



## Housing & Growth Committee

17<sup>th</sup> January 2023

<b>Title</b>	<b>Housing &amp; Growth Forecast Financial Outturn at Month 8 (November 2022)</b>
<b>Report of</b>	Chair of Housing & Growth Committee
<b>Wards</b>	All
<b>Status</b>	Public
<b>Urgent</b>	No
<b>Key</b>	No
<b>Enclosures</b>	None.
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<b>Summary</b>	
This report contains a summary of the revenue and capital forecast outturn for the financial year 2022/23 as at Month 8 (30 November 2022) for the budgets within the remit of Housing & Growth Committee.	
<b>Officers Recommendations</b>	
That the committee notes: 1. the current forecast financial outturn for 2022/23. 2. the projected use of reserves.	

## 1 Summary

1.1 This report sets out the forecast outturn position for the 2022/23 financial year as at 30 November 2022, for the budgets which fall within the Housing & Growth Committee.

1.2 At month 8, the forecast revenue financial outturn on the General Fund is:

- A forecast of £0.122m under budget at month 8, a favourable movement of £0.122m since M6.
- A forecast net reserve top-up of £0.039m.

## 2 Forecast Position at Month 8

### Overview

2.1 As at month 8, the forecast outturn is £0.122m under budget.

Table 1: Forecast Revenue Outturn at Month 8

Housing & Growth	2022/23 Budget	Month 8 (Forecast outturn before reserves)	Reserves applied	Month 8 Forecast outturn after reserves	Month 8 variance after reserves	Month 6 variance	Change from Month 6
	£m	£m	£m	£m	£m	£m	£m
CSG Managed Budget	4.317	4.536	-	4.536	0.219	0.219	-
Employment Skills & Economic Development	0.637	0.637	-	0.637	-	-	-
Estates	1.454	1.284	-	1.284	(0.170)	-	(0.170)
Growth and Housing	0.737	1.331	(0.594)	0.737	-	-	-
Housing Strategy	5.343	5.137	0.020	5.157	(0.186)	(0.234)	0.048
Regeneration	-	0.066	(0.051)	0.015	0.015	0.015	-
Brent Cross Revenue	(2.013)	(2.677)	0.664	(2.013)	-	-	-
Transformation Programme	-	-	-	-	-	-	-
RE Guaranteed Income	(4.473)	(4.473)	-	(4.473)	-	-	-
<b>Total Housing &amp; Growth Committee</b>	<b>6.002</b>	<b>5.841</b>	<b>0.039</b>	<b>5.881</b>	<b>(0.122)</b>	<b>-</b>	<b>(0.122)</b>

2.2 Table 2 provides a breakdown of the variances as at month 8 and underlying budget position.

Table 2: Month 8 variance detailed commentary

Service Areas	Month 8 variance after reserves	Commentary
	£m	
CSG Managed Budget	0.219	<p>£0.219m increase in parking leases at North London Business Park and Harrow Depot, due to delays in the Oakleigh Road Depot programme.</p> <p>Other pressures include:</p> <ul style="list-style-type: none"> <li>• £0.293m cost at Oakleigh Road depot (ORD) for extra Parking and Transport services for the depot consolidation.</li> <li>• £0.123m Apthorp Lodge security costs</li> </ul> <p>These costs have been offset by:</p> <ul style="list-style-type: none"> <li>• £0.123m reduction in Annual Work Plan repairs</li> <li>• £0.100m Expected savings in cyclical and planned repairs</li> <li>• £0.135m Backdated rent for commercial tenants</li> <li>• £0.025m Reduced rates based on actual costs to date</li> <li>• £0.020m Saving on security costs</li> <li>• £0.013m miscellaneous surpluses</li> </ul>
Estates Management	(0.170)	£0.170m reduction in Estates legal costs and delayed recruitment. This is a favourable movement since M6. £0.100m of the underspend is ongoing and will contribute to the council's 2023/24 MTFS target.
Housing Strategy	(0.186)	£0.186m reduction in the required Bad Debt Provision needed to mitigate risk of outstanding rental income. This is the result of an extensive ongoing review of debt and the overachievement of expected historical debt recovery. This item is a one-off benefit in year.

		<p>The operational costs for running the Temporary Accommodation and Rough Sleeping services are forecasted to budget.</p> <p>The cost of an additional short-term team to manage expected increases in prevention activities and housing support, is now funded through additional Homelessness Grant received in December 2022. Homelessness reserves will be maintained to manage pressures in future financial years.</p>
Regeneration	0.015	Increased legal expenses across Regeneration schemes
<b>Total H&amp;G Committee</b>	<b>(0.122)</b>	

### Application of Reserves

- 2.3 The council holds reserves to deal with future pressures where the value or the timing of the pressure is uncertain, or where the funding can only be spent on specific objectives (e.g. grant funding). Reserves are divided into 'earmarked' reserves, where the spending objective is known with some clarity, and 'general' reserves, intended to mitigate the impact of wholly unforeseeable costs. Section 25 of the Local Government Act 2003 requires the chief financial officer to report to the council on the robustness of estimates and the adequacy of financial reserves, and prudent levels are determined by the Chief Finance Officer (the Director of Resources (Section 151 Officer)). Earmarked reserves are usually held by specific services, while general reserves are held corporately.
- 2.4 The use of reserves is not intended to replace savings or income generation opportunities as part of the Medium-Term Financial Strategy (MTFS). Reserves can only be used once and then they are gone. Any use of reserves to replace savings or income generation opportunities is a delaying action, storing up pressures into future years. This could be part of investing in transformational service delivery and is the ultimate last resort during budget setting when a gap cannot be bridged despite best efforts.
- 2.5 This report sets out anticipated use of or top-up of earmarked service reserves within the 2022/23 financial year. The table below provides further detail.

Table 3 Use of or top-up of reserves at Month 8

Service Areas	Forecast (drawdown) / top-up to reserves £m	Commentary
Growth and Housing	(0.594)	<p>£0.279m drawdown for One Public Estate funded works around Colindale and Grahame Park. This includes consultants used to develop a delivery plan, reviewing the connectivity of and use of land, engagement, and communications.</p> <p>£0.211m drawdown of Fire safety reserve, for fire safety enforcement officers reviewing high and mid-rise private sector properties in Barnet and covering new legal and audit requirements.</p> <p>£0.151m drawdown to fund additional staff to manage the backlog of HMO enforcements (visits restricted due to Covid-19) and help fund the cost of the additional housing licencing scheme. This is part of a larger fund of £0.325m from other council reserves. There are 153 possible HMO service requests requiring visits/enforcements to be funded between now and the end of 2023/24.</p> <p>£0.022m BOOST Employment, benefit advice, and skills and wellbeing; part of the council's ongoing commitment to improving resident life outcomes and the local economy</p> <p>£0.046m top up to from Growth and development to fund reviews of potential sites for future regeneration in the borough.</p> <p>To note, the council has received additional Homelessness grant in-year to support prevention activities. The grant conditions stipulate the income must match expenditure incurred in this financial year. Current Housing reserves which were previously forecasted to be used in year, will be maintained for use in future financial years to help fund the expected increasing pressures around Homelessness and Temporary Accommodation.</p>
Housing Strategy	0.020	£0.020m top up for Minerva House. Grant funding to fund running costs and support the continuation of the women's refuge service.

Regeneration	(0.051)	£0.051m drawdown from the Digital and Smart Cities reserve. This is a one-off drawdown to fund the staffing costs required to oversee a project bringing Broadband to areas across the council where there is currently low levels of connectivity.
Brent Cross Revenue	0.664	£0.607m Brent Cross Retail Park top-up to the Brent Cross Retail Park reserve. The reserve assists with the council's future vacant possessions strategy. £0.057m for the creation of an operating reserve for the Brent Cross West Station which goes live in 2023. The amount forecast to top up reserves by is an adverse movement of £0.218m on the M6 reported position due to additional BX revenue pressures.
<b>Total H&amp;G Committee</b>	<b>0.039</b>	

## Savings

- 2.6 The budget for the services within the remit of the Housing & Growth Committee for 2022/23 includes planned savings of £0.961m. It is currently forecasted that all £0.961m of these savings will be achieved.
- 2.7 The council previously identified a risk to the delivery of the 500 *Housing Acquisitions Open Door* (ODH) capital programme, which may have impacted the in-year achievement of Temporary Accommodation cost avoidance savings. The risk in 2022/23 is now minimal, after the continuation of the programme was approved to 230 purchases, to the end of 2022/23 at this Committee on 25 October 2022.
- 2.8 In future years, the risk remains. External economic events have resulted in Public Works Loan Board (PWLB) rates now exceeding 4%, and therefore, ODH borrowing rates exceeding 5.24%. Analysis of the ODH business plan identified that a maximum borrowing rate of 4.25% was sustainable. Any funds borrowed above this rate would render the business plan unviable. Progress beyond 220 purchases cannot occur, without council intervention.
- 2.9 Delegated authority was given to the Chair of the Committee, in consultation with the Deputy Chief Executive, to agree terms for loan drawdowns, to complete the purchase to the 300 homes in 2023/24. This represents a risk to future years cost avoidance savings, with the council and The Barnet Group working through potential mitigations.

Table 4 Savings Delivery 2022/23

Savings Reference	Opportunity By Area	Description of saving	2022/23 Savings	Forecast Achievable	Unachievable	RAG Rating
			£m	£m	£m	
G&CS 22 sav 4	Housing Strategy	500 additional acquisitions of properties for use as affordable temporary accommodation by Open Door Homes supported by Loan from Council, as a cheaper alternative to existing temporary arrangements which utilise the private rented sector.	(0.664)	(0.664)	-	
G&CS 22 sav 1	Housing Strategy	Buyback of properties through GLA Buyback grant, which the council will use for temporary accommodation.	(0.056)	(0.056)	-	
G&CS 22 inc 38	Estates	Additional income from the existing commercial portfolio, including new lettings and rent reviews	(0.050)	(0.050)	-	Delivered
G&CS 22 inc 39	Estates	Income received from renting floor space in Colindale Office	(0.075)	(0.075)	-	Delivered
G&CS 22 inc 40	Housing Strategy	Income received as dividends on completed affordable homes delivered by Opendoor Homes	(0.116)	(0.116)	-	Delivered
			<b>(0.961)</b>	<b>(0.961)</b>	-	

## Risks and opportunities

2.10 In preparing the report for month 8, various overall (corporate) and service-specific risks have been identified. These are set out below.

### 2.11 Risks:

- The Estates service conducts monthly reviews of the outstanding commercial debt. This could lead to subsequent write-offs of income related to prior years. An extensive review of all debt at financial year-end 2021-22, resulted in a £0.392m increase in the bad debt provision, which should mitigate the risk of further write-offs. The level of outstanding debt will again be reviewed in detail at month 9.
- The council is in discussion with Catalyst Housing Association, to settle a dilapidations/ reinstatement liability, when surrendering the lease at Apthorp Care Home. The settlement is discussed in a separate paper to this committee. The nature of costs has been reviewed and are likely to be funded through capital funding. If capitalisation is not agreed at Policy & Resources Committee in February 2023, this could cause a revenue (General Fund) pressure when the funds are settled with Catalyst.
- The macro-economic environment is to remain challenging for businesses and personal households. Increases in energy and utilities costs, may cause Temporary Accommodation (TA) demand to rise, if more households are evicted due to inability to pay rents and mortgages.
- Across London, market forces are applying upwards pressure to the costs of TA, making it more difficult for the council to secure affordable, good quality housing. This includes the availability of properties in the private rented sector, and the increasing cost of Nightly-paid, short term TA.

### 2.12 Opportunities:

- Lease extensions and rent reviews of council owned properties; billing of historic rental income related to existing council sites.
- The early termination of existing contracts that the council is leasing from external parties.
- Brent Cross West pursuing parallel strands of activity with Government sponsors and our commercial partners to recover costs that have arisen by third parties and outside of council control. For example, the week 35 cancellation reported to the committee previously, and cancellations earlier in the station programme.

## **3 Ringfenced funding**

### Housing Revenue Account (HRA)

3.1 The HRA budget has been set in line with the 30-year business plan and approved Full Council in March 2022.

3.2 The service-related elements of the HRA are projected to be £0.334m adverse to budget. This will be offset by an increase of £0.334m in RCCO (Revenue contribution to Capital Outlay). The £0.334m adverse variance is comprised of:

- £0.892m adverse position in Housing Management:
  - An increased forecast of £0.746m above budgeted resources due to the revised inflationary increase on TBG Core fees arising from the local government pay award which was budgeted at 3% and the accepted offer averaged at 6.31% for TBG.

- A forecast £0.146m overspend related to additional bin replacements and collections at Grahame Park estate. The in-year target has been assessed through the year, with actuals to date greater than expected. This will continue to be reviewed in the coming months.
- A forecast £0.156m overspend is due to an increase in Gas and Electricity costs on HRA Estates and Sheltered Housing blocks. The increase in costs is not being passed to tenants or leaseholders, who were charged at levels planned at the start of the year which reflected the consumer price cap. The HRA is absorbing the cost in-year.
- Overall, the forecast is now £0.401m less than reported at M7, due to lower Gas and Electricity costs where fewer peak period invoices have been received to date (£0.250m) and the identification of £0.151m regeneration costs which meet the definition of capital expenditure.

Partly Mitigated by:

- £0.120m overachievement on commercial rent income. Similar number of units are expected to be rented out this year, as last year. The number of units are higher than budgeted.
  - £0.115m savings on interest costs on HRA debts. This is due to early borrowing that happened last financial year, taking advantage of the lower interest rates which were available at the time.
  - £0.141m overachievement on income on water rates.
  - £0.096m overachievement on interest income earned on HRA cash balances. This is due to higher average interest rates expected this financial year.
  - £0.261m reduction in the required provision for Bad Debts.
- The forecast includes the capitalisation of regeneration staff costs, associated with site preparation on various regeneration programmes, such as Dollis Valley and Grahame Park.

Table 6: HRA forecast at Month 8

HRA - Revenue	21/22 Outturn	Full year Budget	M8 Actuals	M8 Forecast	M8 Budget Variance
	£m	£m	£m	£m	£m
Dwelling Rent	(50.397)	(52.333)	(26.124)	(52.333)	-
Non-Dwelling Rent	(1.273)	(1.242)	(0.613)	(1.362)	(0.120)
Service & Other Charges	(6.842)	(6.851)	(5.628)	(6.992)	(0.141)
Other Income	0.447	-	-	-	-
Housing Management	19.014	19.451	14.532	20.343	0.892
Other Costs	1.735	1.806	(0.676)	1.962	0.156
Internal recharges	2.839	2.868	0.021	2.868	-
Repairs & Maintenance – Core Fee	8.584	10.462	6.255	10.462	-
Repairs & Maintenance – Non-Core	0.975	-	1.802	-	-
Provision for Bad Debt	0.589	1.261	-	1.000	(0.261)
Regeneration	0.168	0.684	(0.194)	0.704	0.020
Debt Management Expenses	10.103	10.580	-	10.464	(0.116)
Interest on Balances	(0.116)	(0.009)	(0.002)	(0.105)	(0.096)
<b>HRA Controllable (Surplus)/Deficit</b>	<b>(14.174)</b>	<b>(13.323)</b>	<b>(10.627)</b>	<b>(12.989)</b>	<b>0.334</b>
Depreciation	12.221	12.683	-	12.683	-
RCCO*	1.933	0.536	-	0.202	(0.334)
<b>HRA Capital Charges</b>	<b>14.154</b>	<b>13.219</b>	<b>0.000</b>	<b>12.885</b>	<b>(0.334)</b>
<b>HRA (Surplus)/Deficit</b>	<b>(0.020)</b>	<b>(0.104)</b>	<b>(10.627)</b>	<b>(0.104)</b>	<b>-</b>

\*(Revenue Contribution to Capital Outlay)

### 3.3 The projected HRA reserve is £4.124m.

Table 7: HRA reserves at month 8

	B/Fwd	Revenue Movement	Depreciation & RCCO	Forecast Funding for Capex CFR	C/Fwd
	£m	£m	£m	£m	£m
HRA Reserve	(4.020)	(12.989)	12.885	-	(4.124)
Major Repairs Reserve	(2.000)	-	(12.885)	12.886	(2.000)
<b>HRA Reserves</b>	<b>(6.020)</b>	<b>(12.989)</b>	<b>-</b>	<b>12.886</b>	<b>(6.124)</b>

## 4 Capital Programme

### 4.1 The Housing & Growth Capital Programme includes:

- 4.1.1 General Fund Capital Programme
  - Housing & Growth Capital
  - Housing & Growth (Brent Cross)
- 4.1.2 Housing Revenue Account Programme
  - Housing Revenue Account

### 4.2 Housing & Growth Capital

- 4.2.1 The capital forecast outturn at month 8 for 2022/23 is £91.280m; this represents a £44.345m favourable variance from the current 2022/23 budget, approved at September 2022 Policy & Resources Committee. This is due to re-aligning the programmes into future financial years.

Table 7 Current Financial Year Forecast Capital Outturn at Month 8

Service Area	2022/23 Budget	Additions/ (Deletions)	(Slippage)/ Accelerated Spend	2022/23 Forecast	Variance from Approved Budget	Expenditure to date
	£m	£m	£m	£m	£m	£m
Growth and Corporate Services - Housing	56.865	-	(11.832)	45.033	(11.832)	27.450
Growth and Corporate Services - General	74.708	-	(29.108)	45.600	(29.108)	14.958
Re - (Growth and Corporate)	4.052	-	(3.405)	0.647	(3.405)	0.032
<b>Housing General Fund Capital</b>	<b>135.625</b>	<b>-</b>	<b>(44.345)</b>	<b>91.280</b>	<b>(44.345)</b>	<b>42.440</b>

#### 4.2.2 General Fund Housing:

- Upper Lower Fosters (Sage) - £11.832m re-profiled into next year. Delays in finalising the project's technical specification have meant the commencement of on-site construction has moved to 2023/24.

#### 4.2.3 Housing & Growth – General:

- Family Friendly Hub fit-out - £0.358m re-profiled into next financial year. A review has taken place and identified that some services will be provided at different locations, which are being identified.
- Town Centres - £6.043m re-profiled into next financial year due to delays in Finchley Square starting on site, and changes in the delivery programme to align with the wider development.
- Development Portfolio - project timelines reviewed, with £1.073m re-profiled into next year due to programme delays.
- Hendon Hub - £1.613m re-profiling into 2022/23 due to delays to planned acquisitions into the next financial year.
- Public Sector Decarbonisation Scheme 3 £10m - Due to expenditure being re-aligned in to 2023-24 to match grant funding to be received in April 2023.
- Firestopping works at care homes - £10.000m re-profiling into next year due to Winter placement demand and subsequent need to keep bed capacity to maximum available, leading to programme delays.

- 4.2.4 Re (Housing & Growth): The total Colindale Station works budget of £2.858m and £0.547m of Colindale - Highways and Transport has been re-profiled into 2023/24 to reflect planned works.

### 4.3 HRA Capital Investment

- 4.3.1 The HRA Capital programme budget reflects the most recently approved HRA Business Plan in March 2022.

4.3.2 At month 8, the HRA capital programme is forecasting a £3.617m re-alignment into future financial years.

Table 8 Housing Revenue Account Capital Current Financial Year Forecast Outturn at Month 8

Service Area	2022/23 Budget	Additions/ (Deletions)	(Slippage)/ Accelerated Spend	2022/23 Forecast	Variance from Approved Budget	Expenditure to date
	£m	£m	£m	£m	£m	£m
HRA	114.736	-	(3.617)	111.119	(3.617)	38.567
<b>Grand Total</b>	<b>114.736</b>	<b>-</b>	<b>(3.617)</b>	<b>111.119</b>	<b>(3.617)</b>	<b>38.567</b>

4.3.3 HRA capital programmes are mainly on three areas, Investment in current stock (capital repairs or capital enhancements of existing properties), Development of new properties (new builds) and market acquisition of properties.

4.3.4 All Investment programmes and market acquisitions are forecasting to budget after the re-alignment at September Policy and Resources committee.

4.3.5 Development Programmes:

- £3.617m re-profiling on the Small Sites HRA programme into next financial year to match expected project timelines.

## 5 Brent Cross

### 5.1 Brent Cross Revenue

5.1.1 Brent Cross Revenue is forecasted to budget at month 8, no net movement since M6.

- Favourable variance on BX Retail Park of £0.678m, due to improved lease renewals (two units) and one unit operational for longer than initially modelled. This represents a favourable movement of £0.218m from month 6, as the council has reduced the contribution to the Brent Cross West Station operating reserve, due to additional Brent Cross revenue pressures as stated below.

Offset by:

- £0.376m relates to a combination of programme staff pressures for non-capitalisable staff costs and other programme support costs and additional costs for Hendon Waste Transfer Station site.
  - The material adverse movement since M6 £0.189m relates to the forecast NNDR and utility costs for the Hendon site now under council ownership. Other minor adverse movements relating to staff resourcing changes is £0.018m.
- £0.147m reduced BX Rental Income, due to leases ending and the handing over of properties to the Council's Brent Cross Town development partners. The minor adverse movement relates to deferring lease terms by a month on a commercial property £0.017m.
- £0.147m BX South expenditure deemed non-recoverable by the PDA and consequently funded by the Council.
- £0.008m other small variances.



## 5.2 Housing & Growth - Brent Cross Capital

5.2.1 Brent Cross – The Brent Cross capital programme is currently projecting re-profiling of net expenditure of £9.411m at month 8 for 2022/23, due to revised programme schedules across the wider project. This is an additional re-alignment of £2.450m since M6.

5.2.2 It must be noted that the month 8 forecast discussed below will be presented at Policy and Resources Committee in February 2023, with the capital budgets re-profiled reflect the use of resources this year. The 5-year programme is forecasting on budget.

Table 9 Brent Cross Capital Current Financial Year Forecast Outturn at Month 8

Service Area	2022/23 Budget	Additions/ (Deletions)	Reprofiling (to)/from future years	2022/23 Forecast	Variance from Approved Budget	Expenditure to date
	£m	£m	£m	£m	£m	£m
Brent Cross	83.305	-	(9.411)	73.894	(9.411)	23.185
Brent Cross	83.305	-	(9.411)	73.894	(9.411)	23.185

Table 10 Brent Cross Capital Current Financial Year Forecast Outturn at Month 8

Housing & Growth - Brent Cross	5-year Programme Budget	5-year Programme Forecast	Additions/ Deletions
	£m	£m	£m
Funding for Land Acquisitions	10.043	10.043	-
Brent Cross West	95.511	95.511	-
Critical Infrastructure	16.290	16.290	-
BXT Land Acquisition	17.496	17.496	-
<b>Total Housing &amp; Growth Committee - Brent Cross</b>	<b>139.340</b>	<b>139.340</b>	<b>-</b>

### 5.2.3 BXC – Funding for land acquisitions

- The forecast at month 8 for 2022/23 identifies a need for accelerating expenditure of £0.915m. This relates to the updated Property Cost Estimate for freeholds/ leaseholds, secure tenants, and assured shorthold tenancies. This considers the annual government increase and inflation for both statutory and home loss payments and disturbance costs, as well as bringing forward a couple of acquisitions in year.
- The overall financial position is currently forecasted to budget. As previously noted to this committee, any surpluses in the interim will fund additional workstreams such as Infrastructure 2, the Station Western Entrance Public Realm and BX master planning.

### 5.2.4 BXT Land Acquisitions

- The forecast at month 8 for 2022/23 identifies a need to accelerate expenditure of £0.177m. This is based on the outcome of a further review in-month, incorporating the updated Property Cost Estimates, as well as the statutory home loss and disturbance costs for residential properties.
- The overall forecast remains on budget and is fully funded under the project development agreement.

### 5.2.5 Brent Cross West

- The forecast at month 8 for 2022/23 identifies re-profiling expenditure of £7.986m. Station construction is due to complete in early 2023.
  - The overall programme is forecast to budget. However, there are potential pressures due to material cost inflation; supply chain issues due to Covid and the current economic climate, and a risk of cancelled railway possessions, which may prolong the construction programme. The availability and cost of raw materials continues to be an issue even at this late stage.

- Waste Transfer Station and Highways (Geron Way) forecasts have both been updated to reflect the most up to date programmes. This has resulted in £5.828m re-profiling to next financial year.
- £2.092m re-alignment from the BXW delivery programme into the next financial year based on the current work programme.
- £0.066m of remaining work packages have been re-aligned into 2023-24, based on the latest legal and staff utilisation update.

#### 5.2.6 Critical Infrastructure

- The forecast at month 8 for 2022/23 identifies a re-profiling of the budget of £2.517m into 2023/24.
  - £0.894m re-alignment under Plot 53 / 54 into 2023/24. This is due to realigning relocation and legal, and staff utilisation costs post a detailed workstream review.
  - £0.839m acceleration in Southern Junctions PCE considering revised contingency levels required for the acquisitions
  - £1.476m re-alignment on the Tilling Road & Claremont Jct programme into 2023/24, based on the latest programme timelines.
  - £1.000m Transport mitigation measures are no longer required as a separate workstream. This element is now available to fund pressures arising within Critical Infrastructure.
  - Minor additional expenditure in-year on the remaining work packages totals £0.014m. This is due to revised staff utilisation across the critical infrastructure packages.
  - The overall programme is currently forecast on budget.

## 6. REASONS FOR RECOMMENDATIONS

- 6.1 This report contains a summary of the forecast revenue and capital outturn for the services within the Housing & Growth Committee, for the financial year 2022/23, as at month 8 (November 2022).

## 7. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 7.1 None

## 8. POST DECISION IMPLEMENTATION

- 8.1 None

## 9. IMPLICATIONS OF DECISION

### 9.1 Corporate Priorities and Performance

- 9.1.1 This supports the council's corporate priorities as expressed through the Barnet Plan for 2020-25 which sets out our vision and strategy for the next five years. This includes the outcomes we want to achieve for the borough, the priorities we will focus limited resources on, and our approach for how we will deliver this.

### 9.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 9.2.1 This report considers the forecast position of the services under the remit of the Housing & Growth Committee at the end of the financial year.

### 9.3 Legal and Constitutional References

- 9.3.1 Section 151 of the Local Government Act 1972 states that: "without prejudice to section 111, every local authority shall make arrangements for the proper administration of their

financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs”.

Section 111 of the Local Government Act 1972 relates to the subsidiary powers of local authorities to take actions which are calculated to facilitate, or are conducive or incidental to, the discharge of any of their functions.

9.3.2 Under Section 25 of the Local Government Act 2003 (the ‘Act’) the Chief Finance Officer (the Director of Resources (Section 151 Officer)) of the authority must report to the council on the following financial matters:

- (a) the robustness of the estimates made for the purposes of the calculations, and
- (b) the adequacy of the proposed financial reserves.

9.3.3 Section 28 of the Act imposes a statutory duty on the council to monitor, during the financial year, its income and expenditure against the budget calculations. If the monitoring establishes that the budgetary situation has deteriorated, the authority must take such action as it considers necessary to deal with the situation. Sub-section 28(4) of the Act defines whether there is deterioration in an authority’s financial position.

9.3.4 The Financial Regulations in the council’s constitution reflect the responsibility for the oversight and scrutiny of:

The overall financial performance of the services operating within the remit of the respective Theme Committee.

Article 7 of the council’s constitution (Committees, Forums, Working Groups and Partnerships) sets out the requirement for theme committees to receive reports on relevant revenue and capital expenditure.

The council’s current Financial Regulations can be found at:

<https://barnet.moderngov.co.uk/ecSDDisplay.aspx?NAME=SD349&ID=349&RPID=638294>

## **9.4 Insight**

9.4.1 Whilst not specifically applicable to this report, insight is used to support the financial position forecasted in this report through activity drivers and place-based understanding.

## **9.5 Social Value**

9.5.1 None applicable to this report.

## **9.6 Risk Management**

9.6.1 Regular monitoring of financial performance is a key part of the overall risk management approach of the Council.

## **9.7 Equalities and Diversity**

9.7.1 Decision makers should have due regard to the public sector equality duty in making their decisions. The equalities duties are continuing duties, they are not duties to secure a particular outcome. Consideration of these duties should precede the decision. The public sector equality duty is set out at section 149 of the Equality Act 2010 (the ‘EA’) as follows:

· A public authority must, in the exercise of its functions, have due regard to the need to:

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the EA

(b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;

(c) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The relevant protected characteristics are:

- (a) Age
- (b) Disability
- (c) Gender reassignment
- (d) Pregnancy and maternity
- (e) Race
- (f) Religion or belief
- (g) Sex
- (h) Sexual orientation
- (i) Marriage and Civil partnership

9.7.2 The EA is reflected in the council's Equalities Policy together with the strategic Equalities Objective - as set out in the Corporate Plan - that citizens will be treated equally with understanding and respect; have equal opportunities and receive quality services provided to best value principles.

9.7.3 Progress against the performance measures used is published on the council's website at: [www.barnet.gov.uk/info/200041/equality\\_and\\_diversity/224/equality\\_and\\_diversity](http://www.barnet.gov.uk/info/200041/equality_and_diversity/224/equality_and_diversity)

## **9.8 Corporate Parenting**

9.8.1 In line with Children and Social Work Act 2017, the council has a duty to consider Corporate Parenting Principles in decision-making across the council. There are no implications for Corporate Parenting in relation to this report.

## **9.9 Consultation and Engagement**

9.9.1 None in the context of this report

## **9.10 Environmental Impact**

9.10.1 None in the context of this report

## **10. BACKGROUND PAPERS**

10.1 Housing & Growth Committee 5<sup>th</sup> September 2022 - [M4 HG Forecast Outturn - PUBLIC.pdf \(moderngov.co.uk\)](#)

10.2 Housing & Growth Committee 16<sup>th</sup> November 2022 - [M6 HG Committee Forecast Outturn.pdf \(moderngov.co.uk\)](#)

10.3 Housing & Growth Committee 25<sup>th</sup> October 2022 - 500 Acquisitions Capital Programme Progress Review - [ODH 200 Home Review - HG Committee 25 October 22.pdf \(moderngov.co.uk\)](#)