

Title of Report	2022/23 Overall Financial Position - March 2023	
Key Decision No	FCR S197	
For Consideration By	Cabinet	
Meeting Date	26th June 2023	
Cabinet Member	Cllr Chapman, Cabinet Member for Finance	
Classification	Open	
Ward(s) Affected	All Wards	
Key Decision & Reason	Yes	Result in the Council incurring expenditure or savings which are significant having regard to the Council's budget for the service / function
Implementation Date if Not Called In	3 July 2023	
Group Director	Ian Williams, Group Director of Finance and Corporate Services	

1. CABINET MEMBER'S INTRODUCTION

- 1.1 This is the Provisional Outturn Overall Financial Position (OFP) report for 2022/23. It shows that the General Fund provisional outturn is an overspend of £7.013m. How this will be funded is set out below.
- 1.2 As can be seen below, the overspend relates to various pressures including:
 - Adult Social Care (primarily Care Support Commissioning, Provided Services and Mental Health); Climate, Homes and Economy (primarily Environmental Operations, Planning); Children and Education (Corporate Parenting, Family Intervention and Access and Assessment); and one off costs of the cyberattack (backlog clearance, system investment and income pressures). The cyberattack costs were anticipated and provided for in the 2022/23 Budget and by reserves set aside.
- 1.3 The inflation crisis impacted on the Council's services, but in particular on those with significant energy, fuel and contract costs. Examples include

increased energy costs of running Council buildings, fuel costs in Environmental Operations and SEND transport. Also social care providers will be faced with additional inflationary costs which they will then look to pass on to the Council. There was also considerable pressure as a result of the 2022/23 pay award which was significantly more than budgeted for.

1.4 Residents continued to face significant financial pressures resulting from the high cost of living and the continuing inflation surge. Below, a description is given of what the Council has done to assist residents to manage the impact of the cost of living crisis.

1.5 I commend this report to Cabinet.

2. **GROUP DIRECTOR OF FINANCE AND CORPORATE RESOURCES INTRODUCTION**

2.1 The OFP shows that the Council's 2022/23 provisional general fund outturn is an overspend of £23.222m after the application of reserves but before the application of the set asides and earmarked reserves as provided for in the budget. The application of these reduced the overspend to £7.013m. The remaining overspend will be funded by various sources including one-off reserves and section 31 grants.

2.2 Aside from the costs of inflation which were not budgeted for when the budget was formulated in January 2022, the overspend reflects increased demands and increasing cost pressures in some areas and reduced income streams in others.

2.3 The main areas of overspend are: -

Childrens and Education (£3.578m before the impact of the cyber attack and the Pay Award) primarily in the area of Corporate Parenting (i.e. looked after children placements) with smaller overspends in Access and Assessment, Leaving Care and Family Intervention Services; partially offset by an underspend on Clinical Services and Youth Justice. This is an increase of £286k from the previous month.

Adults, Health and Integration (£6.147m before the cyber attack and the Pay Award) primarily the overspend is in the areas of Care Support Commissioning, Provided Services and Mental Health partly offset by an underspend in ASC Commissioning. There is an increase of £27k from last month.

Climate, Homes and Economy (£0.547m before the cyberattack and the Pay Award) primarily in the area of Environmental Operations but with some overspends in Planning, Community Safety and Enforcement and Parks. This is a reduction of £234k from the previous month.

F&CR. Although the directorate was underspent, there were cyberattack related overspends in ICT, Housing Needs and soft Facilities Management

(for example, cleaning etc). These were more than offset by underspends elsewhere.

Chief Executive. The directorate was also underspent.

Cyberattack - One off cost of £4.577m, which had been fully provided for by set asides and reserves in the 2022-23 Budget and in the 2021-22 closing process. The expenditure was primarily on additional staffing to work on the backlog resulting from the Cyberattack, and there was also the cost of systems recovery work in ICT and foregone income in revenues.

SEND - There is still uncertainty around the DSG high needs deficit and the treatment of any deficit post 2025/26. The cumulative SEND deficit as at the end of 2022/23 is £17.1m. The statutory override which allowed this deficit balance to be carried in the Council's accounts was extended from 31 March 2023 to 31 March 2026 by Government. However, this continues to remain a long term risk for Hackney in the event there is no further funding provided by the Department for Education (DfE) to mitigate this balance. Hackney is included in Tranche 2 of the Delivering Better Value (in SEND) programme which aims to help local authorities maintain effective SEND services, however the programme aims to provide assistance on deficit recovery actions through a grant of up to £1m, rather than provide direct funding to address the deficit, hence the potential risk to the Council. Senior officers have held an introductory meeting with representatives of the DfE in respect to the format and workstreams of the programme, with the detailed work now ongoing to apply for the £1m grant.

- 2.4 Inflation continued to impact on various components of many of the Council's services, but in particular on those with significant energy, fuel and contract costs. Particular examples that emerged included increased energy costs of running Council buildings, fuel costs in Environmental Operations and SEND transport, and inflationary pressures from care providers. There was also considerable pressure as a result of the 2022/23 pay award which was higher than budgeted for.

2.5 The financial position for services in March is shown in the table below.

Table 1: Overall Financial Position (General Fund) March 2023

Revised Budget	Service Area	Forecast Variance After reserves	Change in Variance from last month
£k		£k	£k
93,938	Children and Education	3,578	286
127,036	Adults, Health and Integration	6,147	23
31,780	Climate, Homes & Economy	547	(234)
16,764	Finance & Corporate Resources	(242)	(47)
15,167	Chief Executive	(852)	(194)
46,034	General Finance Account	0	0
	Sub Total	9,178	(166)
	One-Off Cyberattack Costs	4,577	51
	Pay Award	9,467	(55)
330,719	GENERAL FUND TOTAL	23,222	(170)

Table 2: Funding

	Forecast Variance Before Reserves
	£000
GENERAL FUND TOTAL	23,222
LESS CYBER SET ASIDE	-2,500
LESS CYBER RESERVE	-2,331
LESS SAVING FROM SEPTEMBER 2022 REDUCTION IN NI RATE	-633
LESS COST PRESSURES SET ASIDE	-1,223
LESS RESERVES & SET ASIDE PAY AWARD	-9,522
NET OVERSPEND	7,013

2.6 The remaining overspend of £7.013m will be funded by one-off reserves (£2m), Business Rates Retention Levy Surplus (£0.931m), Section 31 Grants (£2.016m) and Business Rates Pooling Surplus (£2.066m).

2.7 It should be noted that there was a significant but not full achievement of the 2022/23 budget savings and the vacancy factor savings. AH&I did not achieve the Housing with Care saving of £500k but this was mitigated by savings within Housing Support contracts. In Children's Services the saving for early help services of £350k was not achieved fully this year but this was mitigated by the use of Supported Families funding. Finally, CHE did not achieve the vacancy factor saving of £0.562m in Environmental Operations.

Cost of Living Crisis

2.8 As the Council feels the pressure of rising inflation and interest rates, and increased fuel costs, so do our residents. Hackney already had high levels of poverty, this worsened during the pandemic and now poverty is entrenching

and more people are falling into difficulty. The cost of living crisis disproportionately impacts lower income groups, as more of their income goes on essential costs.

- 2.9 Tackling Poverty has been a key priority for the Council in recent years and we adopted a [poverty reduction framework](#) in March 2022. This was informed by work during the pandemic when we tried, from the outset, to focus our response on how those on lower incomes were going to be impacted and campaigning for more funding. We have kept working closely with the community organisations at the heart of the pandemic response because we always knew more people would be struggling financially coming out of the pandemic.
- 2.10 The response to the cost of living crisis, which is set out below, is in line with the third objective of the poverty reduction framework which is about responding to material needs, by developing a more coordinated emergency support and advice offer, with more preventative help, linking emergency support with income maximisation and advice and supporting frontline services and community partners on the ground who are best placed to support residents. Ultimately we are trying to create one connected system of support, with the Council, statutory partners and community organisations working together.
- 2.11 The Council has established the Money Hub - a new team of specialist advisors who will support those in severe hardship, who have no other source of monetary support available. In terms of the financial support the Council is able to offer to residents through the Hub, we have the Hackney Discretionary Crisis Support Scheme (HDCSS), which provides one-off payments for emergencies and items that are difficult to budget for. In addition, we also support residents having temporary difficulty meeting housing costs through the discretionary housing payments (DHPs) and have the Council Tax Reduction Discretionary Fund, which allocates out a small cash limited fund to provide discretionary financial help for council tax payers in hardship. Finally the Hub is allocating out £200k of Household Support Fund monies (see below for detail on the Housing Support Fund).
- 2.12 As well as paying out discretionary funds, the Money Hub works to increase benefits take-up and connect residents with other financial support, including providing housing navigation support and signposting to debt advice. So far:
- Over 5000 residents have requested support since the team launched in November, which is more than applied for Discretionary Housing Payments (DHP) and the HDCSS in the whole of last year. More than half of applicants are already in rent or Council Tax arrears.
 - The team has distributed £592k of discretionary funds, and delivered £551k worth of increased incomes through benefits uptake work, mainly through the CTRS, Housing Benefit, Universal Credit and Pension Credit. A campaign supporting those affected by non-dependant deductions to Housing Benefit has been particularly

successful - delivering £62k worth of increased incomes in just two weeks.

- The team is delivering positive in year Return on Investment: £1.49 worth of increased incomes for every £1 invested in staffing. This rises to £1: £2.47 over a three year period.

2.16 On funding distributed from the various funds, we made the following payments as at the end of March:

- *CTRS Discretionary Hardship Scheme - £400k paid out by the end of March 2023*
- *Discretionary Housing Payments - £1,204k paid out by the end of March 2023*
- *Hackney Discretionary Crisis Support Scheme - £198k paid out by the end of March 2023*

2.17 We have also rolled out the Government's scheme to support residents with rising fuel costs. Payments made this year is as follows:

- *Fuel cost related rebates - Standard £150 Council Tax Rebates scheme - £14.3m paid out; and discretionary schemes £1,931k paid out (primarily the £30 top-up scheme)*

2.18 Government awarded a total of £2.8m from October 2022 to March 2023 through the Household Support Fund. £200k of this has created a fund managed by Money Hub. The remaining £2.6m was awarded as set out in the bullets below:

- **£1.6m Children and families 0-19:** Support primarily via vouchers for children on free school meals, Children's Centres (including the Orthodox Jewish community) and in local colleges
- **£400k Help with housing costs and bills for people we know are at risk:** identified by Housing Needs, Childrens and Adults as well as supporting being distributed via Warm Hubs.
- **£200k Money Hub** funding will be routed through Money Hub, the Council's income maximisation team to top up support available to residents they identify or who apply for support.
- **£100k Trusted referral partners** A network of trusted referral partners has been developed and went live in February to support those residents/ patients/ service users identified by frontline staff as being at risk in terms of welfare, health or wellbeing due to cost of living impacts (see below).
- **£250k [Hackney Giving](#)** - this will be used in 2023-24 and will enable us to route HSF funds to diverse communities by funding community organisations that provide financial support to residents - organisations will apply for funding via an application process and our funding will be matched with public donations raised from this campaign.
- **£90k** being distributed through Citizens Advice and Food Hubs

The balance has gone into administration and management required to deliver a programme like this on time, on budget and with due diligence in place.

Continuation of the Household Support Fund was confirmed in the Autumn Statement and has developed an approach that builds on the one outlined above for April 2023 onwards.

2.19 We are also embedding financial help into the work of Children and Education. This includes:

- Children's Centres - Families receiving targeted support via the Multi-agency teams (MAT) receive food vouchers and all other families who are eligible can access Healthy start vouchers and Alexander Rose vouchers, redeemable for fruit and veg from Hackney markets. We have recently agreed further funding for Alexander Rose again to work in Hackney with a £20k grant from Public Health.
- We are running support in holidays with funding from the Department of Education: Holiday Activity and Food programme will run for four days during Christmas holidays. This provides activities and lunch for children on free school meals (FSM).
- A task group has been established to review food poverty affecting children in schools. The task group has listened to schools and community organisations to inform thinking about how we might expand the FSM offer to a wider group of children and look at models that reduce unit cost, improve quality, but do not simply rely upon additional subsidy. A 'food poverty in education summit' was held on 13 December chaired by Mayor Glanville, Paul Senior and Cllr Bramble which looked at approaches implemented in neighbouring boroughs. The summit convened key stakeholders including headteachers, food partners and Hackney education leads to discuss which priority models should be explored further by the task group, the main barriers to progressing these and any alternative recommendations or options. The announcement that the Mayor of London will be funding universal free school meals in primary schools is welcomed and we are taking on board the implications and opportunities for local work to complement this.

2.20 Our November Overall Financial Position report identified a further £600k to support poverty reduction. The focus is on either developmental interventions or those that meet the needs of groups that Household Support Fund cannot support, and specifically those with no recourse to public funds (public funds does not mean any council fund, there are specific restrictions as set out [here](#)). In summary resources will support:

- Tackling child poverty in schools - this was in advance of the Mayor of London announcing that the GLA would fund free school meals in all primary schools

- Money Hub support: topping up grant funding support for in home appliances and investing further in income maximisation officers
 - Hardship support and preventative help for those who have no recourse to public funds.
- 2.21 A further £250k has been agreed in the 23/24 budget and will be used to support. This resource is to be invested in work that helps us to sustain the support that will be needed for the next few years - through building local partnerships that support residents at grassroots level, the Money Hub and by developing long term access to affordable food.
- 2.22 Alongside the direct support that the Council is putting in place, we are doing what we can to support organisations on the ground, who are struggling with rising costs and demands. This is vitally important because it is these organisations that have the greatest reach into diverse communities, can ensure that residents are supported in a more ongoing way at community level, and can access *independent* advice and accredited financial, debt and legal advice when appropriate.
- We have already secured £95k from the NHS to shore up support over winter, purchasing food and helping with the volunteer drive.
 - We continue to try to help organisations raise funding.
 - A greater share of the Community Grants budget (£1m out of a £2.5m budget) has been dedicated to funding more social welfare advice in Hackney.
 - We worked in partnership with Food Hubs to bring in £170k over three years
 - We have awarded small grants totalling £39,966.00 to 14 organisations to expand their offer and provide a warm space.
- 2.22 More detail about this partnership work, and about the whole response is provided in this [stakeholder briefing](#) which will be kept up to date on a regular basis.

Free School Meals

- 2.23 In February 2023 the Mayor of London announced the Greater London Authority (GLA) would provide funding to London boroughs to expand **free school meal provision** to all primary aged children attending a state funded primary school for the 2023-24 academic year as part of a response to the cost of living crisis and the corresponding impact on families.
- 2.24 Funding will be allocated based on a cost of £2.65 per meal and the number of primary aged children living within the borough who attend a state funded primary school This per meal rate is above the Government's Universal Infant Free School Meal (UIFSM) rate of £2.41.
- 2.25 Analysis has been carried out on the basis of information provided by our maintained primary schools on the rate that is payable by parents who have to pay for their child's meal. For Academies the rates have been assumed at

£2.65 per meal to adhere to the grant conditions. The final grant allocation is dependent on the June 2023 Schools census, however based on current modelling it is felt the indicative grant allocation of £2.8m would be sufficient to provide universal provision within Hackney Primary schools. The funding does not include provision for capital expenditure, a survey of Hackney schools is currently being undertaken on their current meal provision arrangements to identify any infrastructure or capital requirement.

- 2.26 Locally a task and finish group conducted research and modelling of possible expansion of free school meals in Hackney to help address food poverty issues. A draft report of findings and recommendations is currently under review. The work of this group has generated useful insight including cost per meal in Hackney settings which is being used to inform the implementation approach to the GLA funding.
- 2.27 The indicative grant allocation for Hackney is £2,782,430. The allocation is based on the average number of primary aged children in the October 2022 and January 2023 census returns. The final allocation will be confirmed following the June 2023 census return and based on an average across the 3 census returns. The funding only applies to maintained, academy and free schools and not to independent settings, Hackney has a large number of Orthodox Jewish independent schools who are not eligible for this grant.
- 2.28 We have received some good news on the Additional Restrictions Grant (ARG) reconciliation which has now been concluded between the Council and the Department for Business and Trade. As Cabinet may remember, we received a total Additional Restrictions Grant from the Government of £12.7m between 2020 and 2022. Our aim was to spend all of the funding allocated to us and also to ensure we did not spend more than the £12.7m grant total as any overspend of the grant amount would have needed to be covered by the local authority (as opposed to most of the other covid business grant funds where any evidenced overspend could be covered by the Government). We have now gone through the formal reconciliation process with the Government and they have confirmed that we spent all of the £12.7m with a very minor overspend of £1054.45.
- 2.29 The ARG provided councils with grant funding to support businesses that were severely impacted by coronavirus restrictions. Funding was made available in the financial year 2020- 2021 and had to be spent by March 2022. The ARG was a discretionary grant fund primarily focused on those businesses who were not business rate payers and who could not receive a grant via this means but who were severely impacted by the covid restrictions. The types of businesses supported included retail, hospitality, and leisure sector businesses, businesses who supply these sectors, and market traders. Ofsted registered nurseries and childminders were also included in the ARG grant scheme
- 2.30 In addition to the covid business support grants, the Council used £2.5m of the ARG funding to establish a business support programme in the financial year 2021/2022. The programme funded various initiatives to support local

economic recovery and growth focusing on town centre resilience, business adaptations required in a post covid trading environment, support for businesses to adopt greener and more sustainable practices, and more general business support on business start up, finance, marketing etc. The £12.7m ARG funding is on top of the first Discretionary Grant Fund scheme administered by the Council in Summer 2020 which provided £3.46m of grants to local businesses, therefore the amount of covid discretionary grant funding awarded to businesses by the Council between 2020 and 2022 totals £16.1m.

3. RECOMMENDATIONS

3.1 To agree to accept the indicative grant allocation of £2,782,430 from the Greater London Authority for universal free school meals for the academic year 2023-24 and to enter into a grant agreement with the Greater London Authority in respect of such funding.

3.2 To note the overall financial position of the Council as at March 2023 as set out in this report.

4. REASONS FOR DECISION

4.1 To facilitate financial management and control of the Council's finances and to facilitate the process of accepting the GLA grant funding for schools within Hackney and enter into a grant agreement with the GLA to accept the grant terms and conditions.

5.0 DETAILS OF ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

5.1 This budget monitoring report is primarily an update on the Council's financial position. It also includes a proposal to accept £2.8m of grant funding from the GLA for the universal provision of free school meals in our maintained primary schools and academies. The alternative is not to accept this grant. This would mean missing out on this opportunity for universal free school meal provision in our schools for the duration of the grant.

6.0 BACKGROUND

6.1 Policy Context

This report describes the Council's financial position as at the end of March 2023. Full Council agreed the 2022/23 budget on 2nd March 2022.

6.2 Equality Impact Assessment

Equality impact assessments are carried out at budget setting time and included in the relevant reports to Cabinet. Such details are not repeated in this report.

6.3 **Sustainability and Climate Change**

As above.

6.4 **Consultations**

Relevant consultations have been carried out in respect of the forecasts contained within this report involving the Mayor, the Cabinet Member for Finance, Heads and Directors of Finance and Service Directors through liaison with Finance Heads, Directors and Teams. With regards to the free school meals funding proposal relevant consultations have been carried out in respect to the implications of the funding with the Mayor, the Cabinet Members for Children's Services, Heads and Directors of Finance and Service Directors.

6.5 **Risk Assessment**

The risks associated with the Council's financial position are detailed in this report.

7. **COMMENTS OF THE GROUP DIRECTOR OF FINANCE AND CORPORATE RESOURCES**

7.1 The Group Director, Finance and Corporate Resources' financial considerations are included throughout the report.

8. **COMMENTS OF THE DIRECTOR OF LEGAL, DEMOCRATIC AND ELECTORAL SERVICES**

8.1 The Group Director, Finance and Corporate Resources is the officer designated by the Council as having the statutory responsibility set out in section 151 of the Local Government Act 1972. The section 151 officer is responsible for the proper administration of the Council's financial affairs.

8.2 In order to fulfil these statutory duties and legislative requirements the Section 151 Officer will:

- (i) Set appropriate financial management standards for the Council which comply with the Council's policies and proper accounting practices and monitor compliance with them.
- (ii) Determine the accounting records to be kept by the Council.
- (iii) Ensure there is an appropriate framework of budgetary management and control.
- (iv) Monitor performance against the Council's budget and advise upon the corporate financial position.

- 8.3 Under the Council's Constitution, although full Council sets the overall budget, it is the Cabinet that is responsible for putting the Council's policies into effect and responsible for most of the Council's decisions. The Cabinet must take decisions in line with the Council's overall policies and budget.
- 8.4 Paragraph 2.6.3 of FPR2 Financial Planning and Annual Estimates states that each Group Director in charge of a revenue budget shall monitor and control Directorate expenditure within their approved budget and report progress against their budget through the Overall Financial Position (OFP) Report to Cabinet. This Report is submitted to Cabinet under such provision.
- 8.5 Article 13.6 of the Constitution states that Key decisions can be taken by the Elected Mayor alone, the Executive collectively, individual Cabinet Members and officers. Therefore, this Report is being submitted to Cabinet for approval.
- 8.6 In respect of the Free School Meals proposal, the recommendations in paragraph 3.1 of this Report regarding the grant of £2,782,430 from the Greater London Authority for universal free school meals is a key decision under Regulation 8 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 as it is an executive decision, which is likely (a) to result in the relevant local authority incurring expenditure which is, or the making of savings which are, significant having regard to the relevant local authority's budget for the service or function to which the decision relates; or (b) to be significant in terms of its effects on communities living or working in an area comprising two or more wards or electoral divisions in the area of the relevant local authority. Key decisions can be made by Cabinet under Article 13.6 of the Constitution and therefore this decision is being presented to Cabinet for approval.
- 8.7 In order to accept the universal free school meals funding from the GLA, the Council will need to enter into a grant agreement with the GLA which will set out the terms of the grant. It is important that the Council comply with the terms of such grant in order to secure the grant funding and ensure it is not subject to clawback.
- 8.8 All other legal implications have been incorporated within the body of this report.

9. CHILDREN AND EDUCATION

Revised Budget	Service Area	Forecast Variance After reserves	Change in Variance from last month
£k		£000	£000
92,179	Children and Education (excl Cyber & Pay Award)	5,865	286

- 9.1 **Children and Families Services (CFS)**'s provisional outturn is a £5.865m overspend after the costs of pay award and the cyberattack. This is reduced to £3.6m once the impact of the pay award and cyberattack are removed.

- 9.1 **Corporate Parenting** is reporting an overspend of £3.1m which primarily relates to placement costs - £2.2m for non fostering placements and £0.8m for fostering placements. The remaining overspend is primarily attributable to unbudgeted agency staff in the Placement management unit (£66k) and in the fostering team (£166k). There were some mitigating savings in the adoption service (£59k) and unaccompanied asylum seeking children (£30k). The overspend was largely driven by a change in the profile of placements linked to the complexity of care for children and young people coming into the service. There were also more children within high cost bespoke packages than in previous years and this has caused upward pressure on cost for the service this financial year.
- 9.2 **The Family Intervention Support Services** is reporting an overspend of £1.2m which primarily relates to court costs, legal fees and court assessments of £0.8m (increase of 40% from 21/22); The overspend in Looked After Children (LAC) incidental costs of £1.3m (increase of 46% from 21/22) is reduced by £0.9m from reserves. The movement from the previous month of £0.5m relates wholly to late postings of court costs, legal fees and court assessments.
- 9.3 **The Access & Assessment** position is an overspend of £0.6m. The staffing overspend is £0.3m. As the service lost Social Workers at the start of the year and the Head of Service in September 2022 - additional staff were required above establishment to maintain a quality service; Court costs and legal fees overspent by £0.1m; and Section 17 overspent by £0.2m.
- 9.4 **The Looked After Children (LAC) and Leaving Care Service** is reporting an overspend of £0.6m. The overspend largely relates to an increase in commissioning costs and some staffing costs pressures linked to additional posts and agency staff usage. The overspend for under 18s is primarily attributable to LAC incidental expenditure £0.6m and unbudgeted agency staff of £0.5m mitigated by £0.2m of permanent staff vacancies. The leaving care service had a staffing overspend of £0.4m of which £0.25m was agency staff and £0.1m was over established posts.
- 9.5 **The Disabled Children Service** is reporting an underspend of £0.2m of which £0.1m relates to short breaks. Within the service, increased recovery of direct payments not utilised and transfers from reserves has offset staffing and commissioning pressures.
- 9.6 **The Safeguarding and Quality Assurance's position** is an overspend of £0.2m. The quality assurance and improvement team and the safeguarding and reviewing team both have an overspend of £0.1m respectively. In both cases the overspend was primarily related to staff, with use of agency staff not fully mitigated within the service.
- 9.7 **The Clinical Services** is reporting an underspend of £0.1m due to vacant posts in the service which includes the Head of Service leaving in November 2022 and not being replaced.

- 9.8 **The Directorate Management Team's** position is an underspend of £0.3m primarily relating to the court costs and legal fees with the expenditure being allocated across the service.
- 9.9 **The Youth Justice** is reporting a £0.2m underspend which largely relates to additional grant received of £0.1m and the delay in the London Accommodation Pathfinder (LAP) services of £0.1m, the LAP provides an alternative to youth detention accommodation. The movement from last month relates to additional Public Health funding towards eligible expenditure within the service.
- 9.10 **Hackney Education** has a budget of £28.1m net of budgeted income of circa £258m. This income is primarily Dedicated Schools Grant and other education related grants of which the majority is passported to schools and early years settings or spent on high needs placements. As at the end of March 2023, Hackney Education overspent by around £4.3m after the use of reserves. £1.1m of this is related to the 2022/23 pay award. The balance of the overspend (£3.2m) is mainly as a result of a £5.0m over-spend in SEND, partially offset by savings in other areas of Hackney Education. The £5.0m overspend in SEND is a result of factors previously reported in the OFP, mainly due to a significant increase in recent years of children and young people with Education Health and Care Plans (EHCP's).
- 9.12 The **Savings** for Children's Services were made although the saving for early help services of £350k was not achieved fully this year but this has been mitigated by the use of Supported Families funding.
- 9.13 Savings for Hackney Education of £117k were delivered.
- 9.14 A **Vacancy rate** A vacancy rate savings target of £1.7m was achieved.
- 9.15 **SEND** - there is also uncertainty around the DSG high needs deficit and the treatment of any deficit post 2025/26. The cumulative SEND deficit in 2022/23 is £17.1m The statutory override which allowed this deficit balance to be carried in the Council's accounts was extended from 31 March 2023 to 31 March 2026 by Government. However, this continues to remain a long term risk for Hackney in the event there is no further funding provided by the Department for Education (DfE) to mitigate this balance. Hackney is included in Tranche 2 of the Delivering Better Value (in SEND) programme which aims to help local authorities maintain effective SEND services, however the programme aims to provide assistance on deficit recovery actions through a grant of up to £1m, rather than provide direct funding to address the deficit, hence the potential risk to the Council. Senior officers have held an introductory meeting with representatives of the DfE in respect to the format and workstreams of the programme, with the detailed work now ongoing to apply for the £1m grant.

10. ADULT, HEALTH AND INTEGRATION

Revised Budget	Service Area	Forecast Variance After reserves	Change in Variance from last month
£k		£000	£000
125,275	Adults, Health and Integration (excl. Pay Award and Cyber)	7,829	98

- 10.1 Adult Social Care's provisional outturn is an overspend of £7,829m after the pay award and cyberattack costs. This reduces to £6.147m after these costs are removed.
- 10.2 The outturn was adversely impacted by the current situation with the NHS, both in terms of increased demand seen particularly in A&E and from mitigations needed to be put in place to manage the risk to vulnerable adults as a result of strike action by NHS staff. This included significant increases in care package costs to allow care agencies to manage increased risk in the community, additional funding invested in securing taxi transportation for clients to and from hospital in the place of ambulance services, additional commissioned step down and care home placements to help the hospital manage flow and an increase in staffing to support the hospital with discharge. Some additional funding was received from the DoH in the form of the Discharge Fund, however, this funding was ring fenced for additional activity to support discharge, and does not cover the increase in cost and demand of ongoing packages of care, which is significant.
- 10.3 **Care Support Commissioning** (external commissioned packages of care) remains the primary reason for the directorate overspend, with an outturn position of £4.7m. Demand for care services continued to increase at a level far greater than current funding available including increases in complexity of care needs continues to drive up care costs.
- 10.4 **Provided services'** is reporting a £2m overspend, and within this position there are two contrasting variances:
- Housing with Care (HwC) has an overspend of £2.7m reflecting both the delayed impact of delivery of the £1m savings (£500k in 21/22 and a further £500k in 22/23), pay award pressure of £0.7m as well as high levels of staff sickness and the service engaging agency staff to cover these roles alongside additional capacity required to maintain service provision.
- Day care services has an underspend of £0.7m, Oswald Street day centre continues with a limited number of service users as a result of maintenance work needed to the ventilation at the premises.
- 10.5 **Mental Health** provided in partnership with the East London Foundation Trust (ELFT) reported an overspend of £1.32m. This is primarily due to

ongoing demand pressures within external commissioned care services such as supporting living and residential care.

- 10.6 **Preventative Services’s** position is a £20k underspend.
- 10.7 **Care Management and Adult Divisional Support** is reporting an underspend of £16k.
- 10.8 **ASC commissioning** is reporting a £287k underspend after the application of one-off funding of £4.4m which supported various activities across commissioning. This includes funding of hospital discharge facilities, additional staff capacity, extracare services at Limetrees and St Peters and the Rough Sleeping Initiative, as well as various work streams funded from Section 256 health funds. Contract efficiencies (early delivery of savings) across Housing Related Support of £900k were achieved which helped to partially mitigate the non-delivery of HwC savings this year, as well as offsetting pressures in relation to additional resources required to support the ongoing recovery from the Cyber attack.
- 10.9 **Public Health** is reporting a break even position. This includes the delivery of planned savings of £0.5m. During the Covid-19 pandemic Public Health activity increased significantly, specifically around helping to contain the outbreak in the local area, and this resulted in some reductions in demand-led services due to the implementation of national restrictions. Post pandemic, demand-led services continue to be carefully monitored by the service to ensure service provision remains within the allocated Public Health budget in future financial years. Hackney Mortuary is reporting an outturn position of £70k over budget, primarily attributable to an increase in the council's contribution towards the coroner's costs.
- 10.10 Adult Social Care had **savings** of £1.45m to deliver in 2022/23. Savings relating to efficiencies of housing related support contracts (£650k); the promotion of direct payments (£50k); and increased care charging (£250k) were delivered. Savings plans related to Housing with Care schemes (£500k) though, were not developed sufficiently to deliver this amount in-year. As we have seen above, there was mitigation through further efficiencies within housing related support contracts this year
- 10.11 A **vacancy rate** savings target of £0.453m was set for the directorate in 2022-23. This was achieved.

11.0 CLIMATE, HOMES AND ECONOMY (CHE)

Revised Budget	Service Area	Forecast Variance After reserves	Change in Variance from last month
£k		£000	£000
31,780	Climate, Homes and Economy excl. Cyber and the Pay Award	4,216	-234

- 11.1 The directorate is reporting a provisional outturn overspend of £4.2m after the pay award and the cyberattack costs. This reduces to £0.55m once both of these costs are removed. The cost of the 2022/23 pay award was £3.5m.
- 11.2 **Planning Services's** position is a £0.349m overspend, a £0.357m improvement over the February figure, which reflects a better income collection rate which has allowed us to release some of the provision for bad debts which was built up in previous years especially throughout the period of the pandemic. After accounting for the pay award impact of £0.264m, there is an underlying overspend of £0.085m due to an income shortfall. The primary source of income shortfall is Planning Application fee income, which has been steadily declining over the last three years but this year has seen a recovery, however it is still too early to say whether this is sustainable going forward. There is also a shortfall of £0.100m in land charges income which is due to the continuing impact of cyberattack on the service. The shortfall in planning application fee income was linked to a decline in the number of very large major applications being received rather than a significant fall in overall planning application numbers for the past 3 - 4 years.

The underlying shortfall in income for the year is £0.285m which is a significant improvement on the position over the last few years. The primary driver of the improvement has been an increase in Planning Performance Agreement (PPA) income which is now improving in meeting its budgeted income levels.

- 11.3 Minor applications income was still below the budgeted levels. It should be noted that the cost of determination of minor applications is more than the income received as Local Authorities have not yet been afforded the option by the Government of setting their own fees; though the recent Government consultation - Stronger performance of local planning authorities supported through an increase in planning fees - may result in an increase in planning application fees which may help to address this issue. Currently major applications help subsidise minor applications, therefore the shortfall in new major applications detrimentally affects this cross-subsidy and worsens the financial position so the improvement in PPA income performance augurs well for next year as these should translate into major applications.
- 11.4 **Community Safety, Enforcement and Business Regulation's** is reporting a £0.259m overspend, an improvement of £0.231m from the February forecast. This improvement is mostly due to an increase in the revenue from licence fees, which included backdated fees. Due to database technical difficulties, the complete income amount could not be validated until towards the end of the financial year. The service's overspending has been partially offset by the increased revenue.
- 11.5 **Environment Strategy & Recycling Environmental Operations** is reporting an overspend of £3.198m which is made up of a £3.512m overspend in Environmental Operations (EO), partly offset by a £0.314m underspend in Environmental Waste Services (EWS). The overspend in EO is made up of a £1.488m cost due to the pay award, a £0.562m shortfall in

delivering the vacancy factor savings, the impact of non-budgeted activities, such as responsive cleansing of the highways and estates, that could not be contained within budget, and the inflationary impact across non-staffing budgets (£916k). Other pressures included agency staff cover for sickness and other absences for operatives amounting to £0.546m. Within EWS, the underspend is due to a number of vacancies and changing the way the council disposes of mattresses also played a significant role.

The adverse net movement of £0.598m from February position was due to additional staffing in EO to cover staffing absences such as sickness.

- 11.6 **Streetscene** is reporting a £0.316m overspend which is an increase of £0.061m from February's position. The overspend is entirely due to the impact of the 2022-23 pay award which was £0.369m. The reason for the adverse movement since February is mainly due to inflationary pressures as well as reduced capitalisation of salaries. Transport for London (TfL) funding is used to cover the costs of transport engineers who work on our highways and traffic schemes. The TfL funds received for the Local Implementation Plan (LIP) Neighbourhoods and Corridors component of this work in 2022/23 was £1.048 million, which was 42% less than in 2021/22, and less than the service expected and was only confirmed in-year.
- 11.7 **Leisure, Parks & Green Spaces** are reporting a £0.164m overspend, which is an improvement of £0.262m on the February position. The reduction in expenditure was primarily down to the non recruitment of staff (which continues to be a problem), along with a consistently prudent approach to try and mitigate overspends within the service. The overspend was totally attributed to the impact of the pay award.
- 11.8 **The Economy, Regeneration & New Homes's position** is a £45k overspend. All of this can be attributed to the impact of the pay award, with some savings within Area Regeneration partly offsetting this
- 11.9 **Employment, Skills and Adult Learning** are reporting a breakeven position.
- 11.10 The directorate has achieved the 2022/23 **savings** plans of £2.9m. However, the **vacancy factor** saving of £0.562m in Environmental Operations, was not achieved this year.

12.0 FINANCE & CORPORATE RESOURCES (F&CR)

Revised Budget	Service Area	Forecast Variance After reserves	Change in Variance from last month
£k		£000	£000
21,418	Finance & Corporate Resources (Excl. Cyber and Pay Award)	5,439	-126

- 12.1 F&CR's provisional outturn position is an overspend of £5.439m after the pay award and cyberattack costs. This reduces to an underspend of £242k

after these costs are removed. This is a favourable movement of £47k since February. The cost of the pay award is £1.61m is being funded corporately. However, some of this was mitigated in; housing needs, revenues and strategic property. The service was impacted by the cyberattack with significant overspends in Revenues, Benefits and ICT totalling £4.070m.

- 12.2 **Financial Management and Control** Financial Management and Control are reporting an overspend of £586k resulting from the cyber attack and the pay award.
- 12.3 **Strategic Property Services** are reporting an overspend of £184k - no movement compared to last month. Commercial Property is reporting an overspend of £184k due to the under recovery of income and other professional fees relating to lease negotiations. The Head of Service highlighted a high risk of income collection and deferred rents as the market is still very fragile and believes the pressure here could increase further in the coming year.
- 12.4 The overspend also includes additional security services expenditure at Keltan House and Wally Foster Community Centre in order to prevent squatting alongside reactive repair works to replace a roof at the Rose Lipman Building and installing security fixtures to replace a hoarding to prevent break ins at 270 Mare Street.
- 12.5 **Housing Benefits** are reporting an overspend of £2.02m, a worsening of £595k on last month's forecast. £1.425m is owed to the costs of additional agency staff required to work on the backlog of work as part of Cyber recovery. The remaining £0.595m is owed to the Net Cost of Benefit (NCOB).
- 12.6 NCOB is the difference between what we pay out in Housing Benefits and what we receive back from the Government through subsidy. Because of the backlog of cases we needed to work through as a result of the cyber attack, we lost housing benefit subsidy under the DWP's normal rules due to breaching the subsidy error threshold (over a certain error level - the threshold - subsidy is reduced). There was also lower than usual cash recovery - the backlog has prevented us from taking recovery action to recover overpayments, which has added to the NCOB deficit. The NCOB deficit for 2022-23 is £6.2m. £5.6m of this will be funded by R&B grants (£3.256m) and corporate reserves (£2.35m). This leaves the overspend for NCOB at £595k, which was offset by underspends elsewhere in the service. We are continuing to liaise with DWP regarding this so that they can consider options for amending the application of their rules given the circumstances from which it has arisen, and the fact that this was beyond the Council's control given the need to continue paying benefits which were in payment when the cyber attack occurred.
- 12.7 **Customer Services** position is to budget. This is a favourable movement of £296k on last month's forecast. The movement is a result of the higher than

anticipated recharge to the HRA for the additional agency requirements for property repairs and maintenance.

12.8 **Revenues** is reporting an overspend of £1.439m which is a favourable movement of £137k on last month's forecast. This is a result of additional new burdens funding being awarded, close to the end of the financial year to cover the additional costs incurred as a result of processing the energy rebate allocations across 2022/23. The final overspend is made up of the following:

- £0.25m off-site resources required to access and process the backlog of outstanding work across Council Tax and Non Domestic Rates using the Council's existing software systems Comino (document imaging) and Academy (revenues system) due to the cyberattack.
- £0.3m relates to the ongoing need for additional staff in the Customer Services Contact Centre who are working on the increased number of customer calls relating to council tax as a result of the cyberattack.
- £0.9m relates to lost income in court costs as a result of the cyberattack, which has significantly reduced legal action across the service.
- £132k attributable to the application of the pay award in November.

12.9 **Soft Facilities Management** are reporting an overspend of £449k, which is an adverse movement of £362k on last month's forecast. This is a result of Repair and Maintenance contract charges being reported late to the Council. We have written to the contractor to improve the timeliness of their billing

12.10 **Support Services** (cashiers, postal and courier services) are reporting an overspend of £39k, This is a favourable movement of £18k on last month's forecast and is a result of a reduction on staffing costs.

12.11 **Registration Services's position** is an underspend of £189k. This is a favourable movement of £74k on last month's forecast. The underspend is a result of over achieving income budgets.

12.12 **Housing Needs** are reporting an overspend of £306k. There is no movement on last month's forecast. There is a £271k overspend relating to staffing pressures as a result of the pay award, and pressures on security costs as a result of an increase in the number of hostels and the increase in the need for 24 hour security. However, these costs have been mitigated by a reduction in the Temporary Accommodation (TA) rental expenditure costs. There has been higher levels of TA placements in hostels across the financial year (due to less voids and access to more hostels) reducing the need for more costly accommodation.

12.13 **ICT** are reporting an overspend of **£1.1m** after a reserve drawdown of £406k. This is a favourable movement of £339k compared to last month.

ICT Corporate are reporting an overspend of £1.2m after a drawdown from reserves. This is a favourable movement of £125k compared to last

month, which is mainly due to vacant posts as a result of the recent restructure. There has also been a reduction in planned expenditure on computer licences. The overspend is mainly due to £715k for cyberattack projects and the ongoing Amazon Web Services (AWS) costs. A number of contracts including AWS are transacted in US dollars and were subject to exchange rate risk earlier this financial year with Sterling falling to an all-time low against the US dollar. The ICT Management team alongside Finance have been exploring options to mitigate this risk going forward including liaising directly with suppliers about the possibility of fixing the exchange rate.

The Financial Management Systems team is reporting an underspend of £161k for 2022/23 which is mainly due to the service holding vacant posts.

Hackney Education ICT are reporting an overspend of £74k which is a favourable movement of £133k compared to last month, this is mainly due to the team working with service users in identifying systems which are no longer required as the service has been wound down alongside a reduction in computer hardware requirements.

- 12.14 **Audit & Anti-Fraud** is reporting an underspend of £215k for 2022/23. The service has completed its restructure and the overall underspend is due to the service holding vacant posts and a reduction in agency expenditure.
- 12.15 **The Directorate Finance Team** is reporting an underspend of £78k after a reserve drawdown of £67k to cover in-year redundancies. The underspend relates to vacancies in the service area which are mitigating the cost pressures which arose from 1) the delay in the restructure and 2) the application of the pay award in November.
- 12.16 **Procurement's** position is to budget. There is no movement on last month's forecast.
- 12.17 **HR & OD** are reporting an underspend of £229k which is a favourable movement of £153k on last month's forecast. The main reasons for the underspend are replacing the Guardian contract with LinkedIn and an increase in recruitment income.
- 12.18 All of F&CR **savings** and **vacancy savings** are forecast to be achieved with the exception to those mentioned above relating to the cyber attack.

13.0 CHIEF EXECUTIVE

Revised Budget	Service Area	Forecast Variance After reserves	Change in Variance from last month
£k		£000	£000
15,167	Chief Executive	-127	-194

- 13.1 The Chief Executive's Directorate is reporting a provisional outturn underspend of £127k, after the pay award costs. The underspend increases to £852k after the pay award cost is removed. The forecast includes the use of £2.1m of reserves. This is an improvement of £194k since last month. The main reason for the underspend is vacancies in Legal, Governance and Election Services and an improved income forecast in Engagement Culture and Organisational Development.
- 13.2 **Libraries & Heritage** position is a £0.195m overspend which is primarily caused by the £0.182m impact of the 2022/23 pay award.
- 13.3 **The Legal, Governance and Election Services** position is an underspend of £0.191m which includes the impact of the 2022/23 pay award of £0.256m. The main reason for the underlying underspend of £0.447m are vacancies across the service.
- 13.4 The directorate is on target to deliver the approved budgeted and vacancy savings.

14.0 HRA

- 14.1 The HRA is forecasting a provisional outturn overspend in net operating expenditure of £11.378m. However, the forecast overspend can be largely brought back into balance by a reduction in Revenue Contributions to Capital Outlay (RCCO) by an almost equivalent amount. We are able to do this because we did not deliver a full capital programme in 2022/23 due to the delay in the procurement of the Housing Maintenance main contracts. Without a full capital programme in 2022/23 the RCCO is not required and therefore can be released. It should be noted though that the backlog of maintenance work will need to be made good in future years and management action is needed to eliminate the operational overspend and in order to restore the level of RCCOs for existing housing stock. The balance of the overspend after applying the RCCO, of £650k is funded by reserves.
- 14.2 The major variances are:

Income

- The Dwelling Rents budget was set low during the budget setting stage due to the lack of accurate property data available and therefore there is a favourable variance of £1.189m in 2022/23. The property data issue has now been rectified and has informed the budget setting for 2023/24 onwards.
- The Other charges for Services and Facilities have an unfavourable variance of £890k, which is mainly a result of major works not being billed, and therefore the administration fee not being collected (£661k). This in turn resulted from the cyberattack. When the Homeownership Team issues major works bills during 23/24, they will also collect the backlog of these fees.

Expenditure

- There is an Housing Repairs account overspend of £7.6m, which is due to an increase in reactive repairs, material costs, an increase in legal disrepair cases and the 2022/23 agreed pay award
- The overspend for Special Services of £6.8m is mainly due to energy prices - £4m. The remainder is primarily due to overspends in estate cleaning of £1.17m and in lift servicing and repairs of £1.57m.
- The Supervision and Management overspend of £1.858m is mainly due to 24hr security costs at a high rise building, temporary accommodation costs and an increase in insurance recharges.
- The Provision for Bad and doubtful Debts has been reduced by £4m following an improved debt position and therefore a lower transfer to the HRA rent provision and the release of other HRA provisions.
- The RCCO was reduced to offset the variances within the revenue account due to a reduced capital programme.

15.0 Capital

This is the final OFP Capital Programme monitoring report for the financial year 2022/23. The final outturn capital expenditure for the twelve months April 2022 to March 2023 is **£133m** against the revised budget of **£168.6m**. The main reasons for this variance are:

- Construction industry inflation resulting in tender prices being above cost estimates and further work required on viability of schemes (e.g CCG Primary Care Project £4.9m, Estate Regeneration £22m & Housing Supply programme £18m compared to the budget set in February)
- External factors determining programme or requiring scheme review and re-profiling (Britannia Project particularly in relation to the S77 application £24m, Streetscene Section 106 funded Highway Schemes £0.5m, Disabled Facilities Grant £0.4m)

A summary by the directorate is shown in the table below along with brief details of the reasons for the major variances. The September Capital Update report will include details of the requested transfer of resources and associated approvals into the 2023/24 capital programme.

Table 1 Summary of the Capital

Capital Programme 2022/23	Budget Set at Feb Cab 2022	Final Outturn	Outturn v Budget at Feb (Under/Over)	Final Revised Budget	Final Outturn	Outturn v Budget at March (Under/Over)
	£'000	£'000	£'000	£'000	£'000	£'000
Chief Executive's	4,035	67	(3,968)	408	67	(341)
Adults, Health & Integration	30	0	(30)	0	0	0
Children & Education	14,862	10,939	(3,923)	16,388	10,939	(5,448)
Finance & Corporate Resources	28,668	12,962	(15,706)	21,666	12,962	(8,704)
Mixed Use Development	32,382	8,019	(24,363)	8,707	8,019	(687)
Climate, Homes & Economy	40,318	21,097	(19,221)	25,932	21,097	(4,834)
Total Non-Housing	120,297	53,086	(67,211)	73,100	53,086	(20,015)
AMP Housing Schemes HRA	43,886	42,309	(1,577)	42,689	42,309	(380)
Council Schemes GF	6,999	3,308	(3,691)	4,426	3,308	(1,118)
Private Sector Housing	2,164	1,181	(983)	1,210	1,181	(29)
Estate Regeneration	30,003	8,155	(21,848)	12,928	8,155	(4,773)
Housing Supply Programme	33,406	15,136	(18,270)	24,923	15,136	(9,787)
Woodberry Down Regeneration	7,595	9,827	2,232	9,294	9,827	534
Total Housing	124,052	79,916	(44,136)	95,469	79,916	(15,553)
Total Capital Budget	244,349	133,001	(111,347)	168,570	133,001	(35,568)

CHIEF EXECUTIVE'S

The final outturn for the overall Chief Executive's is £67k, £341k below the revised budget of £408k. Below is a brief update on the main variances:

CX Directorate Capital Final Outturn	Budget Set at Feb Cab 2022	Final Outturn	Outturn v Budget at Feb (Under/Over)	Final Revised Budget	Final Outturn	Variance
	£'000	£'000	£'000	£000	£'000	£000
Libraries and Archives	4,035	67	(3,968)	408	67	(341)
Total CX	4,035	67	(3,968)	408	67	(341)

Library Capital Works - The final outturn is nil spend against the in-year respective budget of £152k. This budget is held for any unexpected emergency capital works due in the Council's Library buildings within the year. There was no request to use any of this fund for emergency capital works therefore the surplus budget will be carried forward into the 2023/24 budget.

Stoke Newington Library - The final outturn is £67k, £150k below the in-year budget of £217k. The expenditure this financial year is consultancy fees only. The programme will continue into 2023/24 therefore the underspend will go towards the next phase of the programme.

CHILDREN AND EDUCATION

The final outturn for the overall Children and Education is £11m, £5.5m below the revised budget of £16.4m. More detailed commentary is outlined below.

C&E Directorate Capital Final Outturn	Budget Set at Feb Cab 2022	Final Outturn	Outturn v Budget at Feb (Under/Over)	Final Revised Budget	Final Outturn	Variance
	£'000	£'000	£'000	£000	£'000	£000
Children & Family Services	0	72	72	477	72	(405)
Education Asset Management Plan	4,095	1,667	(2,427)	2,547	1,667	(880)
Building Schools for the Future	38	43	4	91	43	(48)
Other Education & Children's Services	1,328	587	(741)	1,651	587	(1,064)
Primary School Programmes	6,368	6,404	36	8,393	6,404	(1,989)
Secondary School Programmes	3,033	2,166	(867)	3,228	2,166	(1,062)
TOTAL	14,862	10,939	(3,923)	16,388	10,939	(5,448)

Children and Family Services

The final outturn for the overall Children and Family Services is £72k, £404k below the in-year budget of £477k. Below is a brief update on the main variances:

Carer Loft Conversion - The final outturn is £54k, £78k below the in-year budget of £132k. This project funded the cost of the home extension building works to the homes of two Council in-house foster carers with the aim to enable foster carers to offer increased capacity for ongoing placements to young people. The project is completed and the remaining budget will be offered up for savings.

Shoreditch Play Adventure Project - The final outturn is £18k, £327k below the in-year budget of £345k. The project was meant to start back in Autumn 2022 but was on hold due to issues with the original contractor. These issues are now concluded and the project is back with procurement to progress. The Project manager anticipates the project will resume in the next financial year and the budget will be carried forward.

Education Asset Management Plan

The final outturn for the overall Education Asset Management Plan is £1.7m, £0.9m below the in-year respective budget of £2.5m. Below is a brief update on the main variances:

Shoreditch Park AMP - The final outturn is £11k, £111k below the in-year respective budget of £121k. This scheme was delivered by the Council Regeneration Team. The unallocated budget will be vired and used to deliver the park scheme at Audrey Street in 2023/24.

Sir Thomas Abney AMP - The final outturn is £66k, £429k below the in-year budget of £495k. The project has been delayed due to late submission of tender reports. The budget will be utilised in the next financial year for the on-going works and the budget will be carried forward

Building Schools for the Future (BSF)

There are no material variances to the budget.

Other Education & Children's Services

The final outturn for the overall Other Education and Children's Services is £0.6m, £1.1m below the in-year respective budget of £1.7m. Below is brief update on the main variances:

The Garden School (Expansion and Provision of Sixth Form (SEND) inc Roof and Pipework and asbestos) - The final outturn is £35k, £405k below the in-year respective budget of £440k. The project is complete. The variance is due to a delay in the receipt and agreement of the final account proposed by the consultant and that of the contractor. The variance will be carried forward into the 2023/24 budget.

Side by Side SEND - The final outturn is nil spend against the in-year respective budget of £0.5m. The Legal contract was signed later than expected causing a delay in the transfer of funds to Side by Side School. The funds will be transferred in 2023/24.

Primary School Programmes

The final outturn for the overall Primary School Programme is £6.4m, £2m below the in-year respective budget of £8.4m. Below is a brief update on the main variance:

Colvestone Façade - The final outturn is £491k, £280k below the in-year respective budget of £772k. The variance is due to the delay with validating the listed building consent. The variance will be carried forward into the 2023/24 budget in line with the revised programme of works.

Gayhurst Façade - The final outturn is £513k, £527k below the in-year respective budget of £1m. This project is part of 'Batch 3 scheme works' and was delayed due to increased cost in the tender return. The variance will be carried forward into the 2023/24 budget in line with the revised programme of works.

Orchard Façade - The final outturn is nil spend against the in-year respective budget of £206k. The review of variation to the works was delayed causing the variance. The underspend will be carried forward into the 2023/24 budget in line with the revised programme of works.

Springfield Façade - The final outturn is £39k, £519k below the in-year respective budget of £558k. This project is part of 'Batch 4 scheme works'. The

variance is as a result of the contract being withdrawn causing a slight delay to the start of the project. The underspend will be carried forward into the 2023/24 budget in line with the revised programme of works.

Oldhill Façade - The final outturn is £7k, £367k below the in-year respective budget of £373k. This project is also part of 'Batch 4 scheme works'. The contract has been withdrawn and the impact is a temporary delay to the project. The underspend will be carried forward into the 2023/24 budget in line with the revised programme of works.

Secondary School Programmes

The final outturn for the overall Secondary School Programme is £2.1m, £1.1m below the in-year respective budget of £3.2m. Below is a brief update on the main variances:

Lifecycle Early Failure Contingency budget - The final outturn is £1.2m, £0.4m below the in-year respective budget of £1.6m. This budget is to cover reactive and emergency health and safety works across the overall programme. This outturn represents the final works completed for this financial year. The underspend will partly cover any identified overspends across the overall programme and the remaining budget will be carried forward into the 2023/24 budget to support the continued programme of lifecycle works.

Stoke Newington Life Cycle - The final outturn is £0.56k, £340k below the in-year respective budget of £396k. The variance is due to procurement delays. The work will continue in 2023/24 and therefore the variance will be carried forward into the 2023/24 budget.

Haggerston School Lifecycle - The final outturn is £0.8m, £0.2m below the in-year respective budget of £1m. The contractors found out during the mobilisation process that a large asbestos encapsulation will need to take place urgently. This has caused a delay to the proposed lighting upgrade works, hence the variance. The work will continue in 2023/24 and therefore the variance will be carried forward into the 2023/24 budget.

FINANCE AND CORPORATE RESOURCES

The final outturn for the overall Finance and Corporate Resources is £21m, £9.4m below the in-year respective budget of £30.4m. Below is a brief update on the main variances:

F&CR Directorate Capital Final Outturn	Budget Set at Feb Cab 2022	Final Outturn	Outturn v Budget at Feb (Under/Over)	Final Revised Budget	Final Outturn	Variance
	£'000	£'000	£'000	£000	£'000	£000
Property Services	23,772	7,640	(16,132)	16,126	7,640	(8,486)
ICT	4,243	5,004	761	4,143	5,004	861
Other Schemes	654	319	(335)	1,398	319	(1,079)
Total	28,668	12,962	(15,706)	21,666	12,962	(8,704)
Mixed Use Development	32,382	8,019	(24,363)	8,707	8,019	(687)
TOTAL	61,051	20,982	(40,069)	30,373	20,982	(9,391)

Strategic Properties Services - Strategy & Projects

The final outturn for the overall Strategic Properties Services is £7.6m, £8.5m below the in-year respective budget of £16.1m. Below is a brief update on the main variances:

Acquisition 2a Woodberry Grove (Temporary Accommodation) - This is the most significant variance in the overall Strategic Properties Services. The final outturn is nil spend against the in-year budget of £4.4m. The acquisition to purchase this hostel for temporary accommodation did not proceed. The vendor sold the property to another party. The budget will be offered up for savings.

Stoke Newington Assembly Hall - The final outturn is £0.3m, £0.9m below the in-year budget of £1.2m. The variance was due to asbestos discovered in the ceiling resulting in an additional quotation. The works to remove and stabilise the ceiling will be completed by autumn/winter 2023 as well as a new fire alarm and emergency lighting. Therefore the variance will be carried forward into the 2023/24 budget.

Asbestos Surveys - The final outturn is £43k, £494k below the in-year respective budget of £537k. This reflects the number of surveys and emergency removal works completed for this financial year. The underspend will be carried forward into the 2023/24 budget to support any further surveys and removals of asbestos on buildings.

Corporate Property Annual Survey - The final outturn is £26k, £196k below the in-year respective budget of £222k. This reflects the number of surveys completed for this financial year. The survey programme was significantly delayed post Covid and staff changes. The underspend will be carried forward into the 2023/24 budget to support the rolling programme of surveys.

Vehicle Maintenance Workshop - The final outturn is £22k, £409k below the in-year budget of £431k. Project has been delayed due to refurbishment on the front entrance and reception of the workshop. The new reception is in the initial stages of design. The Project Manager is unable to progress purchasing the items for the workshop until the new reception building is built. Therefore this underspend will be carried forward into the 2023/24 budget.

Kings Hall Leisure Centre - The final outturn is £556k, £356k above the in-year budget of £200k. This project is at the initial feasibility and design stage. The Design Team was appointed in October 2022 and the expenditure this year is consultancy costs. RIBA Stage 2 budget and programme went to the project board on 22 May for agreement before moving to RIBA Stage 3 in June/July. There is no change in the current programme estimates. The budget from 2023/24 will be brought back to cover the overspend in the 2022/23 budget.

ICT

The final outturn for the overall ICT is £5m, £0.9m above the in-year respective budget of £4.1m. Below is a brief update on the main variance:

Cyber Recovery - The final outturn is £3.8m, £1.2m above the in-year respective budget of £2.6m. The costs relate to the post cyber-attack recovery on the Councils systems from the attack which took place back in October 2020 and the acceleration of new systems due to the loss of data. The costs were difficult to quantify at the time. As part of the re-profiling exercise the budget from future years will be brought back to cover the overspend in the 2022/23 budget.

Corporate Resources Other Schemes

The final outturn for the overall Corporate Resources Other Schemes is £0.3m, £1.1m below the in-year respective budget of £1.4m. Below is a brief update on the main variances:

Solar Project (Commercial) - The final outturn is £165k, £432k below the in-year respective budget of £597k. The commercial solar project is mid-way through with work completed on six sites. There are six sites remaining which we plan to complete in the financial year 2023/24. The underspend year will be utilised in 2023/24 to support the rest of the installations.

Hackney Green Homes Programme - The final outturn is £121k, £445k below the in-year respective budget of £565k. Phases 1 & 2 of the Green Homes programme are complete but some invoices are still outstanding which the project manager is chasing from the provider. Phase 3 has started but no work has been carried out on any properties yet. This current phase is due to end in March 2024 therefore this underspend will be carried forward into the 2023/24 budget.

Mixed Use Developments

The final outturn for the overall Mixed Use Developments is £8m, £0.7m below the in-year respective budget of £8.7m. This final outturn largely relates to the Britannia site as Tiger Way and Nile Street are now complete with only retention and final payments due. The variance will be carried forward into the 2023/24 budget to support the next phase.

Specifically on the Britannia scheme for Phase 1a (new Leisure centre) and Phase 1b (CoLASP) the final snagging items are being addressed before the

retention can be paid. For Phase 2b (Residential Private & Social Housing) pre-contract discussions continue with the appointed contractor and the construction programme is to begin within the next couple of months.

CLIMATE, HOMES & ECONOMY

The overall final outturn in Climate, Homes & Economy is £21m, £4.8m under the revised budget of £25.9m. More detailed commentary is outlined below.

Climate, Homes & Economy Capital Final Outturn	Budget Set at Feb Cab 2022	Final Outturn	Outturn v Budget at Feb (Under/Over)	Final Revised Budget	Final Outturn	Variance
	£000	£000	£000	£000	£000	£000
Leisure, Parks & Green Spaces	22,934	8,029	(14,906)	12,534	8,029	(4,505)
Streetscene	12,765	8,647	(4,118)	10,130	8,647	(1,483)
Environmental Operations & Other	734	181	(553)	254	181	(73)
Public Realms TfL Funded Schemes	0	3,021	3,021	1,058	3,021	1,963
Parking & Market Schemes	308	0	(308)	70	(70)	(140)
Community Safety, Enforcement & Business Regulations	493	243	(250)	488	243	(245)
Area Regeneration	3,084	978	(2,106)	1,399	978	(421)
Total	40,318	21,097	(19,221)	25,932	21,027	(4,904)

Leisure, Parks and Green Spaces

The final outturn for the overall Leisure, Parks and Green Spaces is £8m, £4.5m below the in-year respective budget of £12.5m. Below is the brief update on the main variances.

Essential Maintenance of Leisure Centres - The final outturn is £0.3m, £1m below the in-year budget of £1.3m. This spend reflects the reactive works and repairs that occurred in the Leisure Centres across the borough. The surplus budget from this year will be carried forward into the 2023/24 budget to cover any essential maintenance work.

Parks Strategy and Infrastructure - The final outturn is £0.8m, £0.5m below the in-year budget of £1.3m. There are still supplier issues resulting in an underspend this quarter. Some of the underspend will be used to cover the overspend in the Clissold Park paddling Pool and the remaining budget will be carried forward to support 2023/24 park equipment upgrades.

Abney Park Restoration Project - The final outturn is £2m, £1.8m below the in-year respective budget of £3.8m. The variance this financial year was due to unexpected additional underpinning works required to stabilise the Chapel and delays in supplies. The construction is due to be completed at the end of June although landscaping may continue into July. The new Chapel windows are in and the underfloor heating has been installed. The timber ceilings are being

installed and the electrics and plumbing are progressing. The york stone floor will be laid once the high level works are completed and the internal scaffolding is taken down. The external landscaping has commenced. The Lodges and the new cafe and community space building have been boarded out and plastered and the internal decoration and second fix electrical and plumbing works will be starting soon. The white external precast concrete cladding has been installed on all of the new buildings. The new green/brown roof planting will be starting soon. The external landscaping will be the last thing to be done around the main entrance. The CCTV and fibre installations will commence early in June. The variance budget will be carried forward to the 2023/24 budget to support the continued works.

Streetscene

The final outturn for the overall Streetscene is £8.7m, £1.4m below the in-year respective budget of £10.1m. The estimated underspend is largely due to new S106 schemes that will begin in the new year, as work can only be done once the developer's work is completed. Other schemes have been delayed due to lengthy consultations and the prioritisation of larger grant-funded schemes. The variance budget will be carried forward to the 2023/24 budget to reflect the anticipated spend.

Environmental Operations & Other

The overall final outturn for Environmental Operations & Other is £181k, £73k against the in-year respective budget of £254k.

Waste and Fleet Replacement - The final outturn is nil spend against the in-year respective budget of £254k. This is the contingency budget held for the replacement of waste and fleet operating vehicles required during the year. The Project Manager has now confirmed delivery of the new wheel loader will be in the next financial year. This underspend will be carried forward and carried forward to the 2023/24 budget to reflect the anticipated spend.

Public Realms TfL Funded Schemes

The overall final outturn for Public Realms TfL Funded Schemes is £3m, £2m above the in-year respective budget of £1.1m. The allocation for 2022/23 was confirmed at the end of February due to TfL funding constraints. As a result, we were unable to complete the required budget realignments, leading to the variance. The grant allocation for 2022/23 will fully reimburse any excess spending this year.

Parking and Market Schemes

There is no material variance.

Community Safety, Enforcement & Business Regulations

The overall final outturn for Community Safety, Enforcement & Business Regulations is £243k, £245k below the in-year respective budget of £488k. Below is a brief update on the main variance:

Shoreditch CCTV Cameras - The final outturn is £2k, £129k below the in-year respective budget of £131k. The delays have been due to planned works by TfL and Highways. The underspend will be carried forward to 2023/24 to reflect the likely spend.

Area Regeneration

The overall final outturn for Area Regeneration is £1m, £0.4m below the in-year respective budget of £1.4m. Below is a brief update on the main variance:

Hoxton Public Realm - The final outturn is nil spend against the in-year respective budget of £232k. The project implementation date was pushed back to align with the UK Shared Prosperity Fund (UKSPF) timeframe, which is the Government's domestic replacement for the European Structural and Investment Programme (ESIF) which the UK continues to participate in until 2023. The bid was successful and was approved by the April 2023 Cabinet. There is an estimation of 12 months from appointment of contractor to completion of works. The budget will therefore be carried forward into the next financial year.

HOUSING

The overall final outturn in Housing is £79.9m, £15.6m below the revised budget of £95.5m. More detailed commentary is outlined below.

Housing Capital Final Outturn	Budget Set at Feb Cab 2022	Final Outturn	Outturn v Budget at Feb (Under/Over)	Final Revised Budget	Final Outturn	Variance
	£000	£000	£000	£000	£000	£000
AMP Housing Schemes HRA	43,886	42,309	(1,577)	42,689	42,309	(380)
Council Schemes GF	6,999	3,308	(3,691)	4,426	3,308	(1,118)
Private Sector Housing	2,164	1,181	(983)	1,210	1,181	(29)
Estate Regeneration	30,003	8,155	(21,848)	12,928	8,155	(4,773)
Housing Supply Programme	33,406	15,136	(18,270)	24,923	15,136	(9,787)
Woodberry Down Regeneration	7,595	9,827	2,232	9,294	9,827	534
Total Housing	124,052	79,916	(44,136)	95,469	79,916	(15,553)

Asset Management Plan - Housing Schemes HRA

The overall final outturn is largely in line with the in-year respective budget of £42.7m with a minor underspend of £0.4m which will be carried forward into 2023/24 budget. Below is a brief update on the main variances:

Wates - HiPs North West - The final outturn is £3.2m, £0.3m below the in-year budget of £3.5m. New discoveries have pushed forward works into next year so that they can be properly timetabled for completion that includes asbestos removals, water piping networks and connections.

Equan - HiPs Central - The final outturn is £8.4m, £1.4m above the in-year budget £7m. The costs continue to escalate at Seaton Point and Fermain Court following the discovery of asbestos, window frames that are not fire compliant and price increases.

Street Lighting SLA - The final outturn is £0.5m, £0.2m below the in-year respective budget of £0.7m. There were delays in authorising works in quarter 4 resulting in the programme extending into 2023/24.

Door Entry Systems - The final outturn is £0.2m, £0.2m below the in-year respective budget of £0.4m. The protracted delays in Section 20s resulting in the programme extension into 2023/24. Section 20 is where the Council has to consult leaseholders on any major works taking place in the block.

Drainage - The final outturn is £0.1m, £0.1m below the in-year respective budget of £0.2M. The cyclical reactive works are awaiting quotations.

Lifts Major Components - The final outturn is £0.5m, £0.4m below the in-year respective budget of £0.9m. The activity was based on previous year's outturn and DLO (direct labour organisation) recharge were lower than anticipated call outs.

Domestic Boiler Replacements - The final outturn is £2.6m, £0.6m above the in-year respective budget of £2m. A higher volume of replacements arose due to an increased programme of inspections.

Replacement Play Equipment - The final outturn is £0.1m, £0.3m below the in-year respective budget of £0.4m. The works started late due to protracted negotiations on pricing and have extended into 2023/24.

Voids Re-servicings - The final outturn is £3.5m, £1.5m above the in-year budget of £2m. The variance was due to a legitimate capitalisation of void works to bring properties up to letting standard. Throughout the year the DLO undertake and commission voids work to prepare the properties for new tenants and a year end review identified these works and they were capitalised to reflect the extent of works carried out.

Disabled Adaptations - The final outturn is £1.9m, £0.4m above the in-year respective budget of £1.5m. The spend in this area is driven by the demand for adaptations to meet the needs of disabled persons within households. The additional spend is linked to an increase in the number of installations to respond to the needs of children within our tenancies and the lack of appropriate alternative accommodation within the borough. Inflation has also impacted on spend here.

Integrated Housing Management Systems - The final outturn is £3.4m, £0.7m above the in-year respective budget of £2.7m. The contract extensions were granted to a consultancy who provided additional staff to augment the Hackney ICT development teams working on the Modern Tools for the Housing Programme. The final outturn also reflects continuing enhancements to systems following the cyber-attack.

Fire Risk Assessments - The final outturn is £0.7m, £2.1m below the in-year respective budget of £2.8m. Fire safety works scheduled for Fellows Court were now on hold due to the need to develop a solution to a complex technical issue which included a review of the gas supply network by Cadent; this does not impact the safety of residents and we have regular inspections in place and the block has its annual Fire Risk Assessment which will identify any safety issues. A proposal of work is now agreed and the project is estimated to re-start in autumn 2023 and complete within this financial year. The aim is to bring Fellows Court onto an overall borough wide 'front entrance door' contract which will begin in 2023/24. The underspend has been carried forward into the new financial year.

High Value Repairs - The final outturn is £3m, £0.3m above the in-year respective budget of £2.7m. The variance was due to miscodings which was only picked up by the year end review. The miscodings by DLO contractors (Fosters and Purdys) which were not previously identified nor monitored by DLO due to the absence of an in-house jobs database.

Lighting Conductors - The final outturn is £0.3m, £0.2m below the in-year respective budget of £0.5m. The works programme was re-visited and will now be re-packaged into a broader 2 year contract.

Capitalised Salaries - The final outturn is £4.9m, £0.6m below the in-year respective budget of £5.5m. This is lower than anticipated capitalisation of payments to external consultants (MACE and Faith & Gould).

Major Legal Disrepairs - The final outturn is £0.05m, £0.1m below the in-year respective budget of £0.2m. The works have been rescheduled into the new financial year due to programming issues.

Gypsy and Travellers Bungalow Roof Renewals - The final outturn is £0.2m, £0.2m above the nil in-year budget. There were unexpected costs relating to a job issued back in 2020 for fire damage to two bungalows which were completed in the latter stages of quarter 4.

Commercial Properties - The final outturn is £36k, £264k below the in-year respective budget of £300k. The programme was revised following approval of a comprehensive schedule of works with funding starting in 2023/24.

Bridport - The final outturn is £3m, £0.3m below the in-year respective budget of £3.3m. The cost overruns have been disputed and are under review with the contractor. The spend during the latter part of the year was revised downwards due to uncertainties in costing estimates for rotting timber, water ingress and

re-levelling of windows. The timeline for completion is estimated to be mid 2024/25.

Council Schemes (General Fund)

The final outturn for the overall Council Schemes GF is £3.3m, £1.1m below the in-year respective budget of £4.4m. The variance will be carried forward into the 2023/24 budget. Below is a brief update on the main variances:

Temporary accommodation void works - The final outturn is £2.1m, £0.3m above the in-year respective budget of £1.8m. There were more void works undertaken in the last quarter of 2022/23 than previously expected causing the overspend. Each unit is checked on an individual basis to ensure that the works are financially viable before proceeding.

Hostels - Major Repairs - The final outturn is £0.1m, £0.4m below the in-year respective budget of £0.5m. Some works to hostels were not undertaken before 31 March 2023 as previously expected and will now complete in early 2023/24.

Purchase Leasehold Properties - The final outturn is £1.2m, £1m below the in-year respective budget of £2.1m. There were 2 units that were expected to be purchased prior to 31 March 2023, but these were pushed back to Quarter 1 2023/24 and have now been completed. The units will go straight back into the HRA stock. 3 units were purchased during 2022/23 and form part of the agreement with Local Space.

Private Sector Housing Schemes

There is no material variances to the budget.

Estate Regeneration Programme (ERP)

The overall final outturn for the Estate Regeneration Programme is £8.2m, £4.8m below the in year budget of £13m. The variance will be carried forward into the 2023/24 budget. Below is a brief update on the main variances:

Estate Renewal Implementation - The final outturn is nil spend against the in-year respective budget of £4.6m. £2m of this variance relates to the capitalisation of salary costs. The forecast is included within this line but then allocated to the individual Estate Regeneration projects at the end of the year. The remainder of the variance is due to a number of the Mayor of Hackney's Housing Challenge site payments being pushed back until the first half of 2023/24. This is because of delays on various projects due to the significant increase in build costs being experienced in the sector.

Tower Court - The final outturn is £1.4m, £0.6m below the in-year respective budget of £2m. The project is nearing completion. Final handover of the expected units was expected to take place in March 2023. Handover of the final block took place in April 2023. Discussions are still ongoing about how to best

utilise the commercial space moving forwards, but this will likely have cost and time implications.

Kings Crescent 3&4 - The final outturn is £0.8m, £0.1m above the in-year respective budget of £0.7m. The project is due to go into a cost optimisation period with the preferred contractor in early 2023/24, with a view to reducing costs and improving viability of the project. The cost optimisation period is likely to take around 90 weeks.

Colville Phase 4 - The outturn is £0.6m, £0.2m below the in-year respective budget of £0.8m. Within the budget 2 buybacks were expected to take place. However only 1 completed during the year, with the other now due to complete in 2023/24.

Marian Court Phase 3 - The final outturn is £2.4m, £0.2m above the in-year respective budget of £2.2m. All demolition works have now been completed after vacant possession was achieved during 2022/23. The project is due to go into a cost optimisation period with the preferred contractor in early 2023/24, with a view to finding cost savings to improve viability.

Colville Phase 2C - The final outturn is £1.8m, £0.3m above the in-year respective budget of £1.5m. The site is currently in a pre-construction services agreement (PCSA) phase with the preferred contractor, with a view to construction works starting properly during 2023/24.

Nightingale Block E - The final outturn is £0.4m, £0.1m above the in-year respective budget of £0.3m. The project is due to go into a cost optimisation period with the preferred contractor in early 2023/24, with a view to finding cost savings to improve viability.

Housing Supply Programme

The final outturn for the overall Housing Supply Programme is £15.1m, £9.8m below the in-year respective budget of £24.9m. The variance will be carried forward into the 2023/24 budget. Below is a brief update on the main variances:

Housing Supply Programme - The final outturn is nil spend against the in-year respective budget of £2.3m. Similar to Estate Renewal Implementation above, the variance relates to the capitalisation of salary costs. The forecast is included within this line during the year but then allocated to the individual Housing Supply Programme projects at year end.

Wimbourne Street and Buckland Street - The final outturn is £10.6m, £9.2m below the in-year respective budget of £19.8m. The sites are now under contract and works have started on site. The reduction in spend compared to budget is due to delays on site, owing to the delivery of a major part of the building fabric to site being delayed. This delay has been caused by the contractor and therefore no financial liability sits with the Council. It will cause a delay to handover and Liquid Ascertained Damages (LAD's) will be applied to recover some of the loss where possible.

De Beauvoir Phase 1 (Balmes Road, Down Road East/West, 81 Downham Road and Hertford Road) - The final outturn is £2.1m, £0.7m above the in-year respective budget of £1.3m. Cost savings are being investigated to try and improve the viability of the 5 sites before they go out to procurement. The increase in spend compared to budget relates to the Dev and Admin charges which are forecast under 'Housing Supply Programme' but then allocated to individual projects at the end of the year (as mentioned above).

Pedro Street - The final outturn is £0.3m, £0.2m above the in-year respective budget of £0.1m. The ground contamination has now been rectified and is being monitored on an ongoing basis. Options to improve financial viability are being investigated and once viability has reached acceptable levels the contractor procurement process will start.

Lincoln Court - The final outturn is £0.3m, £0.2m above the in-year respective budget of £0.1m. The project is currently on hold whilst other works at the site take place. The spend in the year relates to internal staffing charges. Spend during 2023/24 is likely to be minimal

De Beauvoir Phase 2 (Rose Lipman) - The final outturn is £0.4m, £0.2m above the in-year respective budget of £0.2m. Spend relates to design development and internal staffing charges. Viability remains challenging but value engineering options are currently being considered, with a view to find savings before Planning permission is sought.

Frampton Park (Woolridge Way and Tradescant House) - The outturn is £0.4m, £0.2m above the in-year respective budget of £0.2m. Viability remains an issue on these sites and the spend in year mainly relates to internal staffing charges. Options are being considered to improve viability before going out to tender for a construction contractor.

Woodberry Down Regeneration

The final outturn is £9.8m, £0.5m below the in-year respective budget of £9.3m. There were 9 Buybacks completed during the year, totalling £3.5m. These costs will be reimbursed by Berkeley Homes as part of their Land Assembly charges. There was also a £4m charge relating to Phase 3 which forms part of the wider Project Development Agreements (PDAs). The Buybacks will continue to be used as Temporary Accommodation where relevant. The variance will be carried forward into the 2023/24 budget.

Appendices

None

Background documents

None.

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