

Cabinet 14th September 2020

Report title: Budget and Performance Report – Quarter 1 2020/21

Wards: All

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Report summary

This report provides Cabinet with an overview of quarter one (Q1) 2020-21 finance and performance.

Finance summary

Section 3 of this report concerns the Council's financial position as at Q1 2020-21.

Recommendations

That Cabinet:

- (1) Note the latest performance outturns for the Borough Plan Key Performance Indicators (KPIs) and for the Priority Service KPIs
- (2) Note the latest update of the activity taken place in the directorate business plans towards the delivery of the Borough Plan
- (3) To note the Q1 outturn position of the council and consider the budgetary risks going forward

1. Context

1.1 This report presents budget and performance information together in a single report for Cabinet to review.

1.2 In terms of performance, progress is reported against the following

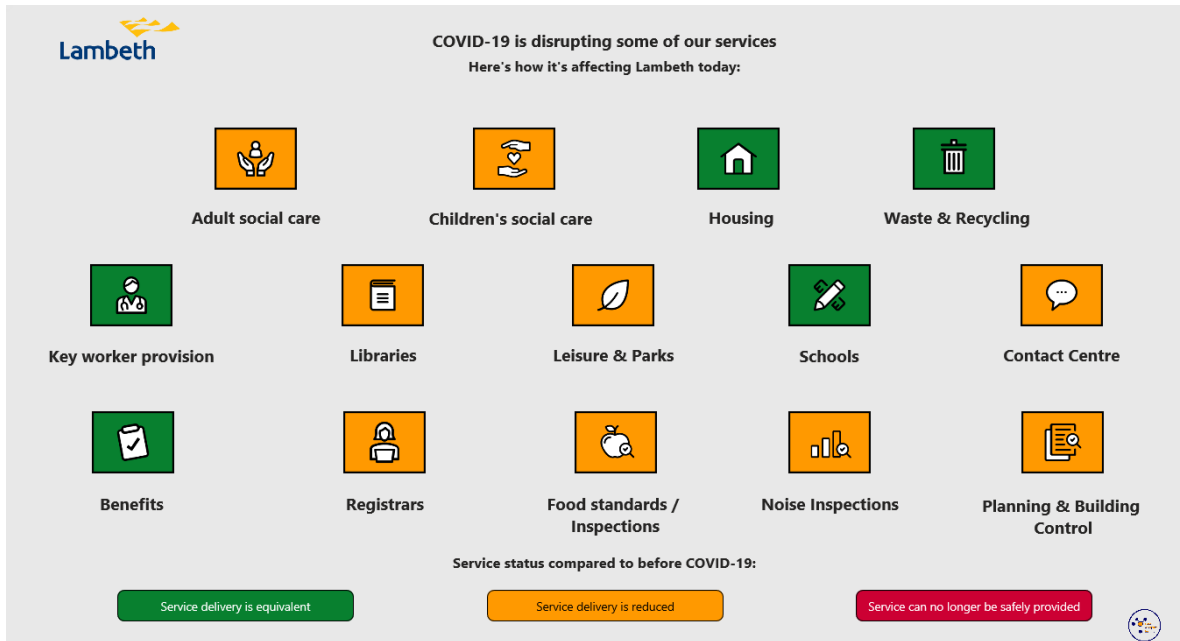
- **Tier 1: Borough Plan KPIs** – these give an understanding as to the achievement of the four main objectives in the Borough Plan. Some measures are within the Council's direct control, but most are not, they are nonetheless important as they give an understanding of the wider wellbeing of the borough
- **Tier 2: Priority Service KPIs** – these give an understanding as to the achievement of the four main objectives of the Borough Plan as well as an additional 'enabling' objective, which are within the Council's direct control
- **Business Plans** – performance against the set directorate objectives that are linked to the delivery of the Borough Plan.

1.3 As part of our ongoing desire to improve and challenge our performance as an organisation, a target setting protocol was implemented for 2020-21 in conjunction with the annual reviewing of indicators and as part of the wider Business Planning process. As part of this activity, the tolerance values were revisited and revised from 10% to 5%, meaning that if a KPI outturn achieves its target it is rated green, if the outturn is within 5% of its target it is rated amber and if an outturn is more than 5% away from achieving the target it is rated red. This change is in line with standard industry practice both in the private and public sector.

2. Performance overview

Overview of performance during the Covid-19 lockdown

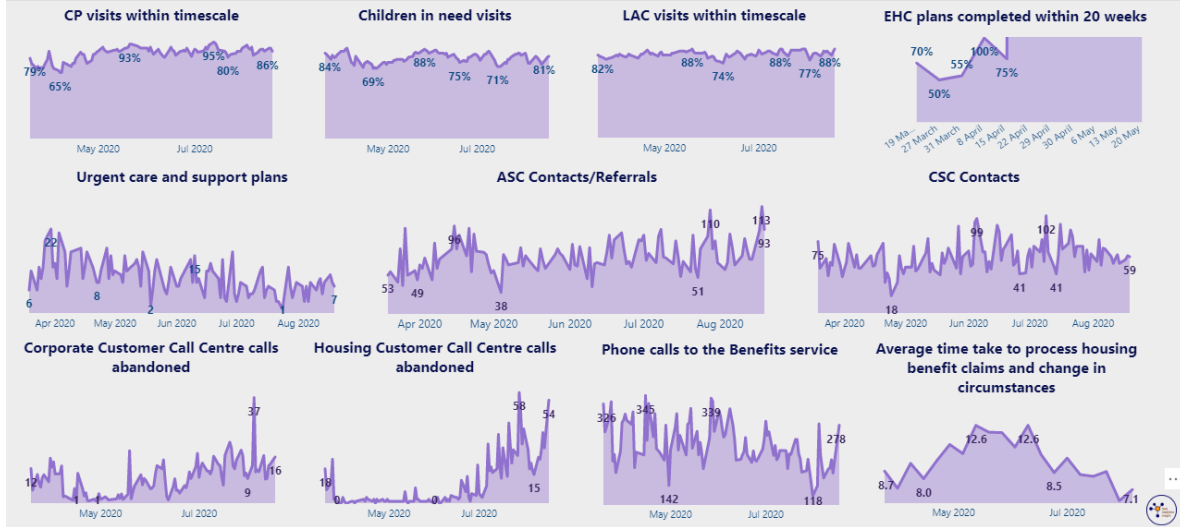
2.1 The diagram below shows the latest status of the service delivery. During lockdown despite some disruption to services, 100% of essential services were delivered, running either at a reduced or normal level of service delivery.



2.2 The Covid-19 dashboard, seen here below, highlights the daily impact of the pandemic for several critical areas; such as contacts and referrals, social care visits and benefit processing time. A number of these service have seen changes in both the way they work and how they interact with our most vulnerable residents. Although this could have negatively impacted on performance, on the whole it has in fact held up and remained at levels seen prior to lockdown, with particular note to Children's Services. This is primarily down to the efforts of staff and innovative use of technology.

Lambeth Council Performance

Data source: Lambeth Council



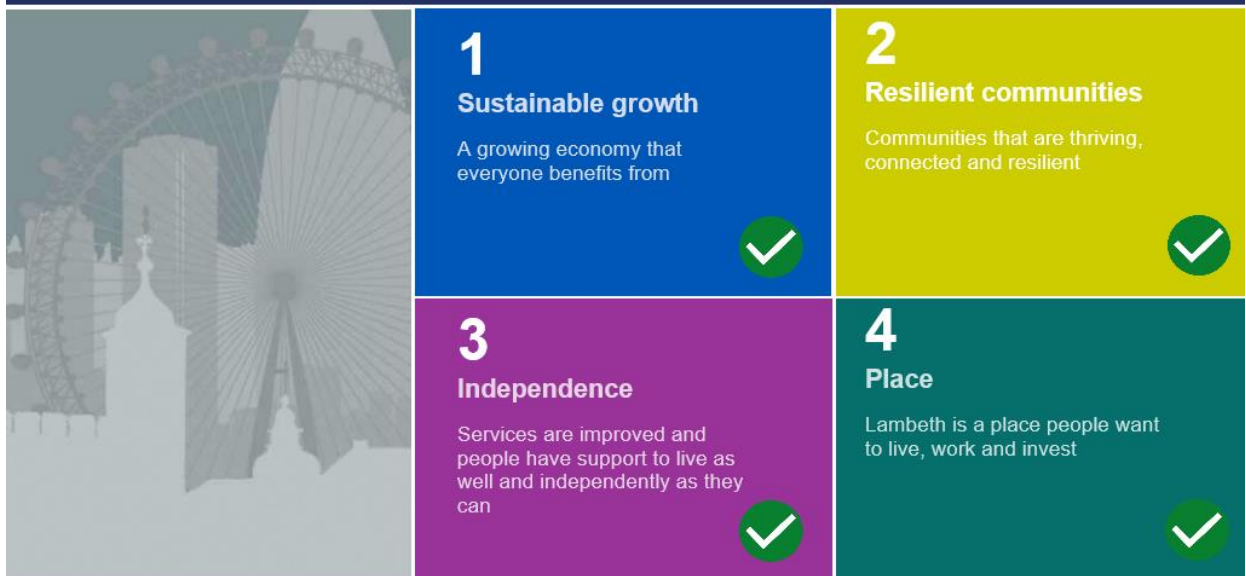
2.3 A highlight of the Council’s response to the pandemic was the network of food delivery hubs set up across the borough with local community groups. To date there have been almost 14,000 food parcels dispatched to vulnerable residents. In addition, work has been underway to proactively carry out 2,548 visits to vulnerable residents across the borough.

Tier 1: Borough Plan Key Performance Indicators

2.4 A total of 75 measures have been identified as Tier 1 Borough Plan indicators, the interactive dashboard visualisation can be found [here](#) which details performance in Q1 where data is available.

Performance by Borough Plan Pillars:

BOROUGH PLAN 2020/21



2.5 An overview of the performance for the individual indicators can be seen below.

RAG status				
	Q1	Q2	Q3	Q4
Green	22 (29.33%)			
Amber	5 (6.67%)			
Red	3 (4.00%)			
Data only	37 (49.33%)			
Not submitted	8 (10.67%)			

2.6 A positive picture can be seen in quarter 1, with the majority of rag rated indicators green (26.67%). With the following indicators being of particular note;

Red to green	<p><i>RI.62 Proportion of people in community setting reviewed during the year who receive services for 12 months+</i></p> <p>This indicator has turned green for the first time in a year, with the proportion of people recorded at 21.1% exceeding the target of 19%</p>
Remained green	<p><i>RI.29 Number of households where homelessness was prevented</i></p> <p>Performance has doubled the set target for the quarter and is halfway to the annual target already.</p>

As anticipated, the impact of Covid-19 can be seen in several indicators;

- Funded early education indicators were adversely affected due to the large proportion of childcare settings being closed during lockdown.
- The completion of annual reviews of EHCPs were also negatively affected, reporting only 15.63% against a 60% target, due to nearly all schools postponing reviews that were scheduled to reallocate resources to cope with the pandemic.

However, despite the impact of lockdown, several indicators have actually seen an improvement in performance where working practices have had to be adapted because of the crisis. One example of this is RI.49 percentage of Child Protection visits completed within timescale in accordance with plan. Despite the lockdown the performance for this indicator has increased, and is just shy of the 95% target, which is a drastic improvement compared to the performance for last year which was averaging at just 76%. Visits are now held both face to face and virtually.

Tier 2: Priority Service Key Performance Indicators

- 2.7 A total of 40 measures have been identified as Tier 2 Priority Service KPIs. For 2020-21 a new interactive dashboard has been developed to visualize the tier 2 indicators, this can be found [here](#) and details performance in Q1 where data is available.

Performance by Borough Plan Pillars

Priority Service KPIs – Quarter 1 Performance 2020 - 21

Click one of the priority service KPIs below to see more detail on how we are performing



Sustainable Growth	A growing economy that everyone benefits from	✓
Resilient communities	Communities that are thriving, connected and resilient	✓
Independence	Services are improved and people have support to live as well and independently as they can	●
Place	Lambeth is a place people want to live, work and invest	✓
Enabling	Services that enable the council to deliver the very best for our residents	●

2.8 The breakdown of the latest available performance can be seen below.

RAG status				
	Q1	Q2	Q3	Q4
Green	11 (26.19%)			
Amber	7 (16.67%)			
Red	16 (38.10%)			
Data only	3 (7.14%)			
Not submitted	5 (11.90%)			

2.9 Whilst performance is a mixed picture for Q1, there is a majority of red rag rated indicators accounting for 38.10%, the following indicators have been noted in particular.

Assessment timescales within Adult Social Care saw a drop in performance for quarter 1, now reporting 60.20% against a target of 75% which was as a result of focus being put in urgent care and support plans which may have meant cases where assessment had been requested had care and support put in pending review at 6 week stage to identify whether they continue to meet

social care eligibility, in line with NHS guidance. Performance is expected to improve as recovery planning continues.

There has also been a drop in performance for the percentage of EHC plans completed in 20 weeks (including exceptions), reporting 46.9% against a target of 70%. This was in part due to school closures, however with schools returning in full in September performance is expected to improve.

The number of residents support into employment, training or education missed the target by over half, reporting just 40 against a target of 94. This is caused by the economic impact of Covid-19 which has seen employers reducing staff numbers and not taking on any additional new staff. It is anticipated that this performance will remain poor until the economy begins to recover

However, an improvement has been seen in the proportion of core group meetings held in Children’s Social Care. With the performance for Q1 increasing by 9% and being just shy of the 95% target. This is a dramatic improvement to the previous year's performance which was averaging at just 71%; and is due to core groups being completed virtually which has aided timeliness and attendance.

Business Plans

2.10 Within each of the directorate plans are listed a number of key activities, which identify the work that is required throughout the year in order to meet the directorate objectives and help to achieve the Borough Plans goals. There are 177 key activities in total, measured across each of the directorate plans, and of those 124 had a start date within the Q1 and reported against. This is the first quarter that the organisation has used the corporate performance system to provide a self-assessment against directorate activities, thereby providing an oversight of how the directorate and corporate objectives are progressing throughout the year. The breakdown of the business plans can be seen below.

	Pillar 1 Sustainable growth	Pillar 2 Resilient communities	Pillar 3 Independence	Pillar 4 Place
Complete/ On track	87.82%	92.25%	92.59%	86.18%
Behind target	12.17%	7.75%	7.41%	12.2%

Significantly behind target	0%	0%	0%	1.63%
Not submitted	0%	0%	0%	0

On the whole performance has been largely positive, with the majority of updates reporting on track, 15 behind target and only two reporting significantly behind target; this was due to the impact of the lockdown which suspended the capital programme and put food safety on hold.

Ongoing progress against activities will be monitored regularly through DLTs and reported by exception to Management Board.

3. Finance Overview:

3.1 The council is forecasting a gross overspend against budgets of £42.7m this financial year mainly due to COVID-19 related expenses and shortfalls in income. However Central Government have thus far provided £23.2m of COVID-19 grant funding in three separate tranches since March 2020, which brings the position down to £19.5m. In July 2020 Central Government announced an income loss scheme, whereby councils will absorb losses of up to 5% of their planned sales, fees and charges income, with the government compensating for 75p in every pound of relevant loss thereafter. The details of this scheme are still being clarified including understanding how losses are to be evidenced to Government. This will reduce the forecast overspend position further. We have estimated the compensation due to the council to be £9.3m which would mean an overall overspend of £10.2m. Councils are continuing to lobby Central Government to fund a greater share of the costs associated with COVID-19.

3.2 The largest area of COVID-19 related spend has been in Adults and Health where expenditure has included uplifts to homecare and residential care providers, care package cost inflation, additional capacity staffing costs, shielding and supporting the vulnerable and the cost of personal protective equipment (PPE). Income losses include parking charges, one quarter rent free provided to commercial property tenants by the council, income losses associated with cancelled events and other losses associated with a general reduction in economic activity since the start of the financial year.

3.3 The council has also experienced a significant fall in council tax and business rate income and under Local Government accounting requirements these do not impact the current year but will impact future years. The losses are shared between the council, the GLA and with business rates, Central Government. A separate Financial Planning report has been presented to Cabinet in July 2020 discussing the Medium-Term Financial Strategy and funding assumptions over the next few years.

3.4 The majority of the financial pressures faced by the council in year have arisen due to COVID-19. However, there still would have been some in-year financial pressures if the Pandemic had not taken place in particular within Adults and Health where £0.5m of the pressure is estimated to be demand and cost related as opposed to COVID-19 and in temporary accommodation where most of the £4.1m forecast overspend in Housing Management would have taken place anyway due to a trend in rising client numbers. Directorates would have been required to take mitigating action across their service areas throughout the rest of the year to balance the council's position.

		Budget YTD	Actual s	Varian ce		Full Year Budget	Forecast	Varian ce	Vari anc e %
		£000	£000	£000		£000	£000	£000	%
ADULTS AND HEALTH	Income	(16,501)	(12,569)	3,932		(66,005)	(68,891)	(2,886)	0%
	Exp	38,294	38,871	576		156,558	172,681	16,123	10%
	Net	21,793	26,301	4,508		90,553	103,790	13,237	15%
CHILDRENS SERVICES	Income	(3,704)	(955)	2,749		(15,042)	(14,700)	342	17%
	Exp	21,689	18,915	(2,774)		90,137	94,186	4,049	4%
	Net	17,985	17,960	(25)		75,095	79,486	4,391	6%
NO RECOURSE TO PUBLIC FUNDS	Income	0	0	0		0	0	0	0%

	Exp	680	420	(260)		2,720	2,720	0	0%
	Net	680	420	(260)		2,720	2,720	0	0%
STRATEGY, COMMUNICATI ONS & LEGAL SERVICES	Income	(223)	453	676		(892)	(1,123)	(231)	26%
	Exp	1,938	4,484	2,546		7,751	7,982	231	3%
	Net	1,715	4,937	3,222		6,859	6,859	0	0%
FINANCE & INVESTMENT	Income	(1,589)	(735)	854		(6,357)	(4,399)	1,958	31%
	Exp	3,847	21,174	17,327		15,388	15,775	387	3%
	Net	2,258	20,439	18,181		9,031	11,376	2,345	26%
RESIDENTS SERVICES	Income	(62,158)	(8,871)	53,287		(248,633)	(241,651)	6,982	3%
	Exp	79,661	87,305	7,644		320,145	335,242	15,097	5%
	Net	17,503	78,433	60,931		71,512	93,591	22,079	31%
SUSTAINABLE GROWTH & OPPORTUNITY	Income	(2,439)	(1,363)	1,076		(9,756)	(10,238)	(482)	5%
	Expend iture	3,097	4,764	1,668		12,387	13,540	1,153	9%
	Net	658	3,402	2,744		2,631	3,302	671	26%
Total	Income	(86,615)	(24,041)	62,574		(346,685)	(341,001)	5,684	2%
	Exp	149,206	175,933	26,727		605,086	642,126	37,040	6%
	Net	62,591	151,892	89,301		258,401	301,125	42,724	17%

<u>COVID-19</u> <u>Government</u> <u>Grant Funding</u>					
Tranche 1				(10,703)	
Tranche 2				(8,933)	
Tranche 3				(3,569)	
Total COVID-19 Grant Funding				(23,205)	
Total Council Forecast Position				19,519	

3.5 The Dedicated Schools Grant (DSG) is forecasting a slight overspend this financial year. This is due to DSG funding being abated for academy recoupment in the Schools Block for Harris Academy and the High Needs Block for places at the new Vanguard Special Free School. Early Years DSG funding has also been reduced to reflect lower participation in the January 2020 census, however expenditure relating to Early Years has not fallen by the same extent due to additional COVID-19 related expenditure supporting private and voluntary early years care providers.

Dedicated Schools Grant (DSG)	Budget £'000	Forecast £'000	Variance £'000
Schools Block	142,461	142,461	0
Central School Services Block	2,032	2,132	100
Early Years Block	29,812	28,833	(979)
High Needs Block	44,117	44,165	48
DSG Overall Funding	(218,422)	-217,212	1,210
Net DSG Position	0	379	379

3.6 The overspend forecast within the Housing Revenue Account (HRA) is due to expenditure on repairs and maintenance, overspend on the voids reduction strategy and some COVID-19 related expenditure, such as the costs of fencing-off play areas. The forecast overspend will be managed by funding from HRA in-year reserves.

Housing Revenue Account	Budget YTD	Actuals	Variance		Full Year Budget	Forecast	Variance
	£000	£000	£000		£000's	£000's	£000's
Housing Services	16,003	12,979	(3,024)		64,014	66,235	2,221
Strategic Programmes	3,627	3,437	(191)		14,510	14,582	72
Central HRA Budgets & Technical Adjustments	(24,926)	(33,204)	(8,278)		(78,524)	(80,817)	(2,293)
Housing Revenue Account (HRA)							
Income	(44,843)	(34,384)	10,459		(179,371)	(179,066)	305
Expenditure	39,547	17,596	(21,951)		179,371	179,066	(305)
Net	(5,295)	(16,788)	(11,492)		0	(0)	(0)

3.7 The Capital budgets presented in this report are those that were approved as at 30 June 2020. Capital budgets approved by the end of June amounted to £217.3m for the year with £187.5m forecast to be spent in-year and £29.8m to be carried forward due to budgets being profiled in 2020/21 but being related to future years spend. £6.3m had been spent to the end of June 2020. The capital budget approved at Cabinet on 20 July will be reported in the next quarter's monitoring.

Capital Programme	20/21	20/21	20/21	20/21	21/22	22/23
	Budget	Actuals	Forecast	Variance	Budget	Budget
	£'000	£'000	£'000	£'000	£'000	£'000

Children's Services	2,268	44	1,649	620	51	0
Adults & Health	16	0	16	0	0	0
Finance & Investment	0	0	0	0	0	0
Resident Services	58,747	1,520	44,591	14,155	11,165	0
Sustainable Growth & Opportunity	104,232	2,404	89,253	14,978	33,639	25,106
Housing Revenue Account (HRA)	52,037	2,285	52,037	0	44,100	0
Capital Programme Totals	217,300	6,253	187,547	29,753	88,955	25,106

Adults & Health – Outturn £13.2m adverse

- 3.8 There are forecast overspends in Adult Social Care primarily due to additional COVID-19 expenditure. There have been uplifts to care package costs, temporary uplifts to care home and homecare providers, additional capacity staffing costs, costs associated with personal protective equipment (PPE) and delays in the delivery of agreed savings.
- 3.9 A number of the costs incurred as a result of COVID-19 are one-off although some may continue beyond the financial year. The Medium-Term Financial Plan presented to Cabinet in July considered the potential longer-term funding implications of costs being incurred within this area and the council's strategy for meeting these.

Adults and Health	Full Year Budget £'000	Forecast £'000	Variance £'000
<u>Adult Social Care</u>			
Income	(23,053)	(25,790)	(2,737)
Expenditure	112,185	128,159	15,974
Net	89,132	102,369	13,237
<u>Public Health</u>			
Income	(33,152)	(33,301)	(149)
Expenditure	33,152	33,301	149
Net	0	0	0

<u>Strategy & Commissioning - Adults</u>			
Income	(9,800)	(9,800)	0
Expenditure	11,221	11,221	0
Net	1,421	1,421	0
<u>Adults and Public Health</u>			
Income	(66,005)	(68,891)	(2,886)
Expenditure	156,558	172,681	16,123
Net	90,553	103,790	13,237

Adult Social Care and Public Health savings

- 3.10 There are delays expected in achieving savings within Adult Social Care due to COVID-19 and the extra pressures that have arisen as a result.

	2020/21 Savings Target £'000	2020/21 Forecast £'000	Variance £'000
Total	2,244	1,020	1,224

Adults & Health – Capital Monitor

- 3.11 Adults and Health have a small capital budget of £16k that is expected to be spend this financial year.

	20/21 Budget £000	20/21 Actuals £000	20/21 Forecast £000	20/21 Variance £000	21/22 Budget £000	22/23 Budget £000
Total Adults & Health Programmes	16	0	16	0	0	0

Children's Services - Outturn £4.4m adverse

- 3.12 Children's Social Care is forecasting an overspend of £2m attributable to COVID-19 related spend including providing extra financial support to Lambeth foster carers, additional placement costs, additional placements particularly related to Children with Disabilities and delays in achieving agreed savings.
- 3.13 Education and Learning is forecasting an overspend of £2.2m attributable to COVID-19. There has been income lost in traded services from schools, such as music lessons which have not taken place whilst social distancing measures have been in place. There is also an overspend in Special Education Needs (SEN) transport where due to social distancing requirements it is expected that transporting children to schools will have higher costs.

Children Services	Full Year Budget £'000	Outturn £'000	Variance £'000
<u>Children's Social Care</u>			
Income	(2,600)	(2,775)	(175)
Expenditure	60,076	62,290	2,214
Net	57,476	59,515	2,039
<u>Education and Learning</u>			
Income	(8,078)	(7,561)	517
Expenditure	15,788	17,489	1,701
Net	7,710	9,928	2,218
<u>Children's Commissioning & Community Safety</u>			
Income	(4,364)	(4,364)	0
Expenditure	14,273	14,407	134
Net	9,909	10,043	134
<u>Children Services</u>			

Income	(15,042)	(14,700)	342
Expenditure	90,137	94,186	4,049
Net	75,095	79,486	4,391
<u>No Recourse to Public Funds</u>			
Income	0	0	0
Expenditure	2,720	2,720	0
Net	2,720	2,720	0

Children Services Savings

- 3.14 Delivery of savings relating to Children Social Care are expected to be delayed this financial year due to the pressures arising from COVID-19.

	2019/20 Savings Target £'000	2019/20 Outturn £'000	Variance £'000
Children's Total	2,859	1,118	1,741
NRPF Total	200	200	0

Children's Services – Capital Monitor

- 3.15 Children's Services have capital budgets amounting to £2.3m in year, the main area of which is held in Education and Learning relating to SEN capital works. £1.6m is expected to be spend this financial year.

	20/21 Budget £000	20/21 Actuals £000	20/21 Forecast £000	20/21 Variance £000	21/22 Budget £000	22/23 Budget £000
Programme						

Children's Social Care Programmes	115	0	115	0	0	0
Education & Learning Programmes	2,091	44	1,420	671	0	0
Children's Commissioning & Community Safety Programmes	63	0	114	(51)	51	0
Children's Services Programmes	2,268	44	1,649	620	51	0

Resident Services – Outturn £22.0m adverse

- 3.16.1 Within Management & Transformation there are costs associated with one-off transformation activity.
- 3.17 Housing Management is forecasting a £4.1m adverse position primarily due to temporary accommodation costs. There has been an ongoing upwards trend in client numbers and also additional accommodation cost pressures arising from COVID-19.
- 3.18 Environment and Streetscene is forecasting a £9.3m pressure predominantly due to lost income during the COVID-19 crisis. Parking income has fallen significantly during the pandemic as has income from events, commercial waste income, licensing, parks and leisure services. There is the share of additional mortuary costs for COVID-19 excess death management across London.
- 3.19 Residents Experience and Digital is forecasting a £7.8m overspend due to a shortfall in income recovery of court costs relating to Council Tax and Business Rates, within libraries for fees and charges, within the Registrars service and also in recovering Housing Benefit overpayments.

Resident Services	Full Year Budget £'000	Forecast £'000	Variance £'000
<u>Management & Transformation</u>			

Income	0	0	0
Expenditure	372	1,225	853
Net	372	1,225	853
<u>Housing Management</u>			
Income	(27,684)	(30,849)	(3,165)
Expenditure	49,177	56,424	7,247
Net	21,493	25,575	4,082
<u>Environment & Streetscene</u>			
Income	(51,210)	(44,428)	6,782
Expenditure	72,054	74,535	2,481
Net	20,844	30,106	9,262
<u>Residents Experience & Digital</u>			
Income	(169,739)	(166,374)	3,365
Expenditure	198,369	202,886	4,517
Net	28,630	36,512	7,882
<u>Infrastructure & Capital Delivery</u>			
Income	0	0	0
Expenditure	173	173	0
Net	173	173	0
<u>Residents Services</u>			
Income	(248,633)	(241,651)	6,982
Expenditure	320,145	335,242	15,097
Net	71,512	93,591	22,079

Savings– Resident Services

3.20 Savings within Resident Services are mostly expected to be delivered in year with slippage within Residents Experience & Digital.

	2020/21 Savings Target £'000	Forecast £'000	Variance £'000
Total	3,329	3,057	272

Resident Services – Capital Monitor

3.21 Resident Services have approved capital budgets totalling £58.7m for 20/21 of which £44.6m is expected to be spent this year. The main capital budgets relate to road and public realm works, waste fleet replacement, temporary accommodation and the schools and communities capital programme.

Programme	20/21 Budget £000	20/21 Actuals £000	20/21 Forecast £000	20/21 Variance £000	21/22 Budget £000	22/23 Budget £000
Environment & Streetscene Programmes	24,792	994	17,174	7,618	1,941	0
Business & Resident Services Programmes	1,939	232	1,666	273	0	0
Housing Management Programmes	4,363	48	4,363	0	0	0
Infrastructure & Capital Delivery	27,653	246	21,389	6,264	9,224	0
Total Resident Services Programmes	58,747	1,520	44,591	14,155	11,165	0

Sustainable Growth and Opportunity - Outturn £671k adverse

3.22 Sustainable Growth and Opportunity is forecasting a £671k shortfall against budgets due to a fall in building control and planning income and the costs of providing additional grant support to the local community during the COVID-19 crisis.

Group	Full Year Budget £'000	Forecast £'000	Variance £'000
<u>Regeneration & Housing Growth</u>			
Income	(1,452)	(1,279)	173
Expenditure	1,728	1,555	(173)
Net	276	276	0
<u>Planning, Transport & Development</u>			
Income	(4,809)	(4,629)	180
Expenditure	6,109	6,160	51
Net	1,300	1,530	230
<u>Enterprise Jobs & Skills</u>			
Income	(3,495)	(4,329)	(834)
Expenditure	4,550	5,825	1,275
Net	1,055	1,496	441
<u>Sustainable Growth & Opportunity</u>			
Income	(9,756)	(10,238)	(482)
Expenditure	12,387	13,540	1,153
Net	2,631	3,302	671

Savings– Sustainable Growth and Opportunity

3.23 Savings of £169k are forecast to be delivered this financial year.

	2019/20 Savings Target £'000	Forecast £'000	Variance £'000
Total	169	169	0

Sustainable Growth and Opportunity – Capital Monitor

3.24 Sustainable Growth & Opportunity have capital budget in year of £104m predominantly relating to regeneration schemes. £89.3m is forecast to be spend in year with the remainder spent in future financial years.

Programme	20/21 Budget £000	20/21 Actuals £000	20/21 Outturn £000	20/21 Variance £000	21/22 Budget £000	22/23 Budget £000
Development, Planning & Housing Growth Programmes	99,190	2,404	87,759	11,431	33,313	25,106
Enterprise, Jobs & Skills Programmes	5,042	0	1,495	3,547	326	0
Total Sustainable Growth & Opportunity Programmes	104,232	2,404	89,253	14,978	33,639	25,106

Finance and Investment - Outturn £2.3m adverse

3.25 Finance & Investment is forecasting a pressure of £2.3m predominantly due to a shortfall in commercial rental income because tenants were provided with a quarter rent free from April – June 2020 due to COVID-19.

Group	Full Year Budget £'000	Forecast £'000	Variance £'000
<u>Performance & Business Improvement</u>			
Income	0	0	0
Expenditure	2,061	2,044	(17)
Net	2,061	2,044	(17)
<u>Human Resources & Organisational Development</u>			
Income	(10)	(10)	0
Expenditure	2,638	2,628	(10)
Net	2,628	2,618	(10)
<u>Finance & Property</u>			
Income	(6,347)	(4,389)	1,958
Expenditure	10,689	11,103	414
Net	4,342	6,714	2,372
<u>Finance & Investment</u>			
Income	(6,357)	(4,399)	1,958
Expenditure	15,388	15,775	387
Net	9,031	11,376	2,345

Savings– Finance and Investment

3.26 Finance and Investment is forecasting to deliver £759k of their agreed savings this year. There is slight slippage in achieving some savings due to prioritising COVID-19 related work in the first quarter of the year.

	2020/21 Savings Target £'000	Forecast £'000	Variance £'000

Total	869	759	110
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Strategy, Communication and Legal Services - Outturn

3.27 Strategy, Communications and Legal services are forecasting a balanced position for this financial year.

Group	Full Year Budget £'000	Outturn £'000	Variance £'000
<u>Strategy and Communications</u>			
Income	(251)	(279)	(28)
Expenditure	2,502	2,530	28
Net	2,251	2,251	0
<u>Legal Services</u>			
Income	(641)	(844)	(203)
Expenditure	5,249	5,452	203
Net	4,608	4,608	0
<u>Strategy, Communication and Legal Services</u>			
Income	(892)	(1,123)	(231)
Expenditure	7,751	7,982	231
Net	6,859	6,859	0

Savings Delivery– Strategy, Communication and Legal Services

3.28 Savings of £151k within legal services are forecast to be achieved in year.

	2019/20 Savings Target £'000	Outturn £'000	Variance £'000

Total	151	151	0
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Housing Revenue Account (HRA) - Outturn

3.29 The Housing Revenue Account is forecasting a balanced position overall. A forecast overspend on housing repairs and maintenance and COVID-19 spend on fencing off play areas will be balanced by HRA in-year reserves.

Group	Full Year Budget £'000	Outturn £'000	Variance £'000
<u>Housing Services</u>			
Income	(12,722)	(12,417)	305
Expenditure	76,736	78,652	1,916
Net	64,014	66,235	2,221
<u>Central HRA Budgets & Technical Adjustments</u>			
Income	(166,649)	(166,649)	0
Expenditure	88,125	85,832	(2,293)
Net	(78,524)	(80,817)	(2,293)
<u>Strategic Programmes</u>			
Income	0	0	0
Expenditure	14,510	14,582	72
Net	14,510	14,582	72
<u>Housing Revenue Account (HRA)</u>			
Income	(179,371)	(179,066)	305
Expenditure	179,371	179,066	(305)
Net	0	(0)	(0)

HRA Capital Monitor

3.30 £52m of capital budgets within the Housing Revenue Account are expected to be spend this financial year. The budgets relate predominantly to LHS works and improvements associated with fire risk assessments.

Programme	20/21 Budget £000	20/21 Actuals £000	20/21 Forecast £000	20/21 Variance £000	21/22 Budget £000	22/23 Budget £000
Strategic Programmes (HRA) Programmes	50,100	2,256	50,100	0	44,100	0
Housing Services (HRA) Programmes	452	24	452	0	0	0
Housing Management - Repairs & Maintenance	1,486	5	1,486	0	0	0
Total HRA Programmes	52,037	2,285	52,037	0	44,100	0

Conclusions and next steps

3.31 Cabinet will continue to receive details of budget and performance issues via regular quarterly reports in the new financial year and continue to identify mitigations to ensure services are managed within the agreed budgets.

4 Finance

4.1 Section 3 of this report concerns the Council's financial position as at Q1 2020-21. Any business improvement activity to address poor performance will be delivered from within existing budgets.

5 Legal and Democracy

5.1 Section 28 of the Local Government Act 2003 requires Council's to monitor budget outturn periodically throughout the year and where an overspend is forecast against budget, the process followed to address such issues. This is outlined in section 3 of this report

5.2 There are no further comments from Democratic Services.

6 Consultation and co-production

- 6.1 The completion of the performance report relies on service managers / Heads of Services to provide performance data and commentary on progress and management actions, particularly if the indicators is not achieving target.

7 Risk management

- 7.1 There are no risk implications arising from report.

8 Equalities impact assessment

- 8.1 The Equality Act 2010 requires organisations exercising public functions to demonstrate that due regard has been paid to equalities in:

- Elimination of unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010
- Advancement of equality of opportunity between people from different groups
- Fostering of good relations between people from different groups

- 8.2 The Equality Act 2010 identifies the following protected characteristics: age; disability; gender reassignment; marriage and civil partnership, pregnancy and maternity; race; religion or belief; sex and sexual orientation.

- 8.3 In order to assist in meeting the duty the council:

- Tries to understand the diversity of our customers to improve our services
- Considers the impact of our decisions on different groups to ensure they are fair
- Mainstreams equalities into business and financial planning

- 8.4 Reflecting this, we aim to ensure that equalities considerations are integrated into the Council's Corporate Performance Framework. Accordingly, we report against a number of KPIs aligned to Borough Plan priorities concerned with ensuring that growth in the borough is inclusive and that inequality is reduced, as well as other KPIs concerned with how we deliver our services and meet

the needs of residents. In this way, performance data can play a role in determining whether there is any differentiation in residents' experience of, or satisfaction with, Council services.

9 Community safety

9.1 There are no community safety implications arising from this report.

10 Organisational implications

10.1 Environmental
None.

10.2 Staffing and accommodation
None.

10.3 Procurement
None.

10.4 Health
None.

11 Timetable for implementation

11.1 Not applicable.

Audit trail				
Consultation				
Name/Position	Lambeth Directorate/division or partner	Date Sent	Date Received	Comments in para:
Andrew Travers Chief Executive	Strategy, Communication and Legal Services	12/08/20	12/08/20	
Andrew Eyres Strategic Director	Integrated Health and Adult Care	12/08/20	12/08/20	

Merlin Joseph Strategic Director	Children's Services	12/08/20	12/08/20	
Bayo Dosunmu Strategic Director	Resident Services	12/08/20	12/08/20	
Eleanor Purser Co-Strategic Director	Sustainable Growth and Opportunity	12/08/20	12/08/20	
Sara Waller Co-Strategic Director	Sustainable Growth and Opportunity	12/08/20	12/08/20	
Fiona McDermott Strategic Director	Finance and Investment	12/08/20	12/08/20	Cleared
Fiona Connolly Executive Director	Adult Social Care	12/08/20	12/08/20	
Christina Thompson Director	Finance and Property	12/08/20	12/08/20	
Paul Bates Director	Strategy & Communications	12/08/20	12/08/20	
Alison McKane Director	Legal Services	12/08/20	04/09/20	Cleared
Dami Awobajo Director	Performance and Business Improvement	12/08/20	12/08/20	Section 2, Cleared
Nisar Visram Assistant Director	Financial Planning and Management/Corporate Finance	12/08/20	12/08/20	Section 3, Cleared
Hamant Bharadia Assistant Director	Strategic Finance	12/08/20	12/08/20	
Cllr Maria Kay	Cabinet Member for Finance and Performance	12/08/20	12/08/20	Cleared
Christian Scade Deputy Democratic Services Manager	Democratic Services	28/08/20	01/09/20	Section 2, Cleared

Report history

Original discussion with Cabinet Member	12 th August 2020
Report deadline	2 nd September 2020
Report no.	N/A
Part II Exempt from Disclosure/confidential accompanying report?	No
Key decision report	No
Date first appeared on forward plan	N/A
Background information	N/A
Appendices	N/A