

REPORT TO:	Cabinet 26 July 2021
SUBJECT:	Financial Performance Report – Month 2 May 2021
LEAD OFFICER:	Chris Buss, Interim Director of Finance , Investment and Risk (S151 Officer)

SUMMARY OF REPORT:

This report provides the Council's annual forecast as at Month 2 (May 2021) for the Council's General Fund (GF), Housing Revenue Account (HRA) and the capital programme. The report forms part of the Council's financial management process of publically reporting financial performance against its budgets on a monthly basis.

FINANCIAL IMPACT

The Month 2 position is currently indicating a gross overspend of £4.034m against budget (net £0.583m adverse variance after release of £3.451m covid reserve) – this represents a £0.583m net variance against the Period 1 forecast. This is before taking into account further risks and compensating mitigations which may materialise if not managed. In total, £11.841m (Month 1 £11.653) of further risks (of which £1.670m relates to approved savings risks) are identified against which £8.748m of potential opportunities are identified and set out in the body of the report. Section 3 details these risks and risk mitigations and further discusses the impact on the General Fund if these were to materialise.

The HRA is indicating an overspend of £1.595m (Month 1 £2.117m) against budget. This overspend is further detailed within Section 3 of the report.

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below

1. RECOMMENDATIONS

Cabinet are asked to

- 1.1 Note the General Fund is projecting a net adverse movement of £0.583m from Period 1. Service departments are indicating a £4.034m overspend with this being netted of against £3.451m release of a one off Covid Grant confirmed to Croydon Council for 21/22 by MHCLG as part of the Local Government Finance Settlement;
- 1.2 Note that a further number of risks and compensating opportunities may materialise which would see the forecast year-end variance change and these are reported within Section 3 of this report. Should these risks materialise or the mitigations not be effective the Council could overspend by £3.676m;

- 1.3 Note the Housing Revenue Account (HRA) is projecting a £1.595m overspend for 2021/22. If no further mitigations are found to reduce this overspend the HRA will need to drawdown reserves from HRA balances;
- 1.4 Note the capital spend to date for the General Fund of £3.071m (against a budget of £176.005m) and for the HRA of £5.701m (against a budget of £127.412m);
- 1.5 Note, the above figures are predicated on forecasts from Month 2 to the year end and therefore could be subject to change as forecasts are refined and new and updated information is provided on a monthly basis. Forecasts are made based on the best available information at this time; and
- 1.6 Note that whilst the Section 114 notice has formally been lifted, the internal controls established as part of the S114, such as the Spend Control Panel remain. However, restrictions have been lifted for ring-fenced accounts such as the Pensions Fund, Housing Revenue Account and Coroner's Costs as these do not impact on the financial position of the General Fund. The Spending Control Panel which was set up at the beginning of November 2020 continues to meet on a twice daily basis.

2. EXECUTIVE SUMMARY

- 2.1. This reports sets out the Council's current General Fund revenue budget projected outturn for the full year as at Month 2, May 2021.
- 2.2. The forecast General Fund revenue forecast has deteriorated by £0.583m from a net nil position (after utilisation of £3.451m covid grant reserve) in Period 1 . As would be expected, the identification of options to mitigate these service overspends tend to follow from the identification of pressures and it is expected and required that services formulate plans to address these overspends over the coming month.
- 2.3. Further risks and opportunities not yet sufficiently developed to be included in the forecast itself of a net £3.093m have been identified (risks £11.841m and opportunities of £8.748m) if all materialising would increase the forecast overspend to £3.676m, without further drawdown of covid grant related reserves.
- 2.4. The Housing Revenue Account is forecasting an overspend of £1.595m (a reduction of £0.522m on the previously forecast £2.117m). This projected variance impacts on HRA balances rather than GF reserves.
- 2.5. The capital programme for both the General Fund and HRA is reporting a spend to date of £8.772m against overall budget of £303.417m
- 2.6. This is the second financial monthly Cabinet update report for the 2021/22 financial year. This is the first time the Council is reporting on a monthly basis to Cabinet.

- 2.7. The Financial Performance Report (FPR) which will continue to be presented to each Cabinet meeting provides a detailed breakdown of the Council's financial position and the challenges it faces. It covers the GF, HRA and capital programme and ensures there is transparency in our financial position, enables scrutiny by both members and the public, and offers reassurance as regards the commitment by chief officers to more effective financial management and disciplines.
- 2.8. The 2020/21 financial year was a very difficult year for the Council. The former Director for Finance, Risk and Insurance (Section 151 Officer) had to issue the Council's very first S114 notice in November 2020.
- 2.9. A further S114 notice was issued on the 2 December 2020 as the Council continued to have an unbalance budget. Since 8th March 2021 the S114 notice has been lifted as the Council received confirmation of a Capitalisation Direction from MHCLG of up to £70m for 2020/21 and £50m for 2021/22.
- 2.10. The Council has had the benefit of a number of recommendations from various stakeholders and scrutiny panels such as the external auditor's Report in the Public Interest. These recommendations have been taken on board and the Croydon Renewal Plan has been developed which will over the medium term financial strategy period restore the Council's finances to balance and develop a more effective system of internal control.
- 2.11. This report forms part of the reporting framework on the delivery of the Croydon Renewal Plan by ensuring the delivery of the council's budget is reported monthly and transparently.
- 2.12. The Council is still working with the external auditors on finalising the 2019/20 audit of accounts however the 20/21 Outturn has now been presented to Cabinet on 12th July 2021 based around their findings.

3. FINANCIAL POSITION

- 3.1. The FPR shows that the Council is forecast to have a General Fund net variance of £0.583m (after drawing down on £3.451m of covid-related grant reserves – a worsening of £0.583m on the net forecast reported at Period 1 (before additional risks and mitigations), whilst the HRA is projecting a £1.595m overspend before risks mitigations. The current financial forecast is based on the known position at the time of writing this report. It is important that cabinet is aware of the much higher profile that the process has within the Council with iterations of the report going through a range of formal officer meetings including directorate meetings, Executive Leadership team and informal meetings with lead members.
- 3.2. Work is ongoing in departments to review the forecast position for each area and MTFs savings and risks to reduce any overspends and identify further options to mitigate these. Further details and options identified will form part of the month 3 report.

3.3. In 2020/21 the monitoring forecasts presented details of Covid funding that the Council had received from Central Government, however the Government has not provided any further indication that it seeks to continue to fund Local Government in relation to Covid pressures and thus this section has been removed from 2021/22.

3.4. The position of the General Fund is shown below in Table 1.

Table 1 – Month 2 Projection per Directorate

	Month 2	Month 1	Month 1		
	Forecast Variance	Forecast Variance From Previous month	Change from previous month	Savings Non-Delivery	Other Pressures
	(£,000's)	(£,000's)	(£,000's)	(£,000's)	(£,000's)
Children's Families and Education	-	-		-	-
Health, Wellbeing and Adults	(169)	1,600	(1,769)	-	(169)
Gateway & Housing	234	-	234	-	234
Place	3,944	1,043	2,901	-	3,944
Resources	25	808	(783)	-	25
Departmental Total	4,034	3,451	583	-	4,034
Corporate Items	(3,451)	(3,451)	-	-	(3,451)
Total General Fund	583	-	583	-	583

3.5. Net overspends and underspends within the services budgets are presented as forecast variance (as per Table 1), and are additionally classified as either non-delivery of agreed savings or other pressures. Non-delivery of savings relates to non-achievement of the approved MTFs savings whilst other pressures are as a result of new and external pressures not previously provided for within the Council's 21/22 Budget. Further explanations of these over spends are provided within Section 4 of this report.

3.6 Month 2 has seen an adverse movement within service area budgets of £0.583m – without further utilisation of covid reserves already earmarked for use in the Period 1 position this represents an overall forecast overspend against a balanced budget. The main areas that this relates to is as follows:

- Adults, Health and Social Care (£1.8m) **favourable** movement due to department being able to manage and mitigate the Transitions service overspend;
- Place (£2.9m) **adverse** movement in relation to pressures in Parking, SEN transport costs and the Selective Licencing Scheme;

- Resources (£0.8m) **favourable** movement, principally related to staffing savings / vacancies identified as part of mitigating actions along with £150k of Sandilands Inquest costs being met from a specific reserve established as part of 2020/21 closing; and
- Housing and Gateway (£0.2m) **adverse** movement, forecast pressures on homelessness budgets in anticipation of restrictions on evictions coming to an end offset by £0.3m of staff savings across resident access budgets.

Further details can be found in section 4 of this report.

Risks and Risk mitigations

- 3.7 As mentioned within paragraph 3.1 the forecast has been reported excluding further potential risks and risk mitigations. Risks and Risk mitigations are split into quantified and unquantified items.
- 3.8 As with the forecast set out in Table 1 risks are separately reported for those elements that relate to potential under-delivery of approved savings, and those that are new and not directly related to agreed savings plans.
- 3.9 Table 2a below provides for details of MTFS savings at risk with a brief commentary of the projects that are at risk of delivery and Table 2b provides a list of quantified and unquantified other risks. The savings are subject to a separate assurance process involving both the Chief executive and the Section 151 officer meeting with the directorates and the director of policy and programmes, the most recent of these was in early July. This identifies savings at risk and mitigations for both the current and future years. Where risks are quantified currently, these are based on high level information and departmental experiences of the service. At this stage, services are sufficiently confident in being able to manage or mitigate these risks that they are not included as part of the present forecast year-end position. However, the figure has been provided to indicate to Cabinet the likely financial impact on the budget and therefore the need to take action to deal with the risk should they materialise.

Table 2a – MTFS Savings Risk

MTFS Savings Ref	MTFS Savings Description	Savings at risk Month 2 (£,000's)	Savings at risk Month 1 (£,000's)	Change From Prior Month (£,000's)
CFE Sav 03	Reconfiguration of Adolescent Services	166	200	(34)
CFE Sav 07	Improve Practice System Efficiency	177	177	-
CFE Sav 09	Review Children's Centres Delivery Model	223	223	-
CFE Sav 14	Cease Family Group Conference Service	60	60	-
CFE Sav 10	Additional Education Savings	15	16	(1)
CFE Sav 17c	Release of one off Investment from prior years	13	0	13
Children, Families and Education Total		654	676	(22)
HWA Sav 17	Contact centre and Access Croydon: Reduction in line management	87		87
HWA Sav 21	Reduction in Welfare Rights (PLAN B - deletion of service)	112		112
Housing Total		199	-	199
Adults, Health and Social Care Total		-	-	-
PLA Sav 08	Public Protection and Licensing Highways & Parking Services merger	50		50
PLA Sav 13	Public Protection and Licensing - Discontinue providing a night time noise service.	13	50	(37)
PLA Sav 24	Parking charges increase 30p/30min	754	11	743
Place Total		817	61	756
Resources Total		-	-	-
Total Savings at Risk		1,670	737	933

Data above taken from Savings Tracker 8th July 2021

3.10 Table 2a indicates that there are potential £1.670m worth of savings (£0.737m in Month 1) that may not be achieved, however services are currently carrying out further work to ensure these can be delivered or otherwise mitigated. So far no specific mitigations have been fully identified. Directorates are working up proposals to bring these savings at risk back on track.

- 3.11 Future FPR reports will update progress on these savings at risk. If these savings are deemed to be definitely non-deliverable they will be factored into the monthly forecast and incorporated into the forecast outturn position provided in Table 1. The services have been instructed to find mitigations for all savings that cannot be delivered to meet their budgetary total per directorate.
- 3.12 Section 4 gives details of all the movements between Month 1 and month 2 and identifies and movements in delivery of MTFs savings, risks and mitigating items that are factored into the forecast assumptions.

Table 2b – Other quantifiable and unquantifiable risks

Quantified Risks	£'000	£'000	Details of Risk
	P2	P1	
CFE	4,963	5,113	£4,571k - Asylum Seekers £232k - CSC Staffing Pressure £160k - Education service for schools (Covid impact on income generation)
Adults, Health and Social Care	700	700	£700k - Transitions - value of late prior year payments based on 20/21
Housing	1,232	2,560	Demand for Emergency/Temporary Accommodation likely to increase.
Place	1,500	2,253	SEN Travel - No Travel Training occurring currently and this could impact - current estimates are based on 10% of the overall £2m being at risk, and also the impact on the supplier relief programme of discounts on early payment being at risk. £1m parking penalties at risk relating to notices issued and collection rates.
Resources	1,776		£1.442m - Establishment Gap
		290	334k - Complaints recharges of £334k in Revenue and Benefits (£290k + £44k)
Total Quantified Risks	10,171	10,916	
Un-Quantified Risks			
CFE			Children Social Care -Placement costs – validation of growth approved currently being completed
Adults, Health and Social Care			TBC - Impact of long Covid - not quantifiable at this stage TBC - Potential for further NHS funding for Covid depending on 3rd wave impact - not known at this stage
Housing			Housing Additional unquantified risk related to landlord eviction ban being lifted at the end of May 2021 leading to a significant increase in demand for homeless services.
Place			Waste Collection and Street Cleansing. We have not received April's invoice yet from Veolia and it is expected that the pressure will relate to inflation which is likely to be above the corporate inflationary provision TBC - Waste Collection and Street Cleansing Contract - Income Risk to Commercial Waste Income Collection in 20/21

			due to COVID & 21/22 - under commercial dialogue with Veolia
			TBC - Utilities costs to be higher than forecast
			TBC - Further tenants are not able to pay rental income and will need to be written off, or will give notice on leases
Resources			TBC - Covid meaning shortfalls in Revenue and Benefits income budgets, mainly Court Costs
			TBC - HR Staff Loans holding account balance written off
			TBC - Under-achievement of legal income budgets (although internal income would be matched by reduced forecasts costs in departments been charged)
			TBC - Recruitment of Head of Leaders Office tied to corporate restructure. If corporate restructure further delayed underspends to compensate may not be achievable
Corporate			

3.13 Table 3 provide a list of quantified and unquantified risk mitigations. These are potential risk mitigations that will require further assurance to be included within the forecast. Services managers have identified these as potential mitigations to the risks identified Tables 2a and 2b. Any additional risk mitigations also help the overall financial position of the Council as these would help generate a larger underspend that can be put away into reserves to support future MTFS gaps.

Table 3 - Quantifiable and unquantifiable risk mitigations

Quantified Opportunities	P2 £'000	P1 £'000	
CFE	(312)	(312)	Staffing underspend due to reduction in posts identified as part of the January VR scheme. Exists were not confirmed until after the Budget for 21/22 was set.
Adults, Health and Social Care	(73)	(73)	Staffing underspend due to reduction in posts identified as part of the January VR scheme. Exists were not confirmed until after the Budget for 21/22 was set.
Housing	-		
Place	(422)	(422)	Staffing underspend due to reduction in posts identified as part of the January VR scheme. Exists were not confirmed until after the Budget for 21/22 was set.
Resources	(142)	(142)	Staffing underspend due to reduction in posts identified as part of the January VR scheme. Exists were not confirmed until after the Budget for 21/22 was set.
Corporate	(7,799)	(7,799)	Covid Grant
Total Quantified Opportunities	(8,748)	(8,748)	

Un-Quantified Opportunities			
CFE			None
HWA			None
Place			Highways - Highways are speaking to FM to negotiate the cost pressure Street Lighting Team liaising with Commissioning & Procurement to consider options to mitigate the risks
Resources			Revs and Benefits - Recharge to HRA for some Complaints costs to bring income to GF.
Corporate			None

3.14 As at Month 2, if all risks and risk mitigations were to materialise, along with the forecast reported in Table 1 the General Fund would overspend by £3.676m. However, budget holders at this stage of the financial year tend to be over cautious in terms of identifying potential underspend whilst being more aware of budget pressures. The situation will be clarified as the year progresses and the monthly budget reports show more detail on the patterns of income and expenditure and the longer term impact of Covid on Council services becomes clearer. Service managers have been instructed to identify and implement mitigations to spend within their approved funding envelopes. As such compensating measures are developed the impact of the net risks is expected to decline. Successful examples of this are the positive variances in adult social care & Resources between months 1 and 2.

- 3.15 A number of the projected variances or risks relate to the continued impact of the Covid pandemic and would not be expected to continue for the whole year or over future years. In particular parking and traffic income continues to be affected for which part grant compensation is only receivable for the first quarter of 2021/22. Other pressures such as SEN costs (with no grant funding) have been impacted in delays in delivering travel training impacting on transport cost pressures.
- 3.16 A number of the adverse variances have the potential to have ongoing impacts into future years, and in particular the SEN pressures and Selective Licensing scheme budgets. These impacts will be incorporated into the ongoing work to develop the budgets for 2022/23 and the next Medium Term Financial Strategy.

4 SERVICE VARIANCE DETAIL

4.1 Children, Families and Education (CFE)

Summary

The CFE directorate is forecasting a nil variance for Month 2 (unchanged from Period 1). This is a net position after factoring all budgeted income and expenditure within the directorate.

Whilst the forecast is nil the Directorate is indicating potential risks that could result in a potential overspend. Table 2a details MTFs savings, totaling £0.654m, that are at risk of non-delivery. Furthermore, Table 2b indicates that there is a further £4.963m of other risks which could materialise through this financial year and Table 3 is projecting an opportunity of £0.312m.

Both MTFs risks and further risks have moved favorably by £0.172m due to the savings being absorbed and ongoing work to ensure delivery.

4.2 Adults, Health and Social Care

Summary

The HWA directorate are forecasting a small underspend of £0.169m (an improvement of £1.769m from Period 1).

Whilst the department is showing a slight underspend, table 2b identifies and a further £0.700m of potential additional risks. Some of these risks can potentially be mitigated only partly by the £0.073m in relation to staff underspend due to the January VR scheme.

The risks identified of £0.700m that relate to transitions have not moved since the last report and still remain the same.

4.3 Housing

Housing Directorate is forecasting an overspend of £0.234m.

Demand for Emergency Accommodation is assumed to increase due to the eviction ban lifting at the end of May 2021. The prediction is an influx of around 70 households will be seen initially as a result of current legal proceedings. On this basis the predicted overspend across the homelessness service is £0.529m at period 2 monitoring.

Gateway Services are forecasting an underspend of (£0.295m) due to in year vacancy savings in Resident Access.

Furthermore the service is projecting £0.199m risk of non-delivery of savings as per table 2a. These have been identified as a result of more detailed monitoring being carried out at month 2 and are being explored further to see if they can be delivered or other savings identified to mitigate these. A further £1.232m of other risk is identified within this portfolio relating to potential further temporary accommodation pressures emerging. Net risks identified for this service have fallen by £1.129m from Period 1).

4.4 Place

Summary

The Place directorate is forecasting a net overspend of £3.944m – an increase of £2.901m from Period 1. This overspend relates to a number of items the most significant of which are further detailed below:

- **Highways overspend of £0.400m** - Street Lighting additional electricity charges due to revised rates within the new contract above inflationary increases projected;
- **Environmental Services overspend of £0.749m** - Disposal Contract due to an increase in Residual Waste Tonnage & property growth not factored in budget and unachievable events in parks income due to the impact of Covid;
- **Licensing overspend of £0.166m** - Shortfall in Surrey Street Market income historic pressure due to vacant plots on market and unachievable pavement licenses, skips and scaffolding income due to the impact of Covid;
- **Selective Licensing Scheme £1.468m**- Shortfall in income due to the Secretary of State not approving the Selective Licensing Scheme;
- **SEN £1.642m** – pressures around contract costs, increase in demand for the service and new routes and the suspension of travel training due to Covid; and

- **Parking £0.190m** - pressures due to impact of Covid, increase in parking charges, suspensions and impact of backlog of processing and increased income targets.
- **Other Place Mitigations £0.488m** - net mitigations across Planning, Growth Employment and Regeneration, and Culture & Growth

In addition to the forecasted overspend the Place directorate, as indicated in Table 2a and 2b, have provided for additional risks due to non-delivery of MTFs savings of £0.817m and £1.500m for other risks. Non delivery of MTFs savings relate to the fall in P&D parking income, and risks have been identified around both SEN in relations to travel training which would lead to an increase/requirement to continue to provide transport and level of penalty charge notices.

Place also have a potential other opportunity of £0.422m in relation to staff underspend due to the January VR scheme.

4.5 Resources

Summary

The Resources directorate is forecasting a small overspend of £0.025m variance for Month 2 – down from £0.808m at Period 1. This is a net position after factoring all budgeted income and expenditure within the directorate.

Whilst the forecast is a small overspend the Directorate is indicating potential risks that could materialize through this financial year in Table 2b of £1.776m with Table 3 identifying £0.142m of risk mitigations.

These movement in risks have been so far been identified but whilst they may still materialize work is ongoing to try and work to mitigate these as we progress through the financial year.

4.6 Corporate

The Council received a non-fenced grant of £11.250m from Central Government in relation to additional costs that may be incurred in the current financial year as a result of Covid 19 and was announced in the December Local Government Finance Settlement. Any costs incurred by departments are expected to be met from existing service budgets and the grant is available to meet any additional service costs over expenditure. Where practicable additional costs including lost income arising from Covid will be identified and reported separately in future reports. The forecast General Fund variance of £4.034m is currently offset by utilizing £3.451 of this grant.

4.7 Table 4 below summaries the overall positions

Table 4 – Summary – Month 2 Position

Month 2	(£,000's)
Table 1 - Forecast	583
Table 2a - MTFs Savings Risk	1,670
Table 2b - Quantifiable Risks	10,171
Table 3 - Quantifiable Opportunities	(8,748)
Total	3,676

5 Housing Revenue Account (HRA)

- 5.1 Table 45 provides a summary of the HRA Month 2 monitor, which is currently indicating a £1.595m overspend (Month 1 £2.117m). The HRA is a self-financing ring-fenced account and will need to ensure it remains within the resources available, taking into account levels of HRA reserves. The improvement from the month 1 forecast is due to the fact that more detailed monitoring has been undertaken and this has identified a number of service underspends in the main due to staff costs and legal fees.
- 5.2 The Service Finance team are currently working on the HRA business plan that is being presented to Cabinet as part of this agenda.
- 5.3 The forecast overspend reported in Table 5 can be contained within HRA reserves provisionally forecast at £15.4m as at 31st March 2021.

Table 5 – Housing Revenue Account (HRA) at Month 2

SERVICES	Projected Variance For Month 2	Variance For Previous Month 1	Change From Previous Month	Explanation of Variations
	£'000	£'000	£'000	
Responsive Repairs	719	719	0	<p>£119k - Higher volume of uncompleted PPP repairs work carried over from last year</p> <p>£250k - Increase in average costs due to higher value voids, due to their condition when vacated.</p> <p>£350k - Additional spend particularly linked to disrepair cases relating to damp and mould eradication works, roofing repairs, drainage, door entry repairs and plumbing.</p>
Asset Management & Involvement	0	0	0	
Homes & Schools Improvement	0	0	0	
Regeneration Growth	(282)	0	(282)	(£282k) - A restructure targeting general fund savings has resulted in a disbanding of the whole team, including those posts funded by the HRA

Neighbourhood Operations	(123)	0	(123)	3 fte vacancies covers non budgeted shift allowance (on overtime code); reduction in forecasting on Supplies & Services Recharge - based on previous years
Housing Renewal	(19)	0	(19)	(£19k) - Under spend due to reflecting current years demand for home safety equipment
Housing Solutions	460	500	(40)	£460k - Concord, Sycamore & Windsor overspend on costs combined with a high level of voids based on 20/21 outturn
People Centralised	0	0	0	
Service Development	(54)	0	(54)	(£54k) - Various Supplies & Services budgets released to offset pressure within service area.
Income & Lettings	98	110	(12)	£133k - Unachievable income recharges £43k - Bank charges incurred when payments are made by debit/credit cards (£67k) - Professional services (£11k) - Minor savings
Neighbourhood & Tenancy Service	274	488	(214)	£100k - weekend overtime agreed for Caretakers, forecast as per prior year £100k - Hotel costs, last year's was £54k £120k - Responsive repairs, last year's was £60k (£46k) underspend on running costs
Emergency Accommodation	120	100	20	£120k - Gillet Road Concierge charges
Leaseholder Services	0	0	0	
Tenants Income	0	0	0	
Garage and Commercial Properties	157	100	57	£27k - Rent allowance £20k - shortfall in other sources of income £110k - Garage rent loss through voids due to additional garage in a disrepair state being handed over by BBB
Directorate & Centralised costs	245	100	145	£200k - Unbudgeted Executive Director / Corporate Director posts plus support costs for 10 months £45k - Supernumerary Policy & Performance post to progress Housing Strategy for 9 months

Total HRA	1,595	2,117	(522)	
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6 Capital Programme

6.1 The General Fund and HRA capital programmes have currently spent a gross £8.772m to the end of the second month against approved budgets of £303.417m. Actuals to date are still impacted by accruals brought forward from 2020/21 which have yet to be invoiced and do not take into account accruals for works so far completed.

6.2 The table below summarises the capital spend to date by department with further details of individual schemes provided in Appendix 2.

Department	Revised Budget 2021/22 (including assumed slippage from 2020/21)	Actuals 2021/22
Adult Social Care and Health	1,726	4
Housing	6,191	119
Children, Families and Education	24,319	1,686
Place	118,580	937 *
Resources	25,189	325
General Fund Total	176,005	3,071
Housing Revenue Account	127,412	5,701
LBC CAPITAL PROGRAMME TOTAL	303,417	8,772

* The actual to date for Place excludes a credit of £1.057m relating to TFL - LIP

7 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

7.1 Finance comments have been provided throughout this report.

Approved by Chris Buss, Interim Director of Finance, Investment and Risk (S151 Officer)

8 LEGAL CONSIDERATIONS

8.1 The Head of Litigation and Corporate Law comments on behalf of the interim Director of Law and Governance that the Council is under a statutory duty to ensure that it maintains a balanced budget and to take any remedial action as required in year.

- 8.2 The Council is required by section 151 of the Local Government Act 1972 to make arrangements for the proper administration of its financial affairs. The Council's Chief Finance Officer has established financial procedures to ensure the Council's proper financial administration. These include procedures for budgetary control. It is consistent with these arrangements for Cabinet to receive information about the revenue and capital budgets as set out in this report
- 8.3 The monitoring of financial information is also a significant contributor to meeting the Council's Best Value legal duty and therefore this report also complies with that legal duty.

Approved by: Sandra Herbert, Head of Litigation and Corporate Law on behalf of the interim Director of Law and Governance & Deputy Monitoring Officer.

9 HUMAN RESOURCES IMPACT

- 9.1 There are no immediate workforce implications as a result of the recommendations in this report. Any mitigation on budget implications that may have effect on direct staffing will be managed in accordance with relevant human resources policies and where necessary consultation with recognised trade unions.

Approved by: Sue Moorman, Director of Human Resources

10 EQUALITIES IMPACT

- 10.1 There are no specific equalities issues set out in this report

11 ENVIRONMENTAL IMPACT

- 11.1 There are no specific environmental impacts set out in this report

12 CRIME AND DISORDER REDUCTION IMPACT

- 12.1 There are no specific crime and disorder impacts set out in this report

13 DATA PROTECTION IMPLICATIONS

- 13.1 There are no specific data protection implications set out in this report

REPORT AUTHOR:

Matthew Davis, Deputy Section 151 Officer

APPENDICES:

Appendix 1 – Service Budgets and Forecasts
Appendix 2 – Capital Budget and Spend

BACKGROUND DOCUMENTS: None