



Public Accounts Select Committee

Financial Monitoring (Early Close) Report 2020/21 Period 9 (December 2020)

Date: 17th March 2020

Key decision: No

Class: Part 1

Ward(s) affected: None Specific

Contributors: Executive Director for Corporate Resources

Outline and recommendations

This report sets out the financial forecasts for 2020/21 as at 31 December 2020.

The report covers the position on the Council's General Fund, DSG, HRA, Collection Fund and Capital programme and provides an update on the work being done to assess and monitor the financial implications of the Covid-19 response.

The summary updated position shows that there is a forecast overspend of £2.6m against the directorates' net general fund revenue budget, after the application of some £40.3m of additional government funding to support the local authority's response to the Covid-19 pandemic. Second wave coronavirus costs are included where these are known and this continues to be a fluid situation. It does not include the full extent of pressures resulting from losses to sales, fees and charges. Furthermore, it is estimated that there are irrecoverable costs of some £20m on the Collection Fund. The government has indicated that forthcoming funding is expected to cover the greater proportion of these losses, but to what extent, has not yet been factored into our assumptions. Officers will continue to monitor the situation.

Executive Directors continue to work to contain non Covid-19 expenditure within budget and additional expenditure controls remain in place that require sign-off of all purchase orders by Directors for expenditure up to £5k and Executive Directors for expenditure over £5k in the expectation that the additional scrutiny may reduce non-essential expenditure. Staffing controls are also in place to ensure that any recruitment is essential to the provision of services. The results of having these controls in place is being routinely monitored and they are having a positive impact in leading to a reduction in non-essential spend. These controls will remain in place until at least of the end of the financial year before the easing of any measures is considered by the Section 151 Officer in consultation with the Chief Executive.

Timeline of engagement and decision-making

26 February 2020 – 2020/21 Budget report to Council

10 June 2020 – Council's response to COVID-19 – financial update report to M&C

9 July 2020 – 2020/21 financial monitoring (May 2020) report to M&C

7 October 2020 – Financial stabilisation and medium term budget update report to M&C

11 November 2020 – 2020/21 financial monitoring (August) report to M&C

3 December 2020 – 2020/21 financial monitoring (September) report to Public Accounts Select Committee

10 February 2021 – 2021/22 Budget report, including an update on the 2020/21 financial monitoring (October) to Mayor & Cabinet

End of June 2021 – Report to Mayor and Cabinet on the 2020/21 year-end financial results

1. Executive Summary

- 1.1. This report sets out the financial forecasts for 2020/21 as at the end of December 2020.
- 1.2. There is a forecast overspend of £2.6m against the directorates' net general fund revenue budget, after the application of additional government funding to support the local authority's response to the Covid-19 pandemic, and after including the forecast extent of irrecoverable losses through sales, fees and charges and collection fund income for council tax and business rates. There was a forecast overspend of £3.2m for the period to the end of October, which was reported to Mayor & Cabinet on 10th February 2021 as part of the 2021/22 Budget Report. Members should note, that financial monitoring has continued since this period. This report therefore provides a comparison of the changes from November to December 2020.
- 1.3. The Dedicated Schools Grant (DSG) is currently projected to overspend by £5m at the end of the financial year. The overspend is mainly due to SEND costs. Work is continuing with schools to understand the cost implication of the rising SEND pupil numbers.
- 1.4. The Housing Revenue Account (HRA) is currently projecting a balanced budget position. This is set out in more detail in section 12 of this report.
- 1.5. As at 31 December 2020, 73.25% (£109.3m) of *Council Tax* due had been collected compared to 73.99% at this point last year and this was £4.2m less than the amount needed to meet the profiled amount required by the end of this month. For *Business Rates* 69.85% (£26.4m) had been collected compared to 83.87% at this point last year and this was £6.8m less than the amount needed to meet the profiled amount required by the end of this month.
- 1.6. The Capital Programme spend to the end of December is £75.3m, which is 46% of the 2020/21 of the proposed revised capital budget of £164m. The final outturn for 2019/20 was 72% (£121.2m) of the revised budget of £169.1m. Information on the major projects is set out in section 14.

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2. Purpose

- 2.1. The purpose of this report is set out the financial forecasts for 2020/21 as at the end of December 2020 and projected to the year end of 31 March 2021.

3. Recommendations

- 3.1. The Public Accounts Select Committee is asked to:
- 3.2. Note the current financial forecasts for the year ending 31 March 2021 that report a forecast overspend of £2.6m and in so doing recognise that the situation is complex with particular regard to the various streams of government funding to support the local authority's response to the coronavirus pandemic;
- 3.3. Note the action which Executive Directors are taking to manage down budget pressures within their directorates.

4. Directorate Forecast Outturn

- 4.1. The forecasts against the directorates' general fund revenue budgets to the end December 2020 are set out in Table 1. The Council is forecasting a net overspend of £2.6m, comprising a Covid-19 related projected overspend of £3m and a service underspend of £0.4m. To date, the Council has incurred £43.3m of Covid-19 related expenditure for the year, which is being alleviated by general and targeted government Covid-19 funding of £40.3m.
- 4.2. The latest update of the financial position includes progress on the agreed savings for 2020/21, attached at Appendix 1 and the identified in-year cash reductions totalling £5.4m, which have been summarised at Appendix 2. The overall pressures are alleviated in part by additional government funding which is being received to provide some financial support to councils to undertake additional activities in recognition of the unplanned costs which have been incurred in responding to Covid-19. The amount received by Lewisham to date, or due for imminent arrival for such purposes, totals £40.3m. Once applied to the gross spend projections, this has the effect of reducing the overall pressure down to £2.6m. This does not take into account the fully unfunded pressures for losses in sales, fees and charges income, or losses in the Collection Fund.
- 4.3. The Council has principally altered its position in how it now reports Covid-19 resources. The Contain Outbreak Management Fund (COMF) and the Winter Grant monies are now ring-fenced separately. Members of the Public Accounts Select Committee should note that the detailed process of identifying expenditure towards the grants, thereby reducing our BAU spend is continuing and will continue to be reported on in future months. Furthermore, there is an additional £800k from the Clinical Commissioning Group (CCG) for Children's social care placements this month that have now been confirmed, but also quite a significant risk (not reported in the numbers yet) from SEND placements that may have a general fund impact).
- 4.4. The estimated costs for the Collection Fund alone are expected to be in the region of some £20m. There are also further costs expected to arising as a result of the second wave of the pandemic. This latest update of the financial position includes in-year cash reductions identified by Directorates totalling £5.4m and this monitoring position continues to assume that these will be delivered in full.

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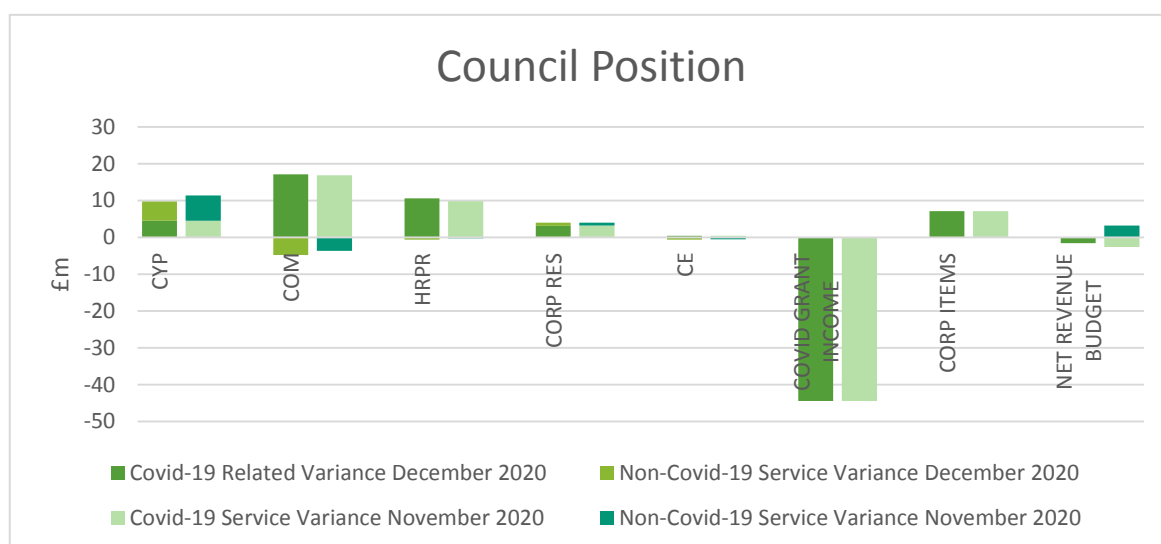
Table 1 – Overall Directorate Position for 2020/21 to end of December 2020

Directorate	Net budget 2020/21	DECEMBER 2020			
		Forecast Outturn 2020/21	Forecast Variance Over/ (Under) Spend	Covid-19 Related Variance	Non Covid-19 Service Variance
	£m	£m	£m	£m	£m
Children & Young People (1) (CYP)	60.3	70.0	9.7	4.5	5.2
Community Services (COM)	89.2	101.5	12.3	17.6	(5.3)
Housing, Regen' & Public Realm (HRPR)	23.2	33.2	10.0	10.6	(0.6)
Corporate Resources (2) (CORP RES)	35.3	39.3	4.0	3.1	0.9
Chief Executive (CE)	12.2	12.0	(0.2)	0.4	(0.6)
Directorate Totals	220.2	256.0	35.8	36.2	(0.4)
Covid Grant Income	N/A	N/A	(40.3)	(40.3)	0.0
Other COVID related costs:–. Hospital Discharges, School meals contract	28.3	28.3	7.1	7.1	0.0
Net Revenue Budget	248.5	284.3	2.6	3.0	(0.4)

(1) – gross figures exclude £180m Dedicated Schools' Grant expenditure and matching grant income

(2) – gross figures exclude approximately £213m of matching income and expenditure for housing benefits.

Chart 1 – Overall Council-wide Variance for November and December 2020



5. Children and Young People Directorate

- 5.1. As at the end of December 2020, there is a projected overspend of £9.7m for the directorate, which is a reduction of £1.7m compared to the position reported at the end of November. The change is as a result of agreement being reached with the CCG to reimburse £0.8m of health costs in respect of children looked after and the identification of Covid related costs totalling £0.9m following the enhanced soft close process, further details of which can be seen below.

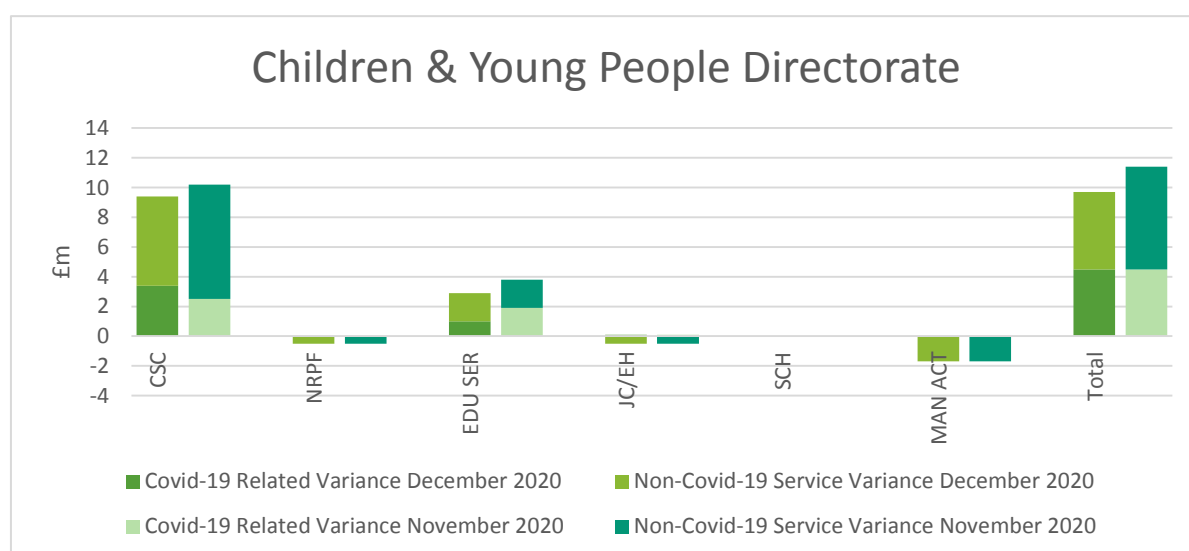
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Table 2 – Children & Young People

Service Area	Net budget 2020/21	Forecast Outturn 2020/21 as at end of Dec' 2020	Forecast Variance Over/ (Under) Spend Dec' 2020	Covid-19 Related Variance Dec' 2020	Non Covid-19 Related Variance Dec' 2020	Non Covid-19 Related Variance Nov' 2020
	£m	£m	£m	£m	£m	£m
Children's Social Care (CSC)	41.1	50.5	9.4	3.4	6.0	7.7
No Recourse to Public Funds (NRPF)	2.9	2.4	(0.5)	0.0	(0.5)	(0.5)
Education Services (EDU SER)	10.7	13.6	2.9	1.0	1.9	1.9
Joint Commissioning / Early Help (JC/EH)	6.9	6.5	(0.4)	0.1	(0.5)	(0.5)
Schools (SCH)	(1.3)	(1.3)	0.0	0.0	0.0	0.0
Total	60.3	71.7	11.4	4.5	6.9	8.6
Management Action – Recovery plan (in progress) (MAN ACT)		(1.7)	(1.7)	0.0	(1.7)	(1.7)
Revised Total		70.0	9.7	4.5	5.2	6.9

Chart 2 - Children & Young People Directorate Overall Variance – November and December 2020

- 5.2. Paragraph 11.2 identifies a significant potential overspend in the High Needs Block in the DSG of approximately £5m which could potentially be higher dependant on the outcomes of data validation. This is currently under review and officers are working with F&HE colleges to determine the cost of supporting the increased SEND pupils, ensuring that the costs are accurately captured between the General Fund and the Dedicated schools grant.
- 5.3. The December position is derived from the commencement of the 'early close' process, the management action plan and assessment of current demand and spending patterns. The results from this process suggest a reduction in the overspend in the General Fund as Education Services' activity is reduced and refocused on dealing with situations arising from Covid-19 and an understanding of the additional costs of placing Children Looked After. At this stage, the findings from the Covid-19 assessments are being considered by senior management and awaiting validation. The current projection assumes agreement as a part of the validation process.
- 5.4. Of the total overspend, some £4.5m relates specifically to anticipated Covid-19 budget

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pressures on the General Fund and assumes non-delivery of revenue budget savings of £1.4m. In addition to this, £3.2m of Covid-19 related expenditure has been identified in respect of services not funded by the General Fund. Details are given in paragraph 5.6 below.

- 5.5. Members of the Public Accounts Select Committee are asked to note that the service has progressed the following measures with a view to reducing costs. These are:
- Ensuring that partner contributions for such placements are obtained
 - The high cost placements review board chaired by the Executive Director to ensure that high cost placements are kept to a minimum
 - Reviewing and reducing the number of interim and agency staff employed within the directorate
 - Introducing directorate specific recruitment controls
 - Reviewing all external contracts for care, starting with those of the highest value
- 5.6. The Children's Social Care service continues to be a volatile and high risk area with potential risks arising from Covid-19 and Brexit. The Covid-19 projections has identified some level of risk relating to this area.

Table 3 – Covid-19 Pressures for the CYP Directorate

Service	Area	Total Cost December 2020 £m	Total Cost November 2020 £m
Children's Social Care	Residential	1.2	0.4
	Care leavers	0.1	0.1
	Other	0.7	0.6
	Unachieved savings	1.4	1.4
Education Services	SEND	0.5	0.5
	Home to School Transport	1.0	1.0
	Other*	2.7	0.4
Joint Comm/Early Help	Contracts	0.1	0.1
Total		7.7	4.5

* Net of £1.4m central and specific Covid grant funding, and including non-General Fund costs

- 5.7. The projected costs for Covid-19 pressures is £7.7m, and this represents an increase of £3.2m from the position reported in November. This position for this month is based on a more accurate assessment of the Covid-19 impact on the service budget as a result of additional placement and staffing costs, and a potential loss of grant funding arising from difficulties meeting targets as a result of Covid-19. The early close process remains ongoing and, in addition to reviewing costs between Covid-19, General Fund and other funding streams, a review of assumptions is being undertaken where estimates have been used.
- 5.8. It is important to note that Schools have received limited support from government with regards the additional costs incurred for meeting their Covid-19 health and safety requirements. The Schools' Forum is currently in the process of making representations to the Secretary of State as a consequence. Nursery schools in particular have been excluded from any central grant funding.
- 5.9. The key divisional variances for the Children & Young People Directorate are set out in the following paragraphs.

Children Social Care

- 5.10. As at the end of December 2020, the Children Social Care (CSC) division is reporting a budget pressures of £9.4m. This includes Covid-19 related costs of £3.4m. The non Covid-19 related overspend of £6m, relating to the placements budget, is a reduction of £1.7m compared to the figure reported in November.

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- 5.11. The CSC staffing review conducted through the first half of 2019 is currently being implemented. The budget for the new structure has been costed at £18m and the service is expecting to operate within budget, with a reduced reliance on agency staff, again subject to the constraint of Covid-19.
- 5.12. Based on the current number of placements, the current projection is spend of £34.5m, representing an overall overspend of £6m against the current budget. This has reduced £1.7m compared to the figure reported in November as a result of the identification of £0.9m additional Covid-19 costs included in the previous projection as a result of the early close process and agreement being reached with the CCG to reimburse £0.8m of health costs in respect of children looked after.
- 5.13. The total number of Children Looked After (CLAs) at any one time has fallen slightly since 2017/18 and has not increased since April 2019. However, the pattern of where CLAs are placed has altered with fewer in Lewisham in-house foster carers, more children being placed with extended family (kinship) and more in high cost residential units. More kinship placements represents a practice culture change to better support families to care for children who cannot remain with their parents and the increased use of residential placements represents the growing complexity of the children coming into care, who require specialist placements because of disabilities and/or challenging behaviours. The other significant change is the increased number of care leavers receiving a service and this includes housing support.
- 5.14. As can be seen from the table attached at Appendix 3a, the total placement numbers have moved little since April 2020. Over the same period, the number of CLAs, i.e. those in residential, foster and semi-independent placements has dropped marginally from 464 to 462. Within this figure there has been significant movement in the numbers of children in residential placements. The numbers had risen significantly from 47 in April 2019 to 63 in April 2020. Regular review of high cost placement activity has resulted in the number of children in residential placements falling to 51 by December 2020. The impact of the substantial fall in numbers can be seen when comparing the current projected outturn of £6m to the projected £10m overspend in May 2020.
- 5.15. The number of young people placed by the leaving care 18+ service has increased on average from 46 to 58. Over the same period, Special Guardianship Orders have also increased during that period from 209 to 243.
- 5.16. The numbers and graphs showing the trends for each category over this period has been attached at Appendix 3.

Education Services

- 5.17. As at the end of December 2020, the Education Services division is projected to overspend by £2.9m relating to Special Educational Needs transport costs. The pressure includes £1m relating to additional costs arising from additional rounds needed in response to Covid-19.

Joint Commissioning and Early Help

- 5.18. As at the end of December 2020, the Joint Commissioning and Early Help service is reporting an underspend of £0.5m, no change from the figure reported in November 2020.
- 5.19. A budget pressure of £0.1m is expected in relation to the extension the Youth Service contract approved by Mayor & Cabinet at the end of June. This is offset by an underspend of £0.2m in Children's Centres. The budgets are to be reviewed as a part of the setting up of the Early Help and Intervention service.
- 5.20. An additional pressure of £0.1m has been identified as a result of the potential loss of external funding due to the non-achievement of targets under the Troubled Families Grant.
- 5.21. An underspend of £0.5m is now expected in the Youth Offending Service. The Secure Remand placements budget is expected to underspend by £0.3m due to a combination of better demand management, an increase in grant funding and a slowdown of the court

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process due to Covid-19.

5.22. In addition to this, there is a underspend on the staffing budget of £0.2m which is resulting from staff vacancies and the impact of spending restrictions on both recruitment and the retention of agency staff.

5.23. It should be noted that budget can still be volatile as remand placements are at the discretion of the court based on the age/vulnerability of the young person and the nature of the offence.

6. Community Services Directorate

6.1. As at the end of December 2020, there is a projected overspend of £12.3m for the directorate which is a decrease of £0.8m from the projected overspend of £13.1m reported to the end of November 2020. Some £17.6m relates specifically to unanticipated Covid-19 budget pressures and assumes non delivery of revenue budget savings of £3m. The Covid-19 related budget pressure is offset by a non Covid-19 related underspend of £5.3m across services for the year. For these specific non Covid-19 service directorate variances, this represents a net improvement of £1.1m from the £3.7m underspend projected as at the end of November 2020.

Table 4 – Community Services

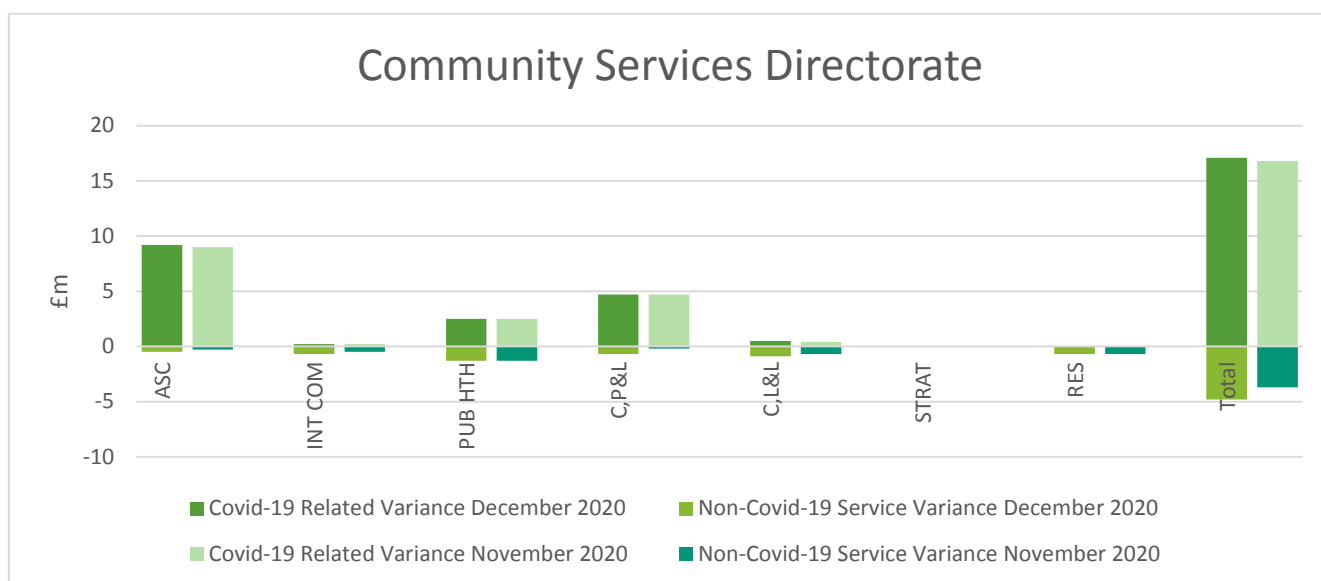
Service Area	Net budget 2020/21	Forecast Outturn 2020/21 as at end of Dec' 2020	Forecast Variance Over/ (Under) Spend Dec' 2020	Covid-19 Related Variance Dec' 2020	Non Covid-19 Related Variance Dec' 2020	Non Covid-19 Related Variance Nov' 2020
	£m	£m	£m	£m	£m	£m
Adult Social Care (ASC)	66.5	75.1	8.7	9.7	(1.1)	(0.3)
Integrated Commissioning (INT COM)	8.3	8.0	(0.5)	0.2	(0.7)	(0.5)
Public Health (PUB HTH)	(0.3)	0.9	1.2	2.5	(1.3)	(1.3)
Communities, Partnerships and Leisure (C,P&L)	9.5	13.4	4.0	4.7	(0.7)	(0.2)
Culture, Learning and Libraries (C,L&L)	4.0	3.6	(0.4)	0.5	(0.9)	(0.7)
Strategy (STRAT)	1.2	1.2	0.0	0.0	0	0
Reserves (RES)	0.0	(0.7)	(0.7)	0.0	(0.7)	(0.7)
Sub-total	89.2	101.5	12.3	17.6	(5.3)	(3.7)
Management action	0.0	0.0	0.0	0.0	0.0	0.0
Total	89.2	101.5	12.3	17.6	(5.3)	(3.7)

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Chart 3 – Community Services Directorate Overall Variance – November and December 2020



- 6.2. The most significant cost variances for the directorate fall within the Adult Social Care division. The following sections provide a summary of the revenue forecast by division. It provides an explanation of the cause of the variance and any movements from the previous period.

The most significant cost variances for the directorate fall within the Adult Social Care division. The following sections provide a summary of the revenue forecast by division. It provides an explanation of the cause of the variance and any movements from the previous period. It also makes clear what the impact of any management action or other intervention will have on the forecast projected to the year-end. Where any variance is impacted upon by demand driven activity, then these are also set out and made clear in this section.

Cost of Covid-19

- 6.3. The estimated financial impact of Covid-19 on base budgets for expenditure and income in Community Services is £17.6m. These pressures are included in projections below. These, and similar pressures in other directorates, will be alleviated by the Covid grant that the Council has received and from other specific grants. This is summarised as follows:

Table 5 – Community Services Directorate – Covid-19 Pressures

Service	Area	Total forecast Dec 2020 £m	Total forecast Nov 2020 £m
Adult Social Care	PPE and Infection Control	4.8	4.7
	Market Support	1.7	1.7
	Unachieved Savings	2.5	2.5
	Other	0.7	0.6
Integrated Commissioning	Prevention and Inclusion – contract stabilisation	0.2	0.2
Public Health	Test and Trace	2.2	2.2
	Volume pressure on contracts	0.3	0.3
	Other	0.0	0.0
Communities, Partnerships & Leisure	Community Hub	0.2	0.4

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	Leisure Management – contract and other additional costs	1.7	1.8
	Leisure Management – income	0.2	0.1
	Licensing – income	0.1	0.1
	Crime, Enforcement & Regulation – compliance & enforcement	0.2	0.0
	Green Scene – income & infection control	0.4	0.4
	Bereavement Services – infection control	0.4	0.3
	Bereavement Services – London Wide Mortality Management Scheme	1.3	1.3
	Bereavement-Coroners Court Consortium	0.1	0.1
	Community Centres – income & infection control	0.1	0.2
Culture, Learning & Libraries	Adult Learning Lewisham – income & infection control	0.3	0.3
	Libraries and Broadway Theatre - income	0.2	0.1
Total		17.6	16.8

- 6.4. The Council has been allocated £4.3m from the Infection Control Fund. The expenditure is included in the Adult Social Care figures in the above table, with the expenditure in relation to the allocation being included in the projection this month.
- 6.5. The Council has also been allocated £2.2m for Test and Trace. This is included in the Public Health figures shown below.
- 6.6. Some £1.3bn has been awarded to Clinical Commissioning Groups (CCGs) nationally to fund the costs of hospital discharges since 19th March 2020. This projected income is included in the adult social care projections below as is the matching additional expenditure.
- 6.7. The estimated financial impact of Covid-19 on base budgets for expenditure and income in Community Services is £12.5m. These pressures are included in projections below. These pressures will be alleviated by the Covid grant that the Council has received and from other specific grants. This is summarised as follows:

Adult Social Care Services

- 6.8. As at the end of December 2020, the Adult Social Care Services is reporting net budget pressures of £8.7m, including Covid-19 related costs of £9.7m.
- 6.9. The impact of Covid-19 continues to be felt within the service and this will remain the case up to March 2021 and likely beyond. The nature of the impact relates to both costs of providing care as well as pattern of demand. The Council is beginning to see increases in Non Residential care users as they are being discharged from hospital. Also the number of placements in Residential care has picked up from decline witnessed in May/June at the height of COVID. This pattern is expected to continue into 2021. At present these costs are forecast to be supported by the Covid Grant as well as Health (CCG) for discharges. From 1st September 2020, costs will continue to be charged to the CCG for a 6 week period with expectation that service users are formally assessed with NHS colleagues, this will be to the end of the financial year. The estimated claim for the full year for this group of users is £6.1m. This position is subject to demand and is likely to change before end of financial year
- 6.10. Whilst the pressures for 2020/21 financial year will be managed within the arrangement above, it is not clear what the arrangement beyond March 2021 will be. There is a risk that

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the Council will face increased costs/demand in 2021 without the funding support it currently receives. For instance we are seeing higher levels of care from discharged clients, increase use of 24 hour care at home, and increase use of double handed care etc. These increases are not impacting as much currently because of funding support mentioned above.

- 6.11. In addition to this impact on demand and costs, Covid-19 has also changed the way social care activity is being carried out. The Council is increasingly using remote ways of working to undertake some of its tasks. Many Families of care users are resistant to face to face visits and hence there is an increased use of telephone for undertaking client assessments. There is also increased use of remote processes to undertake Care Home reviews. These innovative ways are helping to reduce backlogs but challenges remain high as staff numbers at both care homes and council are limited due to the impact of Covid-19.
- 6.12. In order to deliver the agreed savings for the next financial year, the Adult Social Care division will need to ensure that the impact of Covid-19 is clearly understood and mitigated. To enable it to do this, it is essential that the social work review is implemented in a timely manner and the expected improvements to LAS and Contocc are delivered effectively.
- 6.13. Overall numbers and costs of residential and nursing placements dropped significantly in April and May, but have since been increasing. Costs of new or increased packages for patients who have been discharged from hospital are currently recharged to the CCG. As highlighted previously, these arrangements ended on 31st August 2020. From 1st September 2020, costs will continue to be charged to the CCG for a six week period with expectation that service users are formally assessed with NHS colleagues, this will be to the end of the financial year.
- 6.14. It is likely that service user numbers will continue to increase as the incidence of Covid-19 recedes, but it is not certain this will happen for different services. Although the demand for residential and nursing placements has reduced overall, the situation continues to be closely monitored. It can also not be said with any certainty at this point how quickly it will be possible to establish the new ways of working on which many of the planned savings depend. Some trends are attached at Appendix 4.

Integrated Commissioning

- 6.15. The Integrated Commissioning division is expected to underspend by £0.5m. including Covid-19 related costs of £0.2m.
- 6.16. The Prevention and Inclusion budget is projecting an overall net underspend of £0.3m. There is a COVID-19 related variance of £0.2m which has resulted from temporary contract stabilisation payments made to Supporting People and Substance Misuse providers. This overspend is being offset by savings across the rest of the service. The core staffing budget is expected to underspend by £0.04m due to current staff vacancies. The core Supporting People budget is projected to underspend by £0.1m - this relates primarily to contract savings resulting from re-procurement processes that have been undertaken. The Drug and Alcohol budget is expected to underspend by £0.2m, this primarily relates to savings on activity based detoxification and rehabilitation budgets of £0.15m – this has resulted from treatment delays resulting from the impact of Covid-19 on service providers. There are smaller savings on Drug and Alcohol budgets of £0.05m resulting from underspends on other contract and campaign budgets.
- 6.17. The Joint Commissioning budget is now projecting an underspend of £0.2m. This mainly relates to reductions in projected spend on section 75 payments made to the CCG and on block/spot purchase contractual arrangements with the voluntary sector. A number of these contracts are currently under review.

Public Health

- 6.18. The *Public Health* division is projected to overspend by £1.2m as at end December 2020.

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This overspend includes spend against the £2.2m for track and trace which will be offset in full by the grant received from central government for these purposes. The balance of the overspend is due to Covid-19, some £140k and £126k for costs associated with uncapping of sexual health e-services and the establishment of an online contraception offer to mitigate against the reduction in face-to-face sexual health clinic services during the pandemic, respectively; and a further £40k for the joint Lewisham and Birmingham work to address health inequalities in Black African and Black Caribbean communities.

- 6.19. An underspend of £1m is now expected on sexual health services. This reflects reduced activity and lower payments to out-of-borough clinics. The Public Health Grant released by this underspend will be used to fund eligible activity elsewhere in the Council.

Communities, Leisure and Partnerships

- 6.20. The *Communities, Leisure and Partnerships* service is currently projecting a net overspend of £4.0m. There are a series of Covid-19 related pressures which total £4.7m – these relate to Leisure Management £1.9m, Bereavement Services £1.7m, Green Scene £0.5m, the Community Hub £0.2m, Licensing £0.1m, Enforcement & Regulation £0.2m and Community Centres £0.1m. These variances are now being offset by non Covid variances of £0.7m across the Division.
- 6.21. The Leisure Management budget is currently projecting a total net overspend of £1.9m for 2020/21 which is all being treated as a Covid-19 related pressure. The pandemic led to the forced termination of the Fusion Lifestyle contract on the 7th October 2020 and a new contractual arrangement was put in place with Greenwich Leisure Ltd (GLL) with effect from 8th October 2020. This contract change has resulted in direct overall additional costs of £1.2m for 2020/21 under the new contract arrangements. The figure of £1.2m includes lost income of £0.2m which is a combination of the income due from Fusion Lifestyle under the old contract arrangement and additional lost rental income at Bellingham LC during the various lockdown periods. The current position has been further complicated by the ongoing closure of all the leisure centres during the current lockdown period. Glass Mill LC was able to open briefly in December 20 under the new contract arrangements and Downham LC also opened under the One Life contract between lockdown periods. The final amount payable to GLL for the 20-21 financial year is still subject to final negotiation under the terms of the new contract. Costs continue to be incurred under the contract with no income being generated due to the ongoing closure of the centres. In addition to the projected costs of £1.2m under the new contract arrangements, costs of £0.5m have been incurred on direct additional payments made to both Fusion Lifestyle and One-life (Downham) for closure costs as a result of the lockdown periods in the earlier part of the financial year when the previous contract was still in place. The Council has recently submitted a bid to Sport England for £0.7m of Leisure relief funding covering the Dec 2020-Mar 2021 period in terms of the financial support we are providing to both Greenwich Leisure Ltd (GLL) and One-life (Downham) during this period. Officers will report on the progress of this funding bid in next month's monitoring. If this funding bid is successful, it will beneficially impact on the overall monitoring position for Leisure Management.
- 6.22. The Council has also had to incur significant costs on the infrastructure at the Leisure Centres to ensure they are ready for operation under the new contract once the centres are in a position to reopen. These costs total approx. £1m and are primarily covered from a combination of the £0.4m contract settlement with Fusion for Dilapidations at the centres, £0.2m of agreed Section 106 funding and £0.2m drawdown of reserves funding specifically earmarked for dilapidations works at the Leisure Centres. The remaining costs of £0.2m will fall on this year's General Fund.
- 6.23. There is a non Covid-19 related pressure on the Downham PFI budget of £0.05m resulting from the annual inflationary increase on the unitary charge contract with Lintum which was not covered from non-pay inflation this year as part of the budget process. This is offset by a small saving agreed on Sports Development budgets as part of the part of the

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management action described below in Appendix 2.

- 6.24. The community sector grants programme is showing no variance. The new three-year programme came into effect on 1 August 2019 meaning that the full saving of £0.6m agreed as part of the 2019/20 budget process will be fully achieved for the 2020/21 financial year.
- 6.25. There is a projected Covid-19 related overspend of £0.1m on the Community Centres budget which is resulting from a combination of the loss of regular room hire income coupled with additional infection and cleaning costs incurred at some centres.
- 6.26. The final costs of the community hub that was set up during the initial COVID-19 lockdown period to help residents of the borough who were shielding with food supplies and other support is £0.2m.
- 6.27. The Community Safety budget is projected to show a net underspend of £0.1m. There is a COVID-19 related staffing pressure of £0.2m resulting from Enforcement and Compliance activity undertaken by the service Crime, Enforcement and Regulation service budget - this costs has been set against the specific grant funding received from central government at a corporate level. In addition, there is a projected income shortfall of £0.1m on licensing income (primarily Gambling Act and Licensing Act) as a result of the impact of Covid-19. These COVID related variances will be offset by an overall underspend of £0.4m on staffing budgets across the service.
- 6.28. The projected overspend for *Green Scene* services is now £0.3m. Overall base income for Parks is down by £0.25m against budget primarily due to the impact of Covid-19 on the ability to generate income through events and other activities, however this is being mitigated by new car parking income generated at Beckenham Place Park of £0.1m. Similarly, the Covid-19 restrictions have impacted on the ability of the pest control service to generate income resulting in a projected income shortfall of up to £0.05m. There are also Covid-19 pressures around security and infection control in Parks of up to £0.1m. In addition, there is a non Covid-19 pressure of £0.15m on the Arboriculture service due to the urgent works and surveys required in relation to many old and damaged trees across the borough (both in Parks and on Highways – this work is only undertaken when it is essential to mitigate health and safety risks to the general public).
- 6.29. There is an overall forecast overspend of £1.6m on Bereavement Services – the overall position is down by £0.2m on last month due to an increase in projected income at the Crematorium and Cemeteries. The majority of this budget pressure, £1.7m, is Covid-19 related offset by a non Covid underspend of £0.1m. The largest part of the Covid-19 related pressure relates to Lewisham's agreed contribution of £1.266m to the London Borough Wide Mortality Management Scheme under the pandemic plan for London – two payments have been made under the scheme to date totalling £1.266m and we are awaiting clarification if any refunds are likely in 2020/21 as overall spend on the second phase of the London wide scheme has been low for the period to date. There are further Covid-19 related costs totalling £0.35m which include additional mortuary costs, additional security at the cemeteries and crematorium, the cost of PPE, additional cleaning costs and agency workers recruited to cover staff unable to work due to shielding from Covid-19. In addition, there is now an additional projected cost of £0.1m expected on the Coroners' Court Consortium contribution for 2020/21 which is a result of additional costs resulting from Covid-19. These pressures are being offset by a net underspend of £0.1m on the core Bereavement Services budgets. There is a pressure of £0.1m on the core costs for the Mortuary Service with the Royal Borough of Greenwich and the Coroners' Court Consortium with London Borough of Southwark. This pressure is now being offset by a net underspend of £0.2m on the Cemeteries and Crematorium budgets which is largely the result of increased income generated for the YTD.

Culture, Learning and Libraries

- 6.30. The *Culture, Learning and Libraries* division is forecasting a net underspend of £0.4m. There are Covid-19 related pressures of £0.5m which are the primarily the result of the

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projected reduction in Adult Learning student fee income of £0.3m and a reduction in income generated by the Libraries and the Broadway Theatre which total a further £0.2m. These pressures are being more than offset by other underspends across the division of £0.9m to give net underspend of £0.4m.

- 6.31. The Libraries service is projecting a net underspend by £0.5m which is a small increase on last month. There are projected staffing underspends of £0.4m resulting from the high number of posts held vacant during the closure of the libraries due to Covid-19. Part of this underspend is highlighted via the in-year management action detailed in Appendix 1. In addition, there have been overall savings of £0.1m on operational budgets including security costs at both Lewisham and Downham Libraries, the books and resources fund and on the budget had also been set aside for the relocation of the Local History archive. The History Archive is currently housed at Lewisham Library but the proposed relocation has been delayed as a result of ongoing discussions over the future of Lewisham Library. The underspends on staffing and operational budgets will be offset by an income shortfall on fees and charges income of £0.1m which is a result of the ongoing closure of the libraries for full services due to Covid-19.
- 6.32. The Broadway Theatre will be closed for the whole 2020/21 financial year partly as a result of Covid-19 and partly to facilitate essential works. During this time, there are ongoing staff and other costs which will have not been able to recover from the normal income generating activities resulting in a budget pressure of £0.05m is projected. The annual Blackheath Firework event did not go ahead this year resulting in the saving of £0.03m – part of the management action described below in Appendix 2. Although Peoples' Day did not go ahead in 2020, the budget of £0.03m has instead been used by the Arts Service to support the 'virtual culture' offer that was agreed by the Executive Management Team and so this has resulted in no overall variance.
- 6.33. The Adult Learning service is reliant on budgeted funding of £0.5m from the student fee income generated from the courses run by the service. There have been course closures brought about by Covid-19 and social distancing policies have placed a limit class sizes meaning classes are only able to operate at a two thirds capacity or have had to operate remotely. This is expected to result in a total income loss of £0.3m in student fee income in the full year. Against this it is now anticipated that as a result of expenditure restrictions and management action there will matching costs savings of £0.3m on tutor costs, tutor training and other course materials/resources. This will leave no net overall budget pressure for the service. In terms of the core grant funding we receive from the GLA of £3.4m, we are continuing to deliver courses above the grant tolerance level of 90% so are not currently anticipating any claw back in respect of the grant funding for the current Academic Year.

Strategy, Partnership and Improvement

- 6.34. The Strategy, Partnership and Improvement division is reporting a small underspend of £0.1m due to a 50% contribution under section 75 from CCG towards the staffing budget.

7. Housing, Regeneration and Public Realm

- 7.1. As at the end of December 2020, the Housing, Regeneration and Public Realm Directorate is projecting a net overspend of £10m for 2020/21. This is after applying and achieving once-off in year measures of £0.9m. There is a Covid-19 related overspend of £10.6m, and assumes non-delivery of revenue budget savings of £1.4m. There is a non Covid-19 related underspend of £0.6m. For November, the directorate was also forecasting a £9.5m net overspend, of which an overspend of £9.8m related to Covid-19 activity.

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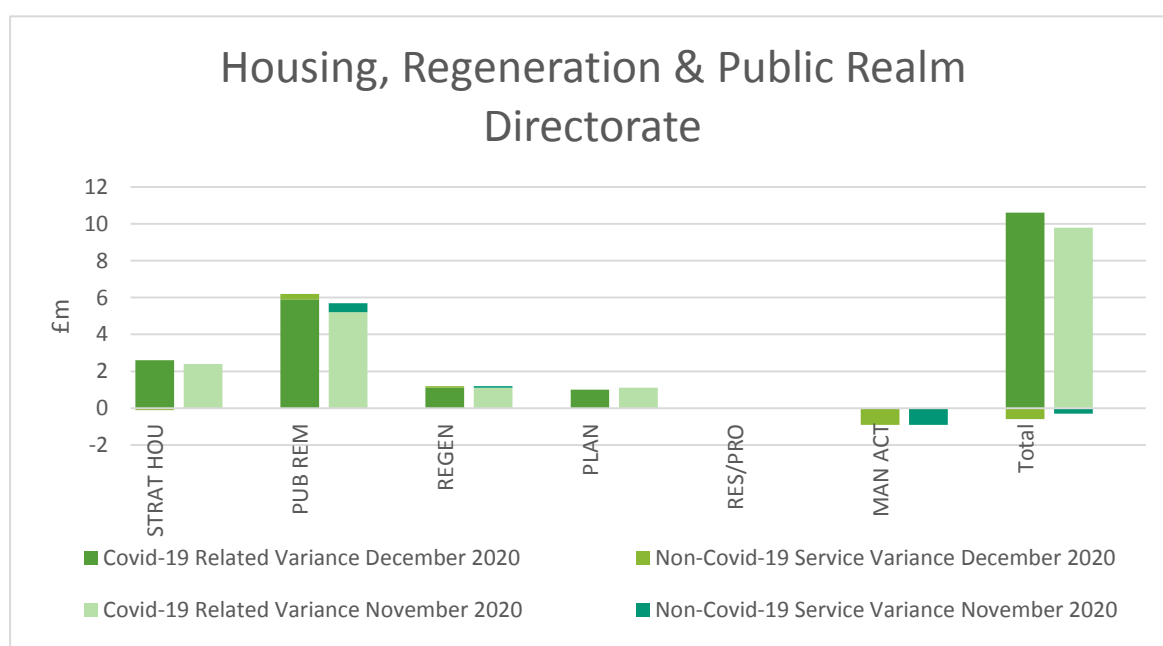
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Table 6 – Housing, Regeneration and Public Realm

Service Area	Net budget 2020/21	Forecast Outturn 2020/21 as at end of Dec' 2020	Forecast Variance Over/ (Under) Spend Dec' 2020	Covid-19 Related Variance Dec' 2020	Non Covid-19 Related Variance Dec' 2020	Non Covid-19 Related Variance Nov' 2020
	£m	£m	£m	£m	£m	£m
Strategic Housing (STRAT HOU)	4.6	7.1	2.5	2.6	(0.1)	0.0
Public Realm (PUB REM)	17.0	23.2	6.2	5.9	0.3	0.5
Regeneration (REGEN)	0.9	2.1	1.2	1.1	0.1	0.1
Planning (PLAN)	0.7	1.7	1.0	1.0	0.0	0.0
Reserves/Provisions (REV/PRO)	0.0	0.0	0.0	0.0	0.0	0.0
Management Action (MAN ACT)	0.0	(0.9)	(0.9)	0	(0.9)	(0.9)
Total	23.2	33.2	10.0	10.6	(0.6)	(0.3)

Chart 4 – Housing, Regeneration and Public Realm Directorate Overall Variance – November and December 2020



- 7.2. The most significant cost pressures for the directorate fall within the Public Realm division. The following sections provide a summary of the cost of covid and the revenue forecast by division, along with a summary of directorate risks and on-going pressures.

Table 7 – Housing, Regeneration and Public Realm Directorate – Covid-19 Pressures

Service	Area	Total Cost December 2020 £m	Total Cost November 2020 £m
Strategic Housing	Housing Needs	2.6	2.4
Public Realm	Parking	2.5	1.8
	Highways and Transport	0.6	0.5

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	Refuse Collection	1.3	1.6
	Strategic Waste	0.5	0.5
	Street Management	0.3	0.3
	Street Markets	0.5	0.4
	Environmental Health	0.1	0.1
Regeneration	Capital Programme Delivery	0.8	1.0
	Economy & Partnerships	0.3	0.1
Planning	Planning	1.0	1.0
	PPE and other costs	0.1	0.0
Total		10.6	9.8

- 7.3. The estimated financial impact of Covid-19 on base budgets for expenditure and income in Housing, Regeneration and Public Realm is £10.6m. These pressures are included in projections. The Covid-19 pressures are summarised in the table above.

Strategic Housing Division

- 7.4. As at the end of December 2020, the Housing Services division is reporting budget pressures of £2.5m, with some £2.6m attributable to Covid-19 activity. This compares to £2.4 reported in November and a non-Covid-19 related underspend of £0.1m. The underspend is mainly as a result of in-year savings of £0.2m achieved by the service.
- 7.5. The Council recently received additional rough sleepers grant fund of £0.4m which will reduce the Covid-19 overspend to £2.2m and the overall overspend to £1.9m.
- 7.6. It was announced in December 2020 that there will continue to be grant funding for homelessness activity for 2021/22. The grant has been awarded for 2021/22 on a once-off basis to homelessness to cover the effects of the implementation of the Housing Reduction Act and compensation for the removal of TA management allowances in the HB regulations.
- 7.7. The grant award is £4.834m and is therefore slightly more than awarded in 2020/21. This will relieve some of the budget pressures for 2021/22.

Public Realm Division

- 7.8. As at the end of December 2020, the Public Realm Division is reporting a projected net overspend of £5.6m, with £5.9m attributable to Covid-19. The forecast non-covid underspend is £0.3m, achieved after applying £0.5m in-year savings. The November forecast was a £5.2m overspend entirely attributable to Covid-19. The current Covid-19 overspend has increased due to the current lockdown, with increased forecast income losses from parking services and markets. The main areas of overspend are summarised below.
- 7.9. For *Parking Services*, there is a forecast overspend of £0.5m. This compares to £0.3m in November. There is a £2.5m overspend attributable to loss of income from parking change notices (PCNs) and permits due to Covid-19. This is an increase of £0.7m from last month. The impact of the current lockdown continues to be monitored and a change in forecast is possible. The service is also forecasting £2m net income from moving traffic contraventions.
- 7.10. The forecast net overspend for *Highways & Transport* is £0.5m. This was £0.4m in November. The increase is due to the inclusion of the 'reopening of high streets' costs which are covid related. There is a covid related overspend of £0.6m, and in-year savings of £0.25m have been achieved.

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- 7.11. The *Refuse Collection* service is forecasting an overspend of £2m, compared to £2.1m reported in November. Some £1.3m of the current forecast is Covid-19 related. This is after achieving an in-year saving of £0.032m. The reduction in the Covid-19 related overspend is mainly as a result of increased income collection in the garden waste service.
- 7.12. The *Strategic Waste Management Service* is projecting an overspend of £1.3m, of which £0.5m is attributable to Covid-19. An additional increase in the cost of disposals for civic amenities as a result of contamination due to Covid-19 this month has been partially covered by a reduction of spend in the animal welfare service.
- 7.13. The *Street Markets* service is forecasting a loss of income of £0.5m, an increase of £0.12m from last month due to the current lockdown.

Regeneration Division

- 7.14. The Regeneration Division is forecasting an overspend of £1.2m, compared to £1.1m in November. This is after applying once-off in year savings of £0.064m. Some £1.1m of the overspend relates to Covid-19. The increase is due to the inclusion of the 're-opening of high streets' costs.
- 7.15. The Covid-19 related overspend is largely due to lost Building Control income, which has recovered slightly, and lost income from commercial rents. The lost commercial rents income is in relation to forecast non-payment of invoices due to Covid-19.

Planning Division

- 7.16. The *Planning Division* is forecasting an overall £0.9m overspend in 2020/21 as at the end of December. This compares to £1m to the end of November. The Covid-19 related overspend is £1.1m due to loss of income. However, the service is introducing £0.08m measures to reduce spend in 2020/21.
- 7.17. The service is heavily reliant on income, but the forecast large reduction in planning applications and pre-application enquiries was improving slightly. However, the effect of the current lockdown is being closely monitored and will be reported in subsequent reports.

Directorate risks and ongoing pressures

- 7.18. Commercial waste – There is a risk that service user numbers will not recover post Covid-19, as the number of businesses closing increases nationally. This will impact on income in the next financial year. The service is currently working on how to attract new service users to take up the service.
- 7.19. Commercial rents – The 2020/21 £0.5m additional saving may continue to be a pressure on the service in 2021/22. This is as a result in the change of plan regarding Copperas Street. As a consequence of lockdown, the service is also anticipating that tenants will ask for rent free periods at the start of the financial year.
- 7.20. Highways – There is a risk that Highways will not receive Local Implementation Plans (LIP) funding from Transport for London (TfL) to the expected level in 2021/22.
- 7.21. Planning – The government is consulting on a raft of planning changes linked to the Planning White Paper. There are now government consultations on measures that would add complexity and costs to application processes, reduce fee income and increase the costs of proactive work such as design codes, and if introduced as drafted would add pressure to the existing budget.
- 7.22. There is also a risk that legal costs linked to planning appeals and judicial reviews could exceed the budget, given the number and issues involved. The service is mitigating legal risks but cannot eradicate them.

8. Corporate Resources Directorate

- 8.1. As at the end of December 2020, there is a projected overspend of £4m for the directorate.

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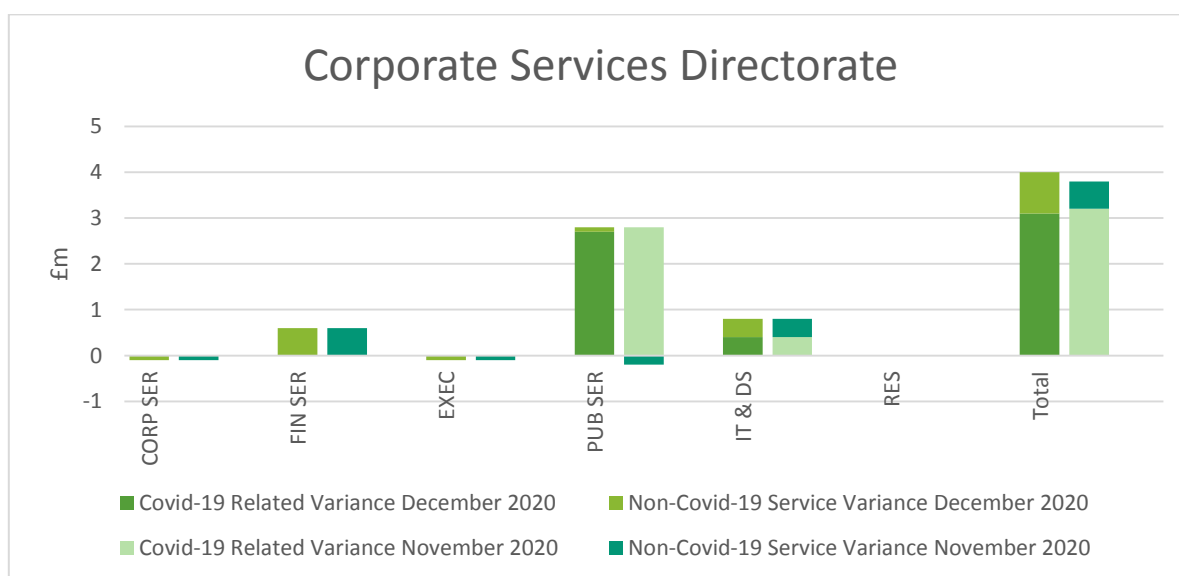
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This is unchanged from November 2020. Of this sum, £3.1m relates to Covid-19 budget pressures and £0.9m relating to non Covid-19 pressures.

Table 8 – Corporate Resources

Service Area	Net budget 2020/21	Forecast Outturn 2020/21 as at end of Dec' 2020	Forecast Variance Over/ (Under) Spend Dec' 2020	Covid-19 Related Variance Dec' 2020	Non Covid-19 Related Variance Dec' 2020	Non Covid-19 Related Variance Nov'2020
	£m	£m	£m	£m	£m	£m
Corporate Services (CORP SER)	3.2	3.1	(0.1)	0.0	(0.1)	(0.1)
Financial Services * (FIN SER)	4.1	4.7	0.6	0.0	0.6	0.6
Executive Office (EXEC)	0.2	0.1	(0.1)	0.0	(0.1)	(0.1)
Public Services (PUB SER)	21.2	24.0	2.8	2.7	0.1	(0.2)
IT & Digital Services (IT & DS)	7.3	8.1	0.8	0.4	0.4	0.4
Reserves (RES)	(0.7)	(0.7)	0.0	0.0	0.0	0.0
Total	35.3	39.3	4.0	3.1	0.9	0.6

Chart 5 – Corporate Resources Directorate Overall Variance – November and December 2020



- 8.2. The estimated financial impact of Covid-19 on base budgets for expenditure and income in Corporate Resources is £3.1m. These pressures are included in projections below. These, along with similar pressures in other directorates, will be alleviated by the Covid-19 grant the Council received from central government. The Covid-19 pressures are summarised in the following table.

Table 9 – Corporate Services Directorate – Covid-19 Pressures

Service	Area	Total forecast December 2020 £m	Total forecast November 2020 £m
IT and Digital Services	Emergency rollout of IT hardware, licences for software, buy your own IT scheme etc.,	0.4	0.4

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Public Services	Sundry Debt – Delay in Invest to Save to improve debt collection	0.5	0.5
	Revenues Services – Loss of income collected through enforcement and court fees	1.6	1.7
	Registrars – Loss of fee income	0.2	0.2
	Building cleaning, staffing etc.,	0.4	0.4
Total		3.1	3.2

- 8.3. The *Financial Services* division has a pressure of £0.6m due to residual once off costs of the wider corporate Oracle Cloud Programme. These projected costs are due to delays experienced in the implementation of the Human Capital Management (HCM) and Payroll elements of the Oracle Programme. The programme has now gone live and officers are currently considering options for resolving this budget pressure by the year-end.
- 8.4. The *IT & Digital Services* division is forecasting a £0.8m pressure of which £0.4m is covid related and largely due to emergency rollout of IT kit for home working. The remaining £0.4m non covid pressure mainly relates to Evosys (Oracle) support costs of £0.350m that are unbudgeted, but expected to be an ongoing requirement.
- 8.5. The *Public Services* division is forecasting a net overspend of £2.8m, of which £2.7m is Covid-19 related, and £0.1m relates to a small 'business as usual' activity overspend. The overall position is mainly due to loss of income in Revenues (£1.6m), which is an decrease of £0.1m from the position reported to the end of November; unachieved sundry debt saving (£0.5m); loss of income in Registrars / Service Point (£0.2m); additional cleaning, security and miscellaneous costs (£0.4m).
- 8.6. The significant pressures within Revenue services of £1.6m are due to loss of income collected by the Enforcement Team and loss of income from court fees. Courts have been closed during the pandemic, and the Enforcement Team has had to put much activity on hold.
- 8.7. The £0.480m sundry debt saving is considered unachievable at present as much income recovery work has been on hold, and collected would in any case benefit the wider Council rather than directly benefit the Public Services Division budget.

9. Chief Executive Directorate

- 9.1. As at the end of December 2020, there is a projected underspend of £0.2m for the directorate being reported. Of this sum, £0.4m relates specifically to Covid-19 budget pressures. This is offset by a £0.6m underspend that is not due to Covid-19. The projections include in-year cash reductions totalling £0.2m.

Table 10 – Chief Executive's

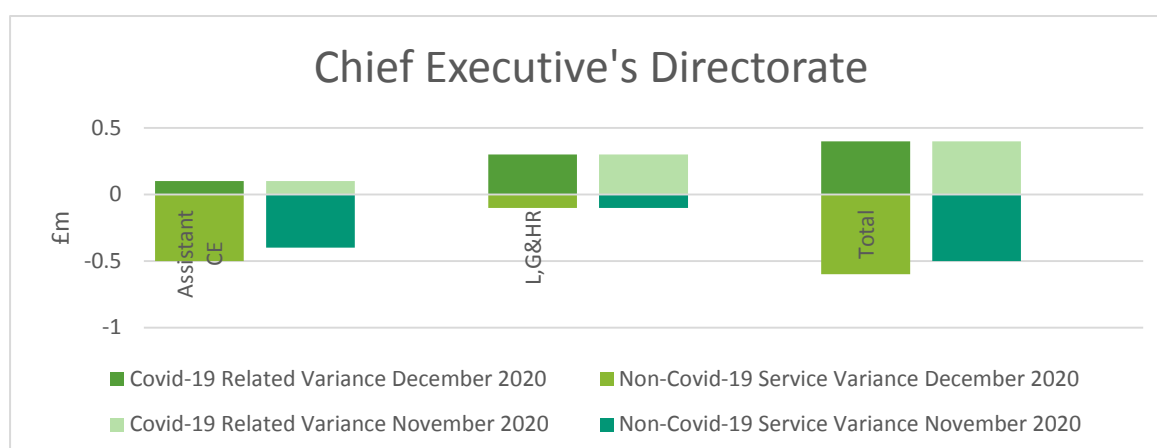
Service Area	Net budget 2020/21	Forecast Outturn 2020/21 as at end of Dec' 2020	Forecast Variance Over/ (Under) Spend Dec' 2020	Covid-19 Related Variance Dec' 2020	Non Covid-19 Related Variance Dec' 2020	Non Covid-19 Related Variance Nov' 2020
	£m	£m	£m	£m	£m	£m
Assistant Chief Executive (ASSISTANT CE)	5.2	4.8	(0.4)	0.1	(0.5)	(0.4)
Law, Governance & HR (L,G&HR)	7.0	7.2	0.2	0.3	(0.1)	(0.1)
Total	12.2	12.0	(0.2)	0.4	(0.6)	(0.5)

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Chart 6 – Chief Executive's Directorate Overall Variance – November and December 2020



Cost of Covid-19

- 9.2. The estimated financial impact of Covid-19 on base budgets for expenditure and income in the Chief Executive Directorate is £0.4m. These pressures are included in projections below. These, along with similar pressures in other directorates, will be alleviated by the Covid grant the Council received from central government. The Covid-19 pressures are summarised in the following table.
- 9.3. The *Assistant Chief Executive Division*, is forecasting a net covid pressure of 0.1m. This comes as a result of pausing production of the Lewisham Life magazine offset by vacancies at various points within the division over the year to date. This is offset by a non covid forecast underspend of £0.5m elsewhere within the division leaving a net underspend of £0.4m.
- 9.4. The *Law, Governance & Human Resources Division* is forecasting a net covid pressure of £0.3m arising from £0.2m in Legal Services in relation to staffing, income and non-recoverable shortfalls for right-to-buys, court costs, lease extensions and name changes; and a pressure of £0.1m for Human Resources mainly due to additional staff costs. In addition there is a miscellaneous £0.1m non covid underspend elsewhere within the division leaving an overall net pressure of £0.2m for the division. Further options are being taken to contain these costs within the directorate cash limits.

Table 11 – Covid-19 Pressures for the Chief Executive's Directorate

Service	Area	Total forecast December 2020 £m	Total forecast November 2020 £m
Communications	Increases in communications capacity to support response to the coronavirus pandemic. This is partly offset by delays in recruitment related to covid and pause on production of Lewisham Life magazine	0.1	0.1
Human Resources	Increases in HR capacity to support response to the coronavirus pandemic with regards to emergency recruitment and HR advice	0.1	0.1
Legal Services	Loss of income due to covid-related reduction in activity offset by reduced election spend.	0.2	0.2
Total		0.4	0.4

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10. Support received from central government

- 10.1. The Council has taken measures to support both businesses and residents who are facing financial hardship as a result of the Coronavirus (Covid-19) pandemic. The table below provides an overall summary of the additional 'general' and 'targeted' resources which have been received the Council to date to help with this support.

Table 12 – General and Targeted Government Funding for Covid-19

Funding Description	Lewisham's Allocation £m
<u>Unringfenced Funding</u>	
Covid-19 LA Support Grant (Tranches 1 to 4)	29.395
Sales, Fees and Charges Income – 1 st Claim	2.854
Grand Total	32.249

Funding Description	Lewisham's Allocation £m
<u>Ringfenced Funding</u>	
Section 31 – Infection Control Grants (Tranches 1 and 2)	4.256
Section 31 – Test, Track and Contain Grant	2.267
Section 31 – Food and Essential Supplies	0.401
Reopening High Street Safely Fund	0.272
Clinically Extremely Vulnerable Support Grant	0.144
Next Steps Accommodation Programme	0.479
LA compliance & Enforcement grant	0.198
Total	8.017

Sub Total – Services Funding – attributable to BAU	40.266
Funding Description	Lewisham's Allocation £m
<u>Ringfenced Funding Outside Of Service Expenditure e.g. DSG or Transfer Payment</u>	
Contain Outbreak Management Fund (including Tier 2 Funding)	3.059
Covid Winter Grant	1.075
Cold Weather Payment	0.090
Total	4.224
Grand Total	44.490

Government grant for Council Services

- 10.2. The Council received £18m from the first two tranches of emergency government Covid-19 funding. A further £3.2m of funding (third tranche) was announced on 17 July 2020, followed by a fourth tranche of £8.2m in October. The Council has also received a number of targeted grants. This included funding for 'infection control', 'test, track and contain' and 'contain outbreak management'. Overall the total of funding that can be attributed to council services comes to £40.266m to date. For the purpose of this report, the gross costs of the coronavirus response has been set out in each directorate section, expressing the financial position in gross terms and before the application of the £40.266m emergency government

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funding. There are also some additional grants shown in the table above totalling £4.224m that are outside of the main council services. The total amount of grants received is therefore £44.49m.

Council Tax Payers

- 10.3. In March, the government announced a hardship grant would be provided to local authorities in response to Covid-19 to provide council tax relief to vulnerable people and households. Lewisham received £3.2m of hardship funding and has made these funds available to individual Council Tax payers through two routes:
- Grants aligned to the Council Tax Reduction Scheme
 - Emergency support for residents.
- 10.4. The first is an additional grant of £150 per working age claimant of the Council's Council Tax Reduction Scheme (CTRS). On 8 July, 16,300 households' accounts were credited with £150. Any remaining balance of this funding is being used to support additional hardship claims for those in crisis via the local support scheme, where no other assistance is available. More than 400 applications had been received.

Businesses

- 10.5. Central government has turned to local authorities to deliver a number of new schemes aimed at supported local businesses who have been impacted by Covid-19.
- 10.6. For businesses, support measures include extended business rates relief for 2020/21, grants to small businesses and those in the retail, hospitality, and leisure sectors, and a grant to support Small and Medium Enterprises (SMEs) – those with less than 50 employees – not covered by the initial grant arrangements.
- 10.7. The Council has received a cash advance of £47m to distribute in grants of £10k or £25k to small business within certain rateable values and/or in the retail, hospitality, and leisure sectors. The Council had assessed all those who have applied and disbursed more than 3,225 grants to the 3,384 businesses eligible which equates to more than £41m. The balance remaining will be reconciled along with other covid grant funding and any balance due/to from Government will be paid/claimed. The scheme formally closed at the end of August. There have been a number of other government backed financial packages provided to support local businesses during the course of the second and third national lockdown periods.

11. Dedicated Schools' Grant

- 11.1. The Dedicated Schools Grant (DSG) net allocation for Lewisham remains at £263.24m and is allocated as set out in the table below.

Table 13 – DSG allocation and projection 2020/21

	Schools Block £m	CSSB £m	HNB £m	EY £m	Total DSG £m
Allocation	179.67	4.64	55.02	23.91	263.24
Projected Outturn	179.67	4.64	60.00	21.69	266.00
Variance			(4.98)*	2.22	(2.76)

*£5m overspend represents a best case scenario

- 11.2. The table above confirms the following:

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- A. **Schools Block** – anticipated to be within budget. Any underspends on the delegated element and growth fund remain schools funding and would need to be considered with Schools Forum.
- B. **Central Services Support Block (CSSB)** – despite a reduction of £775k, the CSSB spend has been contained within the block mainly as a consequence of the no call on pension's liability for 2020/21.
- C. **High Needs Block** – Funding to support Lewisham based provision is made predominantly in summer, autumn and spring. As such the final payment for spring needs to be made and is included as an estimate. With regards payments to providers outside of Lewisham, payment is made on invoices. Validation continues to take place in this area which could see a further increase in the overspend. Officers are currently in the process of finalising the pupil led details and current indications are that an overspend of £5m is expected. Detailed validation is being undertaken by the service with particular focus on the FE (post-16) sector. CYP (SEN) is currently undertaking detailed validation of post 16 placements. Post 16 funding is a complex area due the transient adult population which results in a high level of turnover and dropouts. There remains a possibility that some costs particularly in SEN residential may revert back to the General Fund. This needs to be noted as a risk. The data also needs to be validated by the service with regards any leavers who could still be on the forecasted data.
- D. **Early Years Block** – the Early Years Block is provisional and remains as such until around June/July 2021, (post closure of accounts), when the DfE will confirm the final allocation based on January 2021. The EY block is always a complex area to ascertain as funding is allocated to providers on three termly counts but funding is received on census data for the two January counts that fall nearest e.g. 2020/21 will be based on January 2020 and January 2021. Covid-19 will play a major risk with EY funding, partially led by funding payments to providers and also the information for completion of data census for January 2021 (census effectively taking place during lockdown). At the time of writing the projected underspend of circa £2.2m (should that remain the final position) would be subject to claw back from the DfE. For this reason the DSG (eliminating the Early Years Block funding) would be £4m to £5m overspent, subject to the validation work described above.
- 11.3. Lewisham remains one of very few Local Authorities to have recently been able to balance their budget, unfortunately, there remains continued pressure on in particular 0-5 and post 18 Education Health and Care Plan (EHCP) support.
- 11.4. Table 14 below shows that since 2017/18 (when the DSG High Needs Block was balanced), 768 additional EHCP have been issued, of which 397 have related to post-secondary and 39 to under 5s.

Table 14 – Education Health and Care Plan (EHCP)

Phase - EHCPs	Under 5s	Primary	Secondary	Post-secondary	Grand Total
FY17/18 Used As Base Line	42	831	769	537	2,179
FY18/19	24	889	821	626	2,360
FY19/20	37	929	887	774	2,627
FY20/21 current	81	965	967	934	2,947
Increase on Baseline Numbers	39	134	198	397	768
Increase on Baseline %	92.9%	16.1%	25.7%	73.9%	35.2%

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- 11.5. Lewisham SEN services is currently working with the Schools Forum High Needs Working group to progress a mitigation plan. Based on the overspend position stated, Lewisham is required to prepare a Management Action Plan for discussion with the Department for Education.
- 11.6. At recent meetings with Schools Forum and Member meetings, the detail and process has been discussed.

Schools

- 11.7. Coming into 2020/21, there are now five schools with loans, totalling £1.4m. In total, there are 11 schools with deficits and 13 schools with balances that are within 8% of their delegated budget share. There are however 53 schools with balances in excess of 9%. Budget Plans received by a significant number of schools suggest that many schools are considering the use of reserves to deal with challenges such as impact of restructures, movement in pupil numbers, unfunded pressures including this year's pay award etc.,
- 11.8. The Schools Finance Team will continue to work with schools in developing sustainable budget plans. Budget plans incorporating metrics management have been developed to support schools to review budgets with a strategic view. This enables schools to compare their deployment on leadership, teaching, support administration, contact time etc., Feedback from schools continues to remain positive.

12. Housing Revenue Account

- 12.1. The table below sets out the current budget for the Housing Revenue Account (HRA) in 2020/21. The balanced HRA budget seen in the table includes a budgeted contribution from reserves of £47.9m, which is to be used to fund the HRA major works and new supply programme and is included as a part of the 30 year HRA business plan. Current HRA forecasts show a small deficit on the account mainly due to re-profiling of major works income into 2021/22. Further work is being undertaken to bring the account into balance before the end of the financial year.
- 12.2. Repairs & Maintenance (R&M) forecasts have been updated by Lewisham Homes and currently shows an underspend in the region of £1.0m. Further detailed work on the forecast R&M outturn is being carried out by Lewisham Homes and an update will be provided for the January monitoring period. There was an underspend in this area in 2019/20. This area will be closely monitored in 2020/21 to ensure that spend does not exceed budget and that costs can be contained within overall allocations.
- 12.3. The current 30 year HRA financial model has been refreshed, with the final outturn for 2019/20 as well as the latest updates for the general capital programme, revised stock numbers and reserves allocations incorporated into the plans. Budgets have been updated in July 2020 to reflect starting stock numbers from 1 April 2020, as well as incorporating a May/June 2020 consolidation update for the new supply programme to reflect the latest position. The revisions to the budgets have been agreed with Lewisham Homes and has pushed some of the planned capital and new supply expenditure into 2021/22 due to a re-programming of works and programme delays due to the Covid-19 pandemic.
- 12.4. At the present time, the forecasts have been updated with costs related to Covid-19. Those costs which have currently been identified include additional bad debt impairments in the region of £500k, void losses on units unable to be let in the early period of the lockdown and there is a guarantee to Lewisham Homes that the local authority will cover up to £1.2m of operative workforce related pressures due to the slowdown of repairs works undertaken which will represent lost income to their trading account. Lewisham Homes have recently reported that this pressure is not likely to exceed £200k due to a quicker return to normal working patterns than originally expected. These are all currently contained within current projections and use of reserves.
- 12.5. Additional income is currently being forecast from tenant's rents and service charges due to

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lower than budgeted void rates. There is also additional income related to Leasehold service charges following completion of the leasehold service charge audit. The projections include a surplus of garage rents for garages remaining in the HRA and subject to development proposals. These garages will continue to provide income until such time as they are decanted for the development to proceed. Energy costs are forecast to underspend against current budget allocations.

- 12.6. There is a significant major works income budget of £6.1m, which is based on the General Capital programme allocation of £47m. However, raising of bills is dependent on the Lewisham Homes Capital Programme undertaking works which can/are recharged to Leaseholders. As at week 39 (up to 02/01/21) a total of £314k has been charged to leaseholders. Further discussions with Lewisham homes indicate that the majority of these bills may not be raised until the early part of financial year 2021/22. Consequently the majority of the forecast income has now been re-profiled to 2021/22 and has adversely effected the monitoring position.
- 12.7. This is being off-set by the additional rental and service charge income, as well as the forecast underspends in R&M, bad debt and other running costs.
- 12.8. Lewisham Homes are currently reporting a full forecast spend against the general capital allocations of £47m, although working patterns have changed due to the second lockdown. The development team are currently reporting an underspend against the 2020/21 BfL programme allocation. The forecast shows that approximately 55% of the total allocation will be spend in 2020/21 due to slippage. The unspent resources will be carried into 2021/22.
- 12.9. The forecast does not yet include any additional interest cost arising from the return of RTB 1-4-1 receipts to MHCLG. This information will not be known until the final return is completed at the end of March 2021 and is dependent on the actual expenditure incurred on the qualifying costs. Updates will be provided as soon as they are available.

Table 15 – Housing Revenue Account

Service Area	Expenditure Budget 2020/21	Income Budget 2020/21	Net Budget 2020/21	Forecast Variance over/ (under) spend Dec' 2020
	£m	£m	£m	£m
Housing, Regeneration and Environment – Housing	19.2	(3.6)	15.6	(0.31)
Lewisham Homes & R&M	38.4	0	38.4	(1.00)
Resources	1.6	0	1.6	0.13
Centrally Managed Budgets	90.3	(145.9)	(55.6)	1.34
Total	149.5	(149.5)	0	0.16

13. Collection Fund

- 13.1. There are estimated losses of some £20m on the Collection Fund as a result of the Coronavirus pandemic. Broadly, these estimated and irrecoverable losses are broken down as follows: Business Rate losses as a result of the various 'lockdowns' which have restricted commercial trading activity and the subsequent economic recession of £4.5m; an increase in local council tax support payments of £4.8m; Council tax arrears for current and previous years of £9.2m and Council tax base growth loss of £1.5m. The impact of these losses are expected to be felt more notably in the 2021/22 financial year.

Council Tax

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- 13.2. As at 31 December 2020 approximately £109.3m of council tax had been collected representing 73.25% of the total amount due for the year. This is below the profiled collection rate of 76% if the overall target for the year of 96% is to be met.

Table 16 – Council Tax collection to end of December 2020

	Cash Collected (cumulative)	Cash needed to meet 96% Profile	difference between collected and 96% profile	Current Year Collection Rate%	Previous Year Collection Rate (2019-2020)	difference	Required Collection Rate to reach 96%	difference
Apr-20	15,214,801.26	16,389,858.70	-1,175,057.44	9.98%	10.86%	-0.88%	10.98%	-1.00%
May-20	26,675,961.23	28,872,736.54	-2,196,775.31	17.49%	19.01%	-1.52%	19.35%	-1.86%
Jun-20	38,288,334.52	40,745,481.49	-2,457,146.97	25.46%	26.72%	-1.26%	27.30%	-1.84%
Jul-20	50,775,906.85	53,283,534.56	-2,507,627.71	33.83%	34.87%	-1.04%	35.71%	-1.88%
Aug-20	61,906,944.69	65,137,218.71	-3,230,274.02	41.32%	42.52%	-1.20%	43.65%	-2.33%
Sep-20	74,086,558.93	77,047,584.28	-2,961,025.35	49.39%	50.32%	-0.93%	51.63%	-2.24%
Oct-20	86,439,372.47	89,531,866.48	-3,092,494.01	57.76%	58.34%	-0.58%	60.00%	-2.24%
Nov-20	98,123,021.57	101,481,065.75	-3,358,044.18	65.67%	66.02%	-0.35%	68.00%	-2.33%
Dec-20	109,306,417.75	113,513,525.02	-4,207,107.27	73.25%	73.99%	-0.74%	76.07%	-2.82%

Business Rates

- 13.3. Business rates collection to 31 December is at 69.85%. This is a decrease of 14.02% compared to the same period last year, and 18.51% lower than the profiled collection rate if the overall target rate for the year of 99% is to be achieved. It should be noted though, that the collectible amount for the year has been reduced by over £30m due to Covid-19 related additional reliefs for businesses.

Table 17 – Business Rate collection to end of December 2020

	Previous year (%)	Current year (%)	Difference from previous year (%)
	Excluding Credits	Excluding Credits	Excluding Credits
April	22.35	20.40	-1.95
June	31.00	33.44	2.44
July	37.82	37.56	-0.25
July	45.55	46.35	0.80
August	53.97	51.03	-2.94
September	61.93	58.07	-3.86
October	68.66	60.92	-7.74
November	75.83	65.81	-10.02
December	83.87	69.85	-14.02

Table 18 – Business Rate Cash Equivalents

Cash Equivalents – December 2020	£ (Excl. CR)	%
Amount due for year	36,945,655.69	-
Amount needed to meet 99.0% profile for year	36,576,199.13	99.00

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Amount needed to meet 99.0% profile by month end	33,210,449.90	89.89
Amount collected to end of month	26,371,710.59	69.85
Comparison against 99.0% requirement	-6,838,739.31	-18.51
Comparison against last year	-	-14.02

14. Capital Expenditure

- 14.1. The Capital Programme is currently subject to review in preparation for the forthcoming budget setting process. This following table sets out the very latest position on this year's programme as at the end of the third quarter for 2020/21. It indicates an overall spend is £75.3m, which is 46% of the proposed revised 2020/21 budget of £164m. A summary of the major projects are set out in the table below.

Table 19 – Capital Programme 2020/21 (Major Projects)

2020/21 Capital Programme	Revised Budget (M&C 11/11/20)	Revised Budget Proposed Dec' 2020	Spend to 31 Dec' 2020	Spent to Date (Revised Budget)
			£m	%
GENERAL FUND				
Schools - School Places Programme	4.7	3.4	1.3	38%
Schools - Other (Inc. Minor) Capital Works	5.7	5.7	3.5	61%
Highways & Bridges - LBL	3.0	3.0	1.7	57%
Highways & Bridges – TfL	1.2	1.3	0.6	46%
Highways & Bridges - Others	1.5	1.5	0.2	13%
Catford town centre	1.0	1.0	0.7	70%
Asset Management Programme	1.3	1.5	0.6	40%
Other AMP Schemes	0.7	0.7	0.1	14%
Broadway Theatre – Works	0.4	0.4	0.2	50%
Lewisham Gateway (Phase 2)	14.8	14.8	13.4	91%
Private Sector Grants and Loans (Inc. DFG)	0.6	0.6	0.6	100%
Achilles St. Development	0.8	0.8	0.4	50%
Edward St. Development	9.0	9.0	2.9	32%
Deptford Southern Sites Regeneration	0.4	2.6	2.6	100%
Residential Portfolio Acquisition – Hyde Housing Association	2.9	2.9	2.1	72%
Fleet Replacement Programme	7.8	7.0	5.1	73%
Other General Fund schemes	7.4	7.4	1.8	24%
TOTAL GENERAL FUND	63.2	63.6	37.8	59%
HOUSING REVENUE ACCOUNT				
Building for Lewisham Programme	36.5	33.6	10.1	30%
HRA Capital Programme (Decent Works)	47.7	47.7	21.0	44%
Creekside Acquisition	5.7	5.7	5.6	98%
Ladywell Leisure Centre Development Site	4.5	4.5	0.4	9%
Achilles St. Development	4.3	4.3	0.1	2%
Mayow Rd Development	1.1	1.1	0.0	0%
Other HRA schemes	0.6	3.5	0.3	9%
TOTAL HOUSING REVENUE ACCOUNT	100.4	100.4	37.5	37%
TOTAL CAPITAL PROGRAMME	163.6	164.0	75.3	46%

15. Financial Implications

- 15.1. This report concerns the financial forecasts for the 2020/21 financial year. However, there are no direct financial implications in noting these.

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16. Legal Implications

- 16.1. The Council is under a duty to balance its budget and cannot knowingly budget for a deficit. It is imperative that there is diligent monitoring of the Council's spend and steps taken to bring it into balance. The proposals in the body of the report suggest this can be achieved this year by use of reserves.

17. Crime and Disorder Implications

- 17.1. There are no specific crime and disorder act or climate and environment implications directly arising from this report.

18. Equalities Implications

- 18.1. The Equality Act 2010 (the Act) introduced a public sector equality duty (the equality duty or the duty). It covers the following protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 18.2. There are no equalities implications directly arising from this report.

19. Background Papers And Appendices

Short Title of Report	Date	Location	Contact
Financial Forecasts for 2020/21 (June 2020)	9 th July 2020 (M&C)	1 st Floor Laurence House	Selwyn Thompson
Financial Forecasts for 2020/21 (August 2020)	11 th November 2020 (M&C)	1 st Floor Laurence House	Selwyn Thompson
Financial Forecasts for 2020/21 (September 2020)	3 rd December 2020 (PAC)	1 st Floor Laurence House	Selwyn Thompson
Budget Report for 2021/22	10 th February 2021	1 st Floor Laurence House	Selwyn Thompson

20. Glossary

Term	Definition
Clinical Commissioning Group (CCG)	Clinical Commissioning Groups (CCGs) were created following the Health and Social Care Act in 2012, and replaced Primary Care Trusts on 1 April 2013. They are clinically-led statutory NHS bodies responsible for the planning and commissioning of health care services for their local area.
Collection fund	A statutory account maintained by the Council recording the amounts collected from Council Tax and Business Rates and from which it pays the precept to the Greater London Authority.
Collection Fund surplus (or deficit)	If the Council collects more or less than it expected at the start of the financial year, the surplus or deficit is shared with the major precepting authority, in Lewisham's case this is the GLA, in proportion to the respective Council Taxes. These surpluses or deficits have to be returned to the Council taxpayer in the following year through lower or higher

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Term	Definition
	Council taxes. If, for example, the number of properties or the allowance for discounts, exemptions or appeals vary from those used in the Council Tax base, a surplus or deficit will arise.
Contingency	This is money set-aside centrally in the Council's base budget to meet the cost of unforeseen items of expenditure, such as higher than expected inflation or new responsibilities.
Council Tax Base	The Council Tax base for a Council is used in the calculation of Council Tax and is equal to the number of Band D equivalent properties. To work this out, the Council counts the number of properties in each band and works out an equivalent number of Band D equivalent properties. The band proportions are expressed in ninths and are specified in the Local Government Finance Act 1992. They are: A 6/9, B 7/9, C 8/9, D 9/9, E 11/9, F 13/9, G 15/9 and H 18/9, so that Band A is six ninths of the 'standard' Band D, and so on.
Dedicated schools grant (DSG)	This is the ring-fenced specific grant that provides most of the government's funding for schools. This is distributed to schools by the Council using a formula agreed by the schools forum.
General Fund	This is the main revenue fund of the local authority, day-to-day spending on services is met from the fund. Spending on the provision of housing however, must be charged to the separate Housing Revenue Account (HRA).
Gross Expenditure	The total cost of providing the Council's services, before deducting income from government grants, or fees and charges for services.
Housing Revenue Account (HRA)	A separate account of expenditure and income on housing that Lewisham must keep. The account is kept ring-fenced from other Council activities. The government introduced a new funding regime for social housing within the HRA from April 2012.
Net Expenditure	This is gross expenditure less services income, but before deduction of government grant.
Revenue Expenditure	The day-to-day running expenses on services provided by Council.

21. Report Author and contact

Selwyn Thompson, Director of Financial Services on 020 8314 6932,
selwyn.thompson@lewisham.gov.uk

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22. APPENDIX 1 – Summary of agreed budget saving for 2020/21

Ref	Proposal	2020/21 £'000	2020/21 £'000	2020/21 £'000	Comment:
CHIEF EXECUTIVE DIRECTORATE		Agreed Savings	Achieved	Gap	
RES02	Legal fees increase	32	32	0	Achieved
RES04	Policy, service design and intelligence - reduction on staffing	155	50	105	£50k Achieved (n.b. saving was reduced to £50k) as it was assessed early on the full sum would not be achievable.
RES10	Cease graduate programme	78	78	0	Achieved
Total for Chief Executive Directorate		265	160	105	
CHILDREN & YOUNG PEOPLE DIRECTORATE					
CYP01	More efficient use of residential placements	300	0	300	Not achieved – Included in Covid pressures
CYP03	More systematic and proactive management of the market	600	0	600	Not achieved – Included in Covid pressures
CYP04	Commission semi-independent accommodation for care leavers	250	0	250	Not achieved – Included in Covid pressures
CYP05	Residential framework for young people. Joint South East London Commissioning Programme	200	0	200	Not achieved – Included in Covid pressures
CYP06	Cease funding for former CYP funded post in Voluntary Action Lewisham	25	25	0	Achieved
CUS15	No Recourse to Public Funds	1,000	1,000	0	Achieved
Total for Children & Young People Directorate		2,375	1,025	1,350	
COMMUNITY SERVICES DIRECTORATE					

Ref	Proposal	2020/21 £'000	2020/21 £'000	2020/21 £'000	Comment:
COM02	Ensuring support plans optimise value for money	250	250	0	Achieved
COM04	Reduce costs for Learning Disability and Transitions	1,000	200	800	Low Achievement – Included in Covid pressure
COM05	Increased focus of personalisation	482	350	132	Partially Achieved – Included in Covid pressure
COM06	Reduction in Mental Health Residential care costs	200	200	0	Achieved
COM07	Reduction in Adult Social Care contribution to Mental Health Integrated Community Services (Sirs)	50	50	0	Achieved
COM08	Change in the public engagement responsibilities for air quality and dedicated funding	60	60	0	Achieved
COM10	Crime, Enforcement & Regulation reorganisation	161	161	0	Achieved
COM15	Extended Use of Broadway Theatre	50	50	0	Achieved
COM16	Cultural & Community Development Service Staffing	75	75	0	Achieved
COM18	Funding inflationary increase from within the ASC Grant	2,000	2,000	0	Achieved
COM1A	Managing demand at the point of access to adult social care services	1,000	100	900	Low Achievement – Included in Covid pressures
COM2A	Ensuring support plans optimise value for money	500	0	500	Not Achieved – Included in Covid pressures
COM3A	Increase revenue from charging Adult Social Care clients	500	0	500	Not Achieved – Included on Covid pressures

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Ref	Proposal	2020/21 £'000	2020/21 £'000	2020/21 £'000	Comment:
CUS06	Bereavement Services increase income targets	67	0	67	Not Achieved – Included in Covid pressure
RES17	Beckenham Place Park - income generation	105	0	105	Not Achieved – Included in Covid pressure
Total for Community Services Directorate		6,500	3,496	3,004	
CORPORATE SERVICES DIRECTORATE					
CUS10	Invest to save - create revenues protection team	394	394	0	Achieved
CUS11	Process automation in Revenues and Benefits	250	250	0	Achieved
CUS13	Invest to save - improve sundry debt collection	480	0	480	Delayed due to Covid-19 related reduction in collection activity
RES01	Benefits realisation of Oracle cloud	350	0	350	Delayed until 2021/22, subject to further improvement work for HR and Payroll modules
RES03	Executive Office - Administrative Support Staff Reduction	104	104	104	Achieved
RES14	Corporate Estate Facilities Management Contract Insourcing	100	0	100	At Risk – The saving relates to a proposal to in source building planned maintenance which is yet to happen.
RES21	Reduced allocation of inflation to contract cost	1,000	1,000	0	Achieved
RES22	Reduced allocation of inflation as dividend for improved ICT Provision	1,500	1,500	0	Achieved

Is this report easy to understand?

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Ref	Proposal	2020/21 £'000	2020/21 £'000	2020/21 £'000	Comment:
Total for Corporate Services Directorate		4,178	3,144	1,034	
HOUSING, REGENERATION & PUBLIC REALM DIRECTORATE					
CUS02	Income generation - increase of garden waste subscription	485	285	200	Partially Achieved - Included in the Covid pressures.
CUS04	Income generation - increase in commercial waste charges	300	0	300	Not Achieved – Included in Covid pressures.
CUS09	Cost reductions in homelessness provision - income generation and net budget reductions	696	696	0	In 2020/21 this saving will not be achieved, but will be covered by once off funds.
CUS14A	Parking service budget review	500	0	500	Not Achieved – Included Covid pressures.
CUS16	Operational savings in the private sector housing agency through service improvements	175	175	0	Achieved
RES06	Increase income supporting the Funding Officer post and review the Economy and Partnerships Function	80	80	0	Achieved
RES07	Reduce corporate apprenticeships salaries budget	55	55	0	Achieved
RES11	Increase in pre-application fees	100	0	100	Not Achieved – Included in Covid pressures.
RES12	Catford complex office rationalisation	250	150	100	Partially Achieved – Delayed due to pause in work related to Covid-19 activity.
RES13	Reduction in business rates for the corporate estate	100	100	0	Achieved

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Ref	Proposal	2020/21 £'000	2020/21 £'000	2020/21 £'000	Comment:
RES15	Commercial estate growth	500	100	400	Only £100k will be achieved, a further £300k is being covered this year by once off income received during the year.
RES18	Electric vehicle charging points	50	0	50	Not Achieved – Included in Covid pressures.
Total for Housing, Regeneration & Public Realm Directorate		3,291	1,641	1,650	
GRAND TOTAL		16,609	9,466	7,143	

Is this report easy to understand?

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23. APPENDIX 2 – Summary of agreed ‘in year’ cash reductions for 2020/21

Children’s and Young People Directorate

Ref	Proposal	Division	£m	Achieved £m	Gap £m	Comment
CYP	Review of Contracts and Processes	JCEH	0.070	0.070	0.000	Achieved
CYP	Income from third party to support CLS placements	CSC	0.250	0.250	0.000	Achieved
CYP	Working with housing to improve pathways for young people	CSC	0.070	0.070	0.000	Achieved
CYP	Review of Care leavers accommodation with regards housing benefit income	CSC	0.150	0.150	0.000	Achieved
CYP	Reduction in Legal and Advocacy Fees		0.150	0.150	0.000	Achieved
CYP	Increase in UASC income		0.100	0.100	0.000	Achieved
CYP	Maximisation of DSG –Early Years Funding to support central strategic costs		0.050	0.050	0.000	Achieved
CYP	Vacancy Factor and Recruitment Freeze		0.570	0.570	0.000	Achieved
CYP	Reduction in Directorate Core Budget spend areas		0.250	0.250	0.000	Achieved
Total for Children & Young People Directorate			1.660	1.660	0.000	

Community Services Directorate

Ref	Proposal	Division	£m	Achieved £m	Gap £m	Comment
COM	Managing Care Demand linked to Direct Payments	ASC	0.800	0.400	0.400	Partially Achieved.

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Ref	Proposal	Division	£m	Achieved £m	Gap £m	Comment
	Support					Compensating savings from review of packages that are feeding into reported underspend
COM	6 Week Government funding	ASC	0.300	0.300	0.000	Achieved
COM	Review of staffing levels	ASC	0.200	0.200	0.000	Achieved
COM	Review of Placements and 1:1 costs	ASC	0.300	0.300	0.000	Achieved
COM	integrated sexual health tariff payments for 20/21 - reduced activity in year	PH	0.300	0.300	0.000	Achieved
COM	Assemblies and Neighbourhood Development savings	CP&L	0.060	0.060	0.000	Achieved
COM	Crime Reduction £60k in year underspends	CP&L	0.060	0.060	0.000	Achieved
COM	Sports Development £9k not doing London Youth Games & mini marathon.	CP&L	0.009	0.009	0.000	Achieved
COM	Sports Development £10k - no talent bursaries (small awards to talented young sports Individuals)	CP&L	0.010	0.010	0.000	Achieved
COM	Lewisham People's Day/Civic Events	CL&L	0.014	0.014	0.000	Achieved
COM	In year Libraries Saving	CL&L	0.150	0.150	0.000	Achieved
COM	Not hold Blackheath Fireworks	CL&L	0.036	0.036	0.000	Achieved

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Ref	Proposal	Division	£m	Achieved £m	Gap £m	Comment
COM	Increase Bereavement Income	CP&L	0.040	0.040	0.000	Achieved
Total for Community Services			2.279	1.879	0.400	

Housing, Regeneration and Public Realm Directorate

Ref	Proposal	Division	£m	Achieved	Gap	Comment
HRPR	PSHA Licensing and Housing Enforcement Service Manager – Vacant post (8 months savings)	Strategic Housing	0.052	0.052	0.000	Achieved
HRPR	Housing Needs Customer Access Officer vacant post	Strategic Housing	0.039	0.039	0.000	Achieved
HRPR	NRPf Caseworker vacant post	Strategic Housing	0.051	0.051	0.000	Achieved
HRPR	PSHA Licensing Enforcement and Grants Coordinator (x2) (6 months savings) vacant posts	Strategic Housing	0.039	0.039	0.000	Achieved
HRPR	PSHA Empty Homes Officer salary underspend	Strategic Housing	0.018	0.018	0.000	Achieved
HRPR	PSHA Head of PSHA salary underspend	Strategic Housing	0.032	0.032	0.000	Achieved
HRPR	Cleansing: Reduce Agency Staff Costs	Public Realm	0.077	0.077	0.000	Achieved
HRPR	Cleansing: Stop overtime to sweep secondary shopping areas on Saturdays from 1 st September 2020	Public Realm	0.048	0.048	0.000	Achieved
HRPR	Recycling - Contaminations crew	Public Realm	0.032	0.032	0.000	Achieved
HRPR	Cleansing: Service Change	Public Realm	0.080	0.080	0.000	Achieved
HRPR	Reduction in highway maintenance expenditure	Public	0.250	0.250	0.000	Achieved

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Ref	Proposal	Division	£m	Achieved	Gap	Comment
	(footways)	Realm				
HRPR	Cleansing: Stop Overtime on bank holidays – Starting 31/8/20	Public Realm	0.010	0.010	0.000	Achieved
HRPR	Not filling vacancies for the rest of the year	Planning	0.084	0.084	0.000	Achieved
HRPR	Strategic Development Team (SDT) Salaries	Regen'	0.064	0.064	0.000	Achieved
Total for Housing, Regeneration and Public Realm			0.876	0.876	0.000	

Corporate Resources Directorate

Ref	Proposal	Division	£m	Achieved	Gap	Comment
CORP	Holding budget underspends in corporate H&S team	Corp Services	0.020	0.020	0.00	Achieved
CORP	Holding vacancies for the Corporate H&S officer post	Corp Services	0.030	0.030	0.00	Achieved
CORP	Holding vacancies in Strategic Finance for 6 months (NB salary is in the financial services budget)	Corp Services	0.000	0.000	0.000	Achieved
CORP	Reduce frequency of risk assessments	Public Services	0.005	0.005	0.000	Achieved
CORP	Mobile Phone/SIM Card Reduction	IT & Digital	0.050	0.050	0.000	Achieved
CORP	Printing Reduction	IT & Digital	0.030	0.030	0.000	Achieved
CORP	Facilities Management - Delay in in-sourcing cleaning contract	Public Services	0.100	0.100	0.000	Achieved
CORP	Climate Resilience- Meter operator savings	Public Services	0.006	0.006	0.000	Achieved

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Total for Corporate Services Directorate		0.241	0.241	0.000	
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Chief Executive's Directorate

Ref	Proposal	Division	£m	Achieved	Gap	Comment
CE	In year savings from previous restructure	ACE / LG&HR	0.130	0.130	0.000	Achieved
CE	Vacant post held for Service Development and Integration Manager	ACE	0.050	0.050	0.000	Achieved
Total for Chief Executive's Directorate			0.180	0.180	0.00	

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24. APPENDIX 3a – Children Looked After and Care Leavers with placement support Data – April 2019 to December 2020

Numbers	Local Authority Fostering	Agency Fostering	Residential Placement	Semi-Independent	SGOs	Staying Put: Leaving care 18+	Total
Apr-19	196	195	47	32	209	46	725
May-19	197	190	42	32	213	46	720
Jun-19	189	189	43	40	214	50	725
Jul-19	167	197	46	39	219	59	727
Aug-19	168	192	52	42	223	63	740
Sep-19	164	189	57	42	222	60	734
Oct-19	162	190	61	42	224	63	742
Nov-19	162	191	60	38	224	64	739
Dec-19	162	191	60	38	226	64	741
Jan-20	162	194	62	38	226	65	747
Feb-20	165	195	60	38	231	70	759
Mar-20	161	195	62	40	231	68	757
Apr-20	168	194	63	39	233	68	765
May-20	167	197	62	35	233	61	755
Jun-20	166	195	62	33	232	58	746
Jul-20	173	195	62	31	229	58	748
Aug-20	167	199	62	30	229	57	744
Sep-20	169	201	59	33	229	58	749

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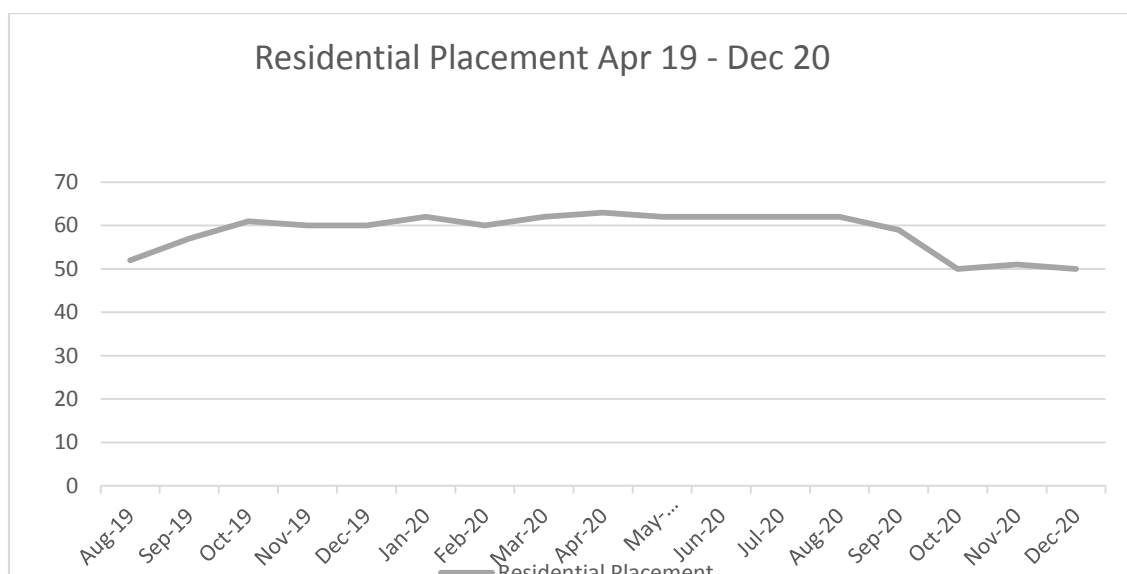
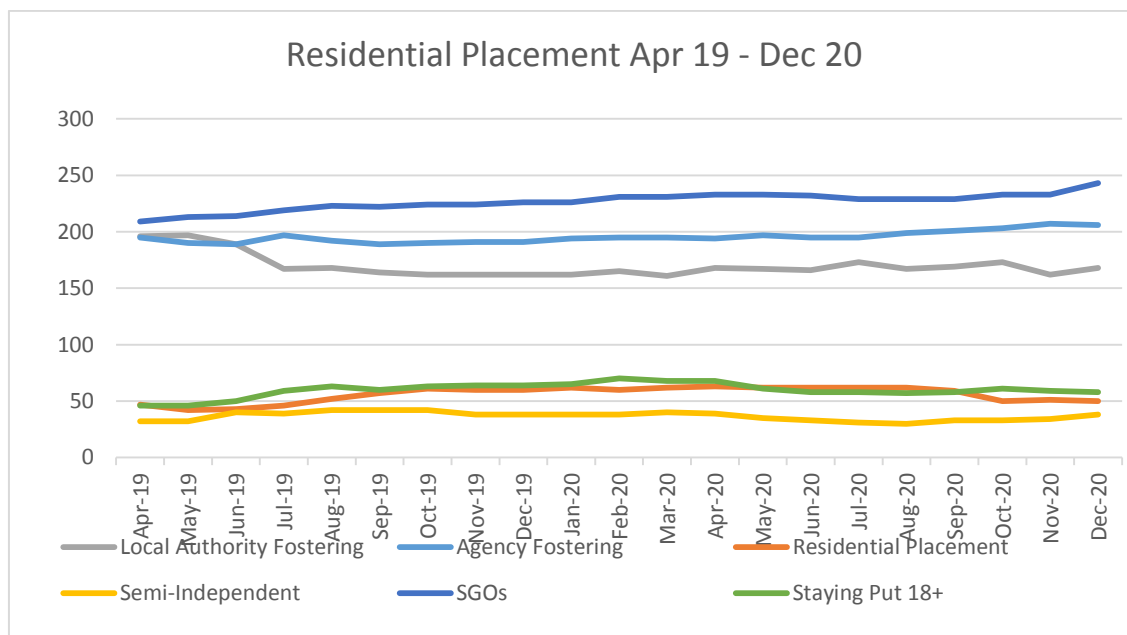
Oct-20	173	203	50	33	233	61	753
Nov-20	162	207	51	34	243	59	746
Dec-20	168	206	50	38	243	58	763

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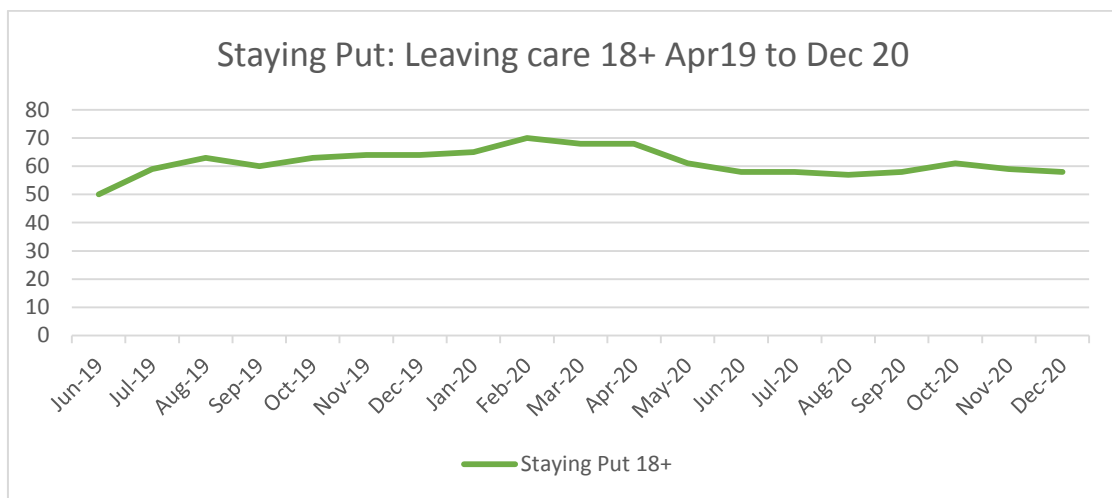
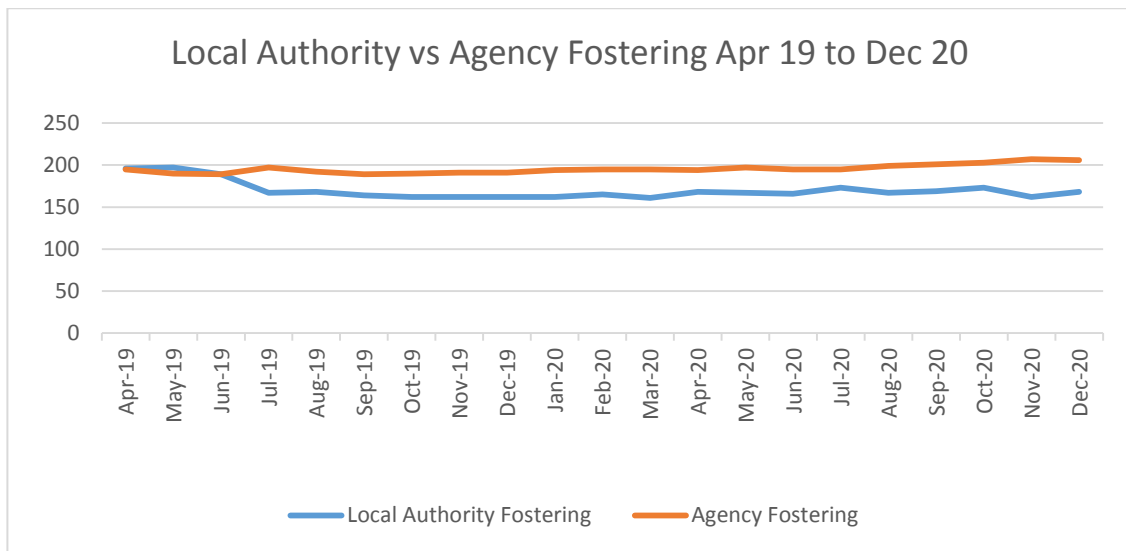
25. APPENDIX 3b – Activity Trend Charts for Children Looked After



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26. APPENDIX 4 – Activity Trend Tables for Adult Social Care

Adults 18+ in each type of care (numbers)				
	Sep-20	Oct-20	Nov-20	Dec-20
Residential	418	418	424	426
Nursing	269	271	276	288
Non-Residential	2,114	2,125	2,131	2,143
Total	2,801	2,814	2,831	2,857

Adults 18+ in each type of care (average cost)				
	Sep-20	Oct-20	Nov-20	Dec-20
Residential	£1,190	£1,194	£1,190	£1,188
Nursing	£859	£862	£877	£883
Non-Residential	£405	£403	£406	£404
Average Gross v. Numbers	£566	£564	£569	£570

Adults 18+ in each type of care (gross cost)				
	Sep-20	Oct-20	Nov-20	Dec-20
Residential	£497,287	£498,974	£504,710	£506,271
Nursing	£231,177	£233,502	£241,918	£254,222
Non-Residential	£855,673	£855,465	£864,263	£866,776
Total	£1,584,138	£1,587,941	£1,610,890	£1,627,269

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