. Work to deliver the Building Safety Strategy 2024-28 continues and a review of the Strategy is to commence in 2026 in line with our strategy review commitments. Our Building Safety Managers are allocated specific buildings for them to ensure safe standards are maintained and we are also continuing to collate and submit safety cases for each high-rise building upon request by the Building Safety Regulator. In addition, the Building Safety Managers are a key point of contact for our residents, and they work to ensure our residents understand how they can be involved in decision making about the safety of their homes. This is a vital part of how we engage with our residents as set out in our Building Specific Resident Engagement Strategies. To enhance resident information regarding safety and in line with Regulatory requirements we are installing Building Safety Specific

Issue & Agreed Action/ Deadline	Progress update (as at January 2026)
	notice boards in high-rise buildings which will provide key information, updates, and advice for residents. We are also developing a permit to work system for the buildings to ensure that on-going repairs and maintenance activities do not undermine or deteriorate the fire and structural safety systems within the buildings. The procurement of four new Partnering Contracts to deliver £560m work over 10.5 years has been completed, with the revised Contract Award report approved in October 2025, subject to Section 20 consultation, which was completed in December 2025 with final approval in January 2026. This is following original approval by Cabinet in June 2025. Following mobilisation, go live is expected in April 2026. This is a key factor to support the achievement of 100% decency by 2028 in line the asset management strategy agreed by Cabinet in 2023. Following our self-referral to the Regulator and delivering against the Housing Improvement Programme and the Housing Inspection Action Plan, Housing Services is in a much-improved position and is able to provide assurance to Council tenants and leaseholders. Due to the sustained improvement, the Council recently requested the removal of the Regulatory Notice. The Regulator of Social Housing has since confirmed they have lifted the Regulatory Notice as of 17 December 2025 recognising the improvements that have been delivered and the requirements that have been met. On this basis there is no longer a significant governance issue and performance, and compliance will continue to be monitored through the corporate risk register and existing governance structures as outlined in this update.
Due to the high levels of FOI, SARs that are not completed in time and feedback from Ombudsman we need to continue to strengthen our information governance arrangements. Corporate Director Culture Strategy Communications March 2026	Performance continues to be discussed and monitored at the Cross Council Information Governance Board the role of which was strengthened in 2025/26. Performance reports are presented to the Corporate Leadership Team quarterly. Any feedback from the Ombudsman is also discussed with Senior Management and actions tracked. The ICO did a return visit in June to review action plan implementation and they were satisfied with progress and have closed the audit. Phase 2 implementation of the new system (Infreemation) for managing information rights requests went live on 1 December 2025 and services now have direct access to case manage their assigned requests. The feedback from the services has been generally very positive. The focus for Q4 will be on improving reporting from the system.

Issue & Agreed Action/ Deadline	Progress update (as at January 2026)
The range of skills and experience required to fulfil our duties has become increasingly challenging over time, particularly within some professions. The Council needs to have a high-performing workforce that delivers great services by attracting, developing, and retaining talent that delivers quality public services whilst making the best possible use of public money. Corporate Director Culture Strategy Communications March 2026	Workforce Strategy Action Plan is in delivery. A small number of Directorate Workforce Action Plans have been completed. Work on this has now been paused to allow Directors to focus on the immediate financial crisis. Human Resources are delivering sessions to Heads of Service on people management, restructures and making financial savings in order to support the immediate drive to reduce spending. Focussed work is taking place with Directorate Management Teams on key HR areas such as managing and reducing the cost of sickness, performance management and accuracy of establishment data. Mandatory and Leadership training has now been insourced and feedback is positive. Agency spend has decreased substantially and there has been an increase in the permanent workforce. Regular updates are presented to the General Purposes Committee. There has been considerable focus on reducing agency spend. There is a process for Statutory Officers to consider approving market supplements in areas where this is necessary, affordable and appropriate in the context of the wider workforce.
The Council has recognised weaknesses with regards procurement and contract management arrangements. Corporate Director of Finance and Resources (s151) March 2026	The Council has strengthened its procurement and commissioning framework to ensure compliance, mitigate fraud risk, and deliver value for money. A revised operating model and staffing structure now require all contract re-tenders above £25k to be managed by the Strategic Procurement Team. **Compliance and Governance** • **Contract Standing Orders** have been updated to align with the Procurement Act 2023 and enhance oversight of procurement and contract management. Full Council approved these changes. • Governance improvements include: ➢ **Spend Control Panel** for all expenditure above £1,000. ➢ Transition from the Procurement Board to a **Commissioning Board**, responsible for: ▪ Monitoring commissioning modernisation programme implementation. ▪ Reviewing procurements over £500k.

Issue & Agreed Action/ Deadline	Progress update (as at January 2026)
	▪ Escalating issues from commissioning panel and procurement. ▪ Ensuring compliance across commissioning, procurement, and contract management. ➢ Introduction of a Commissioning Panel to review procurements above £160k (to be extended to £25k+), ensuring alignment with commissioning and procurement strategies and essential needs. ➢ **Commissioning Modernisation Programme** Endorsed by the Corporate Leadership Team, the programme comprises two workstreams: ➢ **Contract Reviews –** Led by the Chief Procurement Officer, focusing on targeted reviews and refreshed category strategies to deliver £9m savings over three years. ➢ **Commissioning & Practice** – Led by the AD Commissioning & Programmes, embedding best practice through five sub-workstreams: ▪ Digital and data analytics. ▪ Commissioning framework, policies, and tools. ▪ Procurement pipeline review. ▪ Contract management and quality assurance toolkit. ▪ Service redesign based on needs analysis. A comprehensive training programme supports these initiatives. **Technology and Risk** The Council remains compliant with the Procurement Act 2023. However, notification processes remain manual pending implementation of a new e-procurement solution via the ERP programme. Delays in technology rollout may temporarily impact some controls. Regular updates on procurement risk and control are provided to Audit Committee, reflecting historic limited assurance findings. Work continues on new category strategies, revised procurement procedures, and an updated contract management toolkit aligned with government best practice. **Internal Audit** Audit work re contracts and procurement has been included in the 2025/26 audit plan and outcomes will be reported to members via the routine reporting cycle.

3.2 We have identified the following significant governance issues during 2025/26 and reiterated those identified in prior years that remain open for monitoring. It is proposed over the coming year to take steps to address the governance issues in these areas and these are set out in the action plan below. The action plan will be monitored during the year to ensure all issues are appropriately addressed.

Issue	Action	Responsibility	Due date
We need to improve our financial sustainability by reducing our reliance on Exceptional Financial Support and identifying and delivering savings to balance our budgets.	Across the next five years, the financial position is even more challenging. In 2026/27, a balanced budget was only possible with the use of £84m of EFS. This is not sustainable and reliance on EFS continues to show an upward trajectory. The last update on the five year position was presented to Council in March 2026 and showed a cumulative deficit of £239m between 2027/28 and 2030/31 if nothing changes. The Council is taking all the necessary action to reduce spending or increase income it remains in control of. Historically the Council has undertaken an annual budget setting cycle but with a three year Government finance settlement now in place, a medium term approach is in place and the Council has developed its three year Financial Resilience Plan which recognises that the problem is intractable in a single year. The Financial Resilience Plan (which replaces the Financial Response and Recovery Plan) will focus on eight key priority areas, mainly those which are high spending and all other services will be required to produce a Value for Money Action Plan with proposals to reduce spend and increase income that align Haringey's spending and performance in line with statistical neighbours and limiting the year on year increase in cash limits. Spending controls already in place will continue and we will introduce a clear Section 151 Officer approval process for any department to spend beyond its cash limits, to ensure that there is a clear and agreed funding strategy before expenditure is committed and ensure that there are clear consequences for any budget holder or manager who is found to be breaching or circumnavigating any of these measures, through utilising appropriate HR processes. A full update on the Financial Sustainability and associated delivery plans will be published as part of the Medium Term Financial Strategy to Cabinet in November 2026.	Corporate Director of Finance and Resources (s151)	March 2027

Issue	Action	Responsibility	Due date
We need to continue to embed the planned improvements across strategic and operational Asset Management which include fully embedding robust management of our operational and Commercial Properties because audit work continues to conclude that systems and controls are inadequate.	Delivery of the actions within the SAMPIP will continue in 2026/27 and our next key milestone is June 2026 for the next annual report to Cabinet on the SAMPIP. A review of all operational assets is underway with an aim of reviewing service need and consolidating services to reduce surplus space and where assets are retained to maximise use and commercial benefits. The outcome of this review will be reported later in the year. Income from the commercial portfolio is over £1m higher than the same period last year with full delivery of the improvement plan remaining 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.	Corporate Director of Finance and Resources (s151)	March 2027
We need to continue our work on the Housing Improvement Programme to deliver improvements in the delivery of our housing service and implement recommendations to address weaknesses in our management systems, including repairs and maintenance, voids management health and safety risks in Council owned residential properties that deliver improvements to housing for tenants and meets the requirements of the Social Housing Regulator including safe housing.	The Housing Improvement Programme is currently at 92% completion, with progress continuing to be overseen by our framework of internal boards and our cross-party member-led Housing Improvement Board. In addition, these boards also oversee progress against our Housing Inspection Improvement Plan, which was introduced following our mock inspection in October 2024 with recommendations made by HQN. We are currently undergoing inspection by the Regulator of Social Housing as part of their new cyclical regulation programme introduced in April 2024. We anticipate that we will move into a Phase 2 of improvement based on the outcomes of the Regulator's assessment against the Consumer Standards which will likely be in Q3 of 25/26. The Housing Service has launched a comprehensive review of the end-to-end voids process, establishing a new strategic voids working group in February 2026 to oversee this. Whilst they oversee this review, actions have already been identified and implemented to improve our approach to voids.	Corporate Director Adults, Housing and Health	March 2027

Issue	Action	Responsibility	Due date
	Our Building Safety Strategy 2024-28 was approved by Cabinet in July 2024 and details how the Council ensures that buildings within the scope of the Building Safety Act 2022 were effectively managed and safe. This was part of the Housing Improvement Plan, tackling repairs, fireproofing, insulation, security and other renovations and went beyond what is required by the government. The Building Safety Strategy was created with residents and residents' involvement in future decisions remains a core objective. The Council's Housing Annual Compliance Statement was presented to Cabinet on 11 November 2025 which included a summary of the results of the Council's auditors Mazars' audit of the service's reporting against the 'big six' compliance indicators - gas, electric, fire safety, asbestos, legionella and lifts for March 2025 data. The purpose of the report was to provide Cabinet and council tenants and leaseholders with the assurance and confidence that the Housing Service's arrangements for monitoring the 'big six' compliance areas are robust and are subject to ongoing review and improvement. The data shows consistently good performance against the 'big six' health and safety indicators and we anticipate that we will continue to maintain and build on this position. The procurement of four new Partnering Contracts to deliver £570m work over 10 years has been completed following original approval by Cabinet in June 2025. This will increase our capacity to deliver the required investment in our homes from August 2026, and is a key factor to support the achievement of 100% decency by 2028 in line the asset management strategy agreed by Cabinet in 2023. This will also help support the condition of our stock and alleviate pressures on repairs, voids, and building safety long-term. The service has exceeded the target of 987 homes to be made decent by 31 March 2026, where 1,006 homes have been made decent for 2025/26. This has meant the percentage of homes meeting the decent homes standard has increased to 84% from 78.4% in 2023/24.		

Issue	Action	Responsibility	Due date
Due to the high levels of FOI, SARs that are not completed in time and feedback from Ombudsman we need to continue to strengthen our information governance arrangements.	Performance continues to be discussed and monitored at the Cross Council Information Governance Board the role of which was strengthened in 2025/26. Performance reports are presented to the Corporate Leadership Team quarterly. Any feedback from the Ombudsman is also discussed with Senior Management and actions tracked.	Corporate Director Culture Strategy Communications	March 2027
The Council has recognised weaknesses with regards to commissioning and procurement and contract management arrangements.	Good progress has been made through the Commissioning Modernisation Programme as highlighted above but this is a three year programme to 2028/29. In 2026/27, the planned improvements to workforce, skills and development will be in place and the roll out of a corporate contract management framework. The compliance activity of the programme to review all contracts, finalise the complete contracts register and reduce the number of exceptions needed to CSOs will continue.	Corporate Director of Finance and Resources (s151)	March 2027
Though the Care Quality Commission (CQC) praised aspects of our Adult Social Care provision, their review identified delays in our assessment process and accessibility and communications barriers. Our internal audits also highlighted weaknesses in our arrangements for carrying out financial assessments and collection of client contributions.	From a financial assessment and client contribution perspective, a robust improvement plan is in place to address the weaknesses identified through internal audit and to respond to the wider CQC findings around assessment delays, accessibility and communication. Significant progress has already been made in reducing the backlog of outstanding financial assessments, with a clear plan in place to reduce the remaining outstanding assessments by summer 2026. Additional capacity has been secured for the Financial Assessment Team, with a number of new posts already appointed to, and further roles being introduced to ensure assessments are processed in the most effective and timely way. An end-to-end review of the financial assessment and client contribution process has been completed, covering the full resident journey from first contact with Adult Social Care through to financial assessment, billing, collection and debt recovery. A Standard Operating Procedure has now been agreed across the process, supported by mandated awareness-	Corporate Director Adults, Housing and Health	March 2027

Issue	Action	Responsibility	Due date
	raising sessions for Adult Social Care staff to improve consistency, understanding and compliance. Work is also progressing to improve the accessibility and clarity of information provided to residents, families and carers. This includes a review of printed and digital information to ensure that people understand the financial assessment process, their contribution responsibilities, and the support available to them. In addition, the DASS is chairing a task and finish group to co-produce key letters and communications with statutory partners and residents, ensuring information is clearer, more accessible and better aligned with the needs of people using services. Governance arrangements are in place to oversee delivery of the improvement plan, monitor progress against the backlog reduction trajectory, and ensure that changes to process, capacity, communication and debt recovery are embedded.		

4. Review of effectiveness

4.1 We take responsibility for conducting an annual review of the effectiveness of our governance framework, including the system of internal control. The review of effectiveness is informed by the statements of assurance and annual governance self-assessments by each corporate director and director, who have responsibility for the development and maintenance of the governance environment; the Head of Audit and Risk Management's annual report, and by comments made by the Council's external auditors and other review agencies and inspectorates.

4.2 The Corporate Director of Finance and Resources holds the Council's statutory Section 151 Officer role; the Head of Legal and Governance (the Council's Monitoring Officer) and the Head of Audit and Risk Management have also reviewed the work done by the Council relating to governance issues in 2025/26. Their comments on the key governance issues are as follows:

<u>Corporate Director of Finance and Resources:</u>

4.3 The financial year 2025/26 has been a particularly challenging one for Haringey in terms of putting in place arrangements to address its financial position. Reliance on EFS of £37m to balance the budget in March 2025 was a clear signal of the Council's deteriorating financial position and at the end of year, £40.6m will be required. Demand pressures across social care, temporary accommodation, home to school transport and housing benefit, as well as the non-delivery of the agreed savings programme continues to be one of the Council's main critical issues and driving the very challenging financial position. Funding from

Government is not sufficient to manage the increasing demand and although the Council will see an increase in Government grants of £25.3m over the next three years from the Fairer Funding and the multi year settlement provides some certainty over the next three years, the level remains insufficient given the demand and price pressures that are continuing year on year.

4.4 In the past any gap in delivery of savings or other unplanned overspend has been met with an unplanned drawdown from Council reserves but as reported in the last couple of budget reports to Full Council, it was emphasised that reserves are already extremely low and any use of reserves to balance the budget or use to address overspends in future years is no longer an option and triggered the need for EFS.

4.5 The 2025/26 budget included £56.8m of additional budget for services and £26.2m for corporate pressures, including interest costs. However, this was not sufficient, leading to a £15.5m overspend on service budgets. The budget included £29.3m of approved savings but only 62% were delivered and many of these through mitigations, despite a strong focus in the year on savings delivery. This non delivery is not sustainable and all services must deliver new and previously approved savings in full in 2026/27 and this will continue to be monitored through Finance Recovery Board, which now includes independent external experts for check and challenge and to hold senior leaders to account.

4.6 An emergency response to the financial position was put in place from April 2025 and the Finance Recovery Board (chaired by the Chief Executive) has been overseeing the Finance Response and Recovery Plan with a focus on reducing non-essential spending, improving delivery of savings and improving all aspects of financial management and governance across the Council. There has been some success in the delivery of some aspects of the plan, including on governance and controls on the capital programme and procurement and some improvement in accountability but there remains a lot to do which will be implemented through the Council's three years Resilience Plan for 2026/27 to 2028/29 which focusses on addressing the financial position, balancing in year by 2028/29 and reducing reliance on historic EFS. Alongside this, a Financial Management Improvement Plan will be in place for ongoing improvements in compliance and financial management culture that are still required.

4.7 Director of Legal & Governance (Monitoring Officer): The Monitoring Officer is not aware of any significant governance issues in relation to member code of conduct and complaints for 2025/26. The work in strengthening the governance concerning acquisitions and disposals, Information Governance and Delivery of the Housing Improvement Plan will be reviewed again during 2026/27. New governance controls in relation to the Councils financial position were introduced in 2024/2025 and will continue into 2026/2027.

4.8 Head of Audit and Risk Management: The work of internal audit throughout the financial 2025/26 focused on areas of risk in the organisation and on areas where governance improvements are necessary. During the financial year, the Council took steps to respond to its significant financial challenges including the establishment of boards and panels that sought to control spend and establish processes to secure value for money, and it is envisaged full implementation will continue into the next financial year and probably beyond, as reported in the previous governance statements. The work of internal audit in these areas sought to provide assurance over compliance with the new regime and advise supporting these developments.

4.9 From the audit work completed by internal audit, weaknesses in internal controls were identified in the following areas: Arrangements for Monitoring Contracts within Housing Services, Management, Monitoring and Collection of Income, Management of Green Haringey, Responsive Repairs (Housing), Voids

Management, Use of Business Intelligence Reports, Management and Use of Contract Waivers, Management of Leisure Services, Governance over the Delivery of Savings, Corporate Arrangements for Effective Commissioning, Management and Collection of Clients Contributions (Adults Services) and Managing Housing Benefit Overpayments. The Audit committee has been appraised of the outcome of these audit areas and updated on the governance issues raised previously.

4.10 The Head of Audit and Risk Management has also provided an Annual Audit Report and opinion for 2025/2626. The report concluded that in most areas across the Council, with the exception of those areas receiving 'Limited' or 'Nil' assurance are where audit actions had not been completed as planned, there are reasonable internal financial control systems and corporate governance arrangements in place, and that risk management arrangements are satisfactory. The Annual Report highlighted the root cause from a review of the risks identified from audits and the subsequent recommendations, as in previous years ; these include management control to direct services, record keeping and data quality, the maintenance of full audit trails, and supervision controls. In addition, for this financial year, the Head of Audit also noted compliance as an issue.

4.11 The Chartered Institute of Public Finance and Accountancy (CIPFA) statements on the role of the Chief Financial Officer and the role of the Head of Internal Audit in public service organisations have both been incorporated into the Council's overall governance arrangements. During 2025/26, the Council can confirm that both the Chief Financial Officer and Head of Internal Audit fulfilled all the requirements set out within the CIPFA statements. No gaps in compliance were identified for either role.

4.12 The Leader of the Council and the Chief Executive have been advised of the implications of the result of the review of the effectiveness of the governance framework by the Audit Committee, and a plan to implement enhancements and ensure continuous improvement of the system is in place.

4.13 The evidence provided concerning the production of the Annual Governance Statement has been considered by the Chief Executive and will be considered by the Council's Audit Committee in July 2026. The Statutory Officers concluded that the Council has satisfactory governance systems in place and satisfactory plans to address the identified issues to ensure improvement; these arrangements continue to be regarded as fit for purpose in accordance with the governance framework. The Chief Executive along with the other members of the Corporate Leadership Team are committed to implementing the action plan, strengthening, and improving controls and keeping the effectiveness of the Council's corporate governance arrangements under review during the year.

Signed by:

Councillor Mark Blake
Leader of the Council
Date: 30/6/26

Andy Donald
Chief Executive
Date: 30/6/26

GLOSSARY

Accounting Policies are those principles, bases, conventions, rules and practices that specify how the effects of transactions and other events are to be reflected in financial statements. Accounting policies define the process whereby transactions and other events are reflected in the financial statements.

Accruals are amounts included in the accounts for income and expenditure in relation to the financial year but not received or paid at 31 March.

Amortisation is the loss in value of an intangible asset due to age, wear and tear, deterioration or obsolescence through technological or other changes.

Assets are all items of significant economic value owned by the Council, including those which can be converted to cash and those held for cultural and other reasons (heritage assets).

Capital expenditure is expenditure on the purchase, construction and enhancement of Council assets such as houses, offices, schools and roads.

Capital financing describes the method of financing capital expenditure, the principal methods now being loan and revenue financing and government grants.

Capital Receipts is income received from the sale of land, buildings or equipment.

Creditors are amounts owed by the Council for goods and services supplied, but for which payment has not been made at the end of the financial year

Community Assets are a class of fixed assets that are expected to be held by the council in perpetuity to deliver services (e.g parks).

Council Tax is a local property tax on domestic dwellings within the borough.

Council Tax Base converts the domestic properties in the borough by council tax band into an equivalent number of band D dwellings for the purpose of setting the council tax.

Debtors are amounts owed to the Council but not received at the end of the financial year.

Defined benefit pension scheme is a type of pension scheme which promises a certain level of retirement income to its members. The amount of retirement income is usually a fraction of the worker's yearly earnings for each year they have been a member of the scheme. For example, it might be 1/49th of final pay for each year.

Defined contribution pension scheme is a type of pension scheme where the retirement income a member gets depends on how much has been contributed, investment returns and the amount of charges over time.

Depreciation is the loss in value of a tangible asset due to age, wear and tear, deterioration or obsolescence through technological or other changes. Depreciation is a 'non-cash' charge as it merely reflects accounting assessments of the loss in value.

Events after the balance sheet date are those events, favourable or unfavourable, that occur between the balance sheet date and the date when the Statement of Accounts is authorised for issue.

Expected Credit Loss is a measure of impairment of a financial asset (e.g the amounts owed to the Council) based on the estimated difference between the contractual and expected cashflow. The impact of current and future economic conditions is taken into account when estimating the loss.

Finance and Operating Leases are financing arrangements with a third party. A finance lease substantially transfers all of the risks and rewards of ownership of a fixed asset to the lessee. Such assets have been valued and included under non-current assets in the Balance Sheet. With an operating lease, the ownership of the asset remains with the leasing company and the annual rent is charged to the relevant service account.

General Fund is the Council's main revenue account that covers the net cost of all services other than the provision of Council housing for rent.

Impairment describes a reduction in the value of a non-current asset below its carrying amount on the Balance Sheet.

International Financial Reporting Standards (IFRS) are the accounting standards adopted by the International Accounting Standards Board (IASB). Councils are required to produce their accounts using IFRS.

Materiality of an item is determined by whether its omission, non-disclosure or misstatement in the financial statements could be expected to lead to a distortion of the view given by the financial statements.

Medium Term Financial Strategy (MTFS) is the Council's document which sets out the estimated financial impact of changes to our resources and costs of service provision, taking into account agreed principles and priorities. Typically spanning 3 to 5 years it allows the Council to adopt a strategic approach to planning its finances in the context of significant change.

Minimum Revenue Provision (MRP) is the minimum amount that the Council must charge to the revenue account in the year in respect of the repayment of principal of borrowing for capital purposes. In the accounts the MRP is included within capital financing charges.

Non-Domestic Rate (NDR) is a levy on businesses, based on a national rate in the pound set by the Government, multiplied by the 'rateable value' of the premises they occupy. It is also known as 'business rates'. The new Business Rate Retention Scheme allows Council's to retain a proportion of the income received.

OFSTED is the Office for Standards in Education, Children's Services and Skills.

Outturn is the actual income and expenditure in a financial year.

Precept is an amount which the Council is required to collect from the Council Tax on behalf of other (non-billing) authorities, such as the Greater London Authority in London, to finance their net expenditure.

Provision is an amount, which is set aside for a liability or loss in respect of a past event, which is likely to be incurred, but where the exact amount and date on which it will arise is uncertain.

Reserves (Unusable) are reserves that cannot be released to spend on services. For example, the Revaluation Reserve records the effect of revaluing fixed assets and is not available for general use in the financing of capital expenditure.

Reserves (Usable) are those reserves that can be released to spend on services or added to for future spending on services.