



North Tyneside Council

Finance Sub Committee

Wednesday, 23 March 2022

Tuesday, 29 March 2022 This meeting will be held remotely via Teams - Remote Meeting **commencing at 6.00 pm.**

Agenda Item	Page
<p>1. Apologies for Absence</p> <p>To receive any apologies for absence</p>	
<p>2. Appointment of Substitute Members</p> <p>To be notified of the appointment of any Substitute Members.</p>	
<p>3. Declarations of Interest and Notification of any Dispensations Granted</p> <p>You are invited to declare any registerable and/or non-registerable interests in matters appearing on the agenda, and the nature of that interest.</p> <p>You are also invited to disclose any dispensation in relation to any registerable interests that have been granted to you in respect of any matters appearing on the agenda.</p> <p>You are also requested to complete the Declarations of Interests card available at the meeting and return it to the Democratic Services Officer before leaving the meeting.</p>	
<p>4. Minutes</p> <p>To confirm the minutes of the meeting held on 8 February 2022.</p>	5 - 6
<p>5. Dedicated Schools Grant High Needs Recovery</p> <p>To receive a presentation on the Dedicated Schools Grant High Needs</p>	7 - 24

Members of the public are entitled to attend this meeting and receive information about it. North Tyneside Council wants to make it easier for you to get hold of the information you need. We are able to provide our documents in alternative formats including Braille, audiotape, large print and alternative languages.

Agenda Item	Page
Recovery.	
6. Welfare Reform - Financial update	25 - 30
To receive an update on the three schemes that provide financial support to residents, that were implemented or revised in April 2013 onwards because of on-going welfare reform, with additional updates on Universal Credit and support provided through the Hardship payment made to working age claimants of Council Tax Support.	
7. 2021/22 Financial Management Report to 31 January 2022	31 - 94
To receive the Financial Management report for the current financial year that reflected the financial position as at 31 January 2022.	
8. Exclusion Resolution	
The Sub-Committee is requested to pass the following resolution: That under Section 100A(4) of the Local Government Act 1972 (as amended) and having applied a public interest test as defined in Part 2 of Schedule 12A of the Act, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Act.	
9. Business and Technical Partnerships Risks	95 - 112
To consider the attached report which details the risks rated as red contained within the Strategic and Operational Risk Registers of the Business and Technical Partnerships with Equans and Capita.	

Circulation overleaf ...

Members of the Finance Sub Committee

Councillor Debbie Cox (Chair)
Councillor Cath Davis
Councillor Paul Richardson
Councillor Judith Wallace

Councillor Naomi Craven (Deputy Chair)
Councillor Bruce Pickard
Councillor Willie Samuel

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Public Document Pack Agenda Item 4

Finance Sub Committee

Tuesday, 8 February 2022

Present: Councillor D Cox (Chair)
Councillors N Craven, B Pickard, P Richardson and
L Bones

Apologies: Councillors C Davis, W Samuel and J Wallace

F24/21 Appointment of Substitute Members

Pursuant to the Council's constitution the appointment of the following substitute Member was reported: - Councillor L Bones for Councillor J Wallace.

F25/21 Declarations of Interest

There were no Declarations of Interest reported.

F26/21 Minutes

Resolved that the minutes of the meeting 30 November 2021 be confirmed.

F27/21 2021/22 Financial Management Report to 30 November 2021

The Director of Resources presented the fourth monitoring report on the 2021/22 financial position and the financial and performance information that explained the current financial position in the context of the policy priorities in the Our North Tyneside Plan.

It provided the latest indication of the potential revenue and capital position of the Authority for 31 March 2022.

The on-going Covid-19 pandemic was forecast to continue to have a potential financial impact on the Authority during 2021/22.

The projected outturn position as at 30 November 2021 was estimated at £5.247m against the approved budget. This comprised of £1.306m on normal activities and £3.941m related to the impact of Covid-19.

The Authority had received £40.417m grant funding available in 2021/22 that supported residents, businesses, schools and care homes at the end of November 2021, which of this £20.796m had been allocated with the remaining balance fully committed.

A number of questions were raised and responded to by officers present and the following were aspects that further information was requested:

- The use of the UNITAS Grant to Autumn Arts College
- Understanding of the variance since reporting in September 2021 in relation to

Environment, Housing and Leisure – Head of Service and Resilience.

- Confirmation that investment funding provided by the Department and Transport for the use for potholes repair would be used within the current year.
- A Member raised that in relation to Schools Finance High Need Block, a greater understanding in this area would benefit the committee and requested an item be placed on the agenda for the next meeting of the Committee.

Agreed (1) that the 2021/22 Financial Management Report to 30 November 2021 be noted; (2) the information requested throughout the meeting be provided and (3) an Item be placed on the agenda of the next meeting in relation to the High Needs Block.

Dedicated Schools Grant High Needs Recovery

North Tyneside Council
Finance Sub Committee Update
29 March 2022

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North Tyneside Council

Agenda

- Current pressures on the Dedicated Schools Grant
- Main Pressures on the High Needs Block
- Actions taken so far
- Planned Action Themes
- Projected Impact on the Dedicated Schools Grant
- How are we working with stakeholders?



Current pressures on the Dedicated Schools Grant

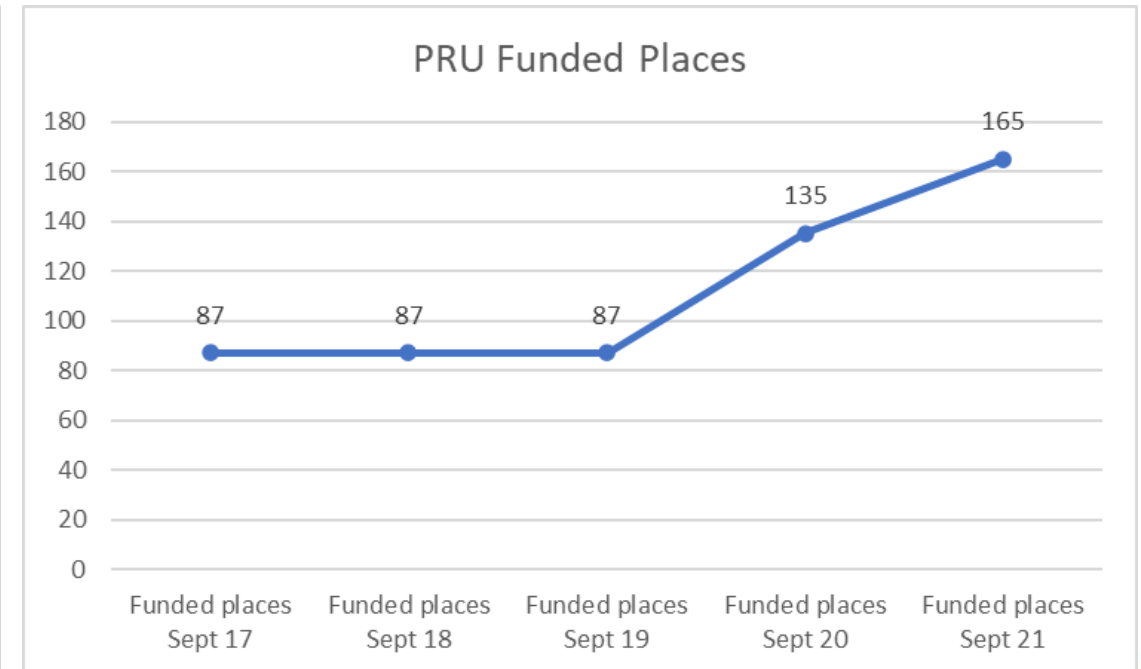
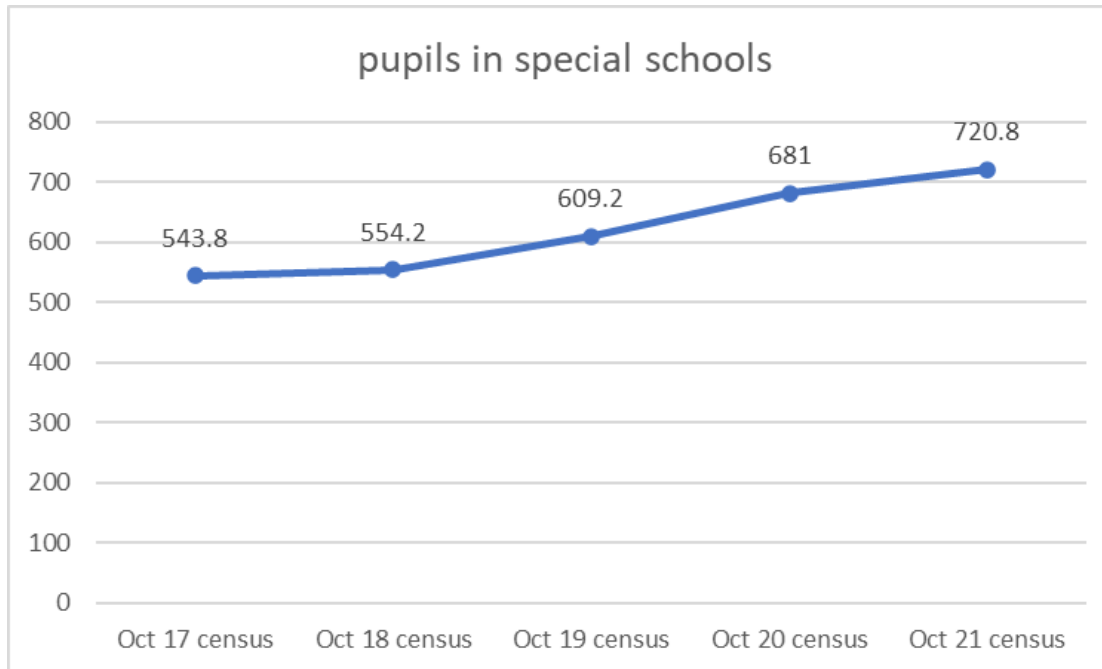
PROVISION TYPE	2020/21 (FOR INFO)			2021/22				
	2020/21 BUDGET ALLOCATION	2020/21 FINAL OUT-TURN	2020/21 OUT-TURN VARIANCE	2021/22 BUDGET ALLOCATION	FORECAST AS AT February 2022	VARIANCE AS AT February 2022	PREVIOUS VARIANCE AT January 2022	MOVEMENT FROM PREVIOUS MONTH
Special Schools and PRU	12,797,208	15,045,039	2,247,831	15,519,170	17,850,395	2,331,225	2,284,562	46,663
ARPS/Mainstream Top-ups	3,655,022	4,852,563	1,197,541	4,120,224	5,391,753	1,271,529	1,254,421	17,108
Out of Borough	2,515,000	3,245,063	730,063	2,890,442	3,791,231	900,789	844,713	56,076
Commissioned Services	3,956,867	3,956,158	-709	3,888,358	4,040,180	151,822	148,192	3,630
	22,924,097	27,098,823	4,174,726	26,418,194	31,073,560	4,655,365	4,531,888	123,477
Balance B/fwd from Previous Year			4,545,386			8,720,112	8,720,112	
Previous Year Balance adjustment						153,565	153,565	0
Balance C/fwd			<u>8,720,112</u>			<u>13,529,042</u>	<u>13,405,565</u>	<u>123,477</u>

Main Pressures on the High Needs Block

- Pressures on spaces in specialist provision
- Pressure due to mainstream top ups and additionally resourced provision
- Increased need for out of borough places

Increases in North Tyneside Specialist and PRU Provision

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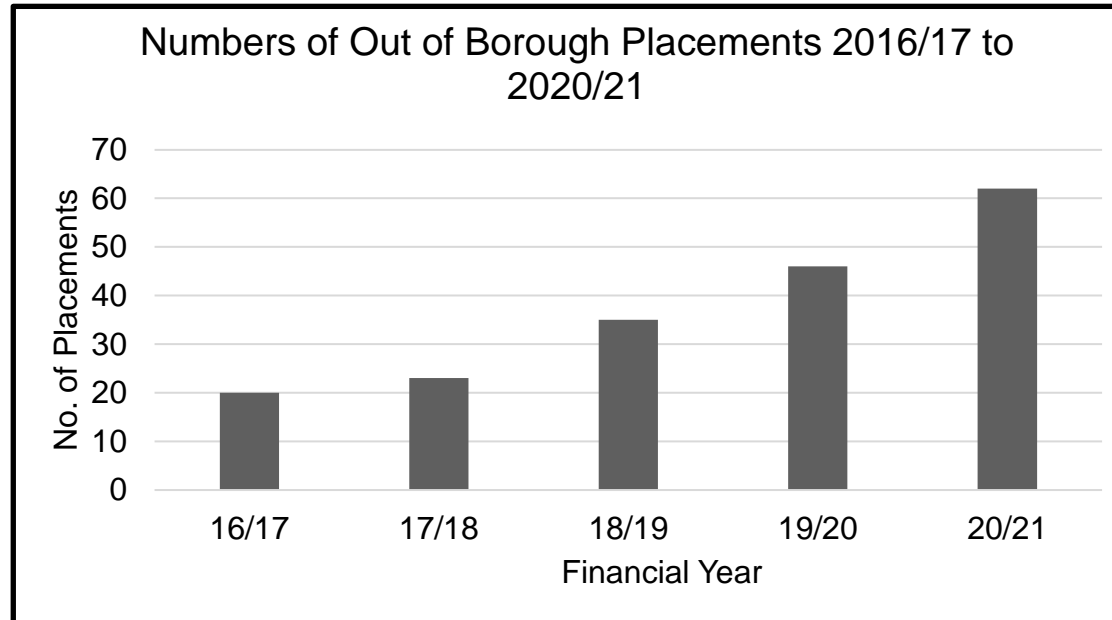


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EHCP out of borough



Whilst the proportion of children and young people accessing out of borough provision has remained fairly consistent overtime the actual **number** has shown an increase.

Out of Borough Placements

As of February 2022 there are 78 children and young people who are accessing an out of borough placement.

How do the current 78 ‘out of borough’ places break down?

- 64 in day placements for education
- 2 are Post 16 Independent Specialist Colleges
- 9 are Residential Special Schools
- 3 are OOB Children’s Homes

COST RANGE	NO OF LIVE PLACEMENTS AT FEB 22	FULL YEAR COST
£100K - £200k	1	£114,929
£75k - £100k	2	£162,962
£50k - £75k	10	£585,655
£30k - £50k	49	£1,967,285
< £30k	16	£393,264
GRAND TOTAL	78	£3,224,095

What is notable within these numbers?

- Of the 64 in day placements 33 access provision through the Percy Hedley Foundation
- There has been an increase in the numbers of children and young people attending the Percy Hedley Foundation since 2018.
- The main driver for accessing Percy Hedley Foundation is parental choice. Parents cite access to therapies and relationships with providers within their reasons.

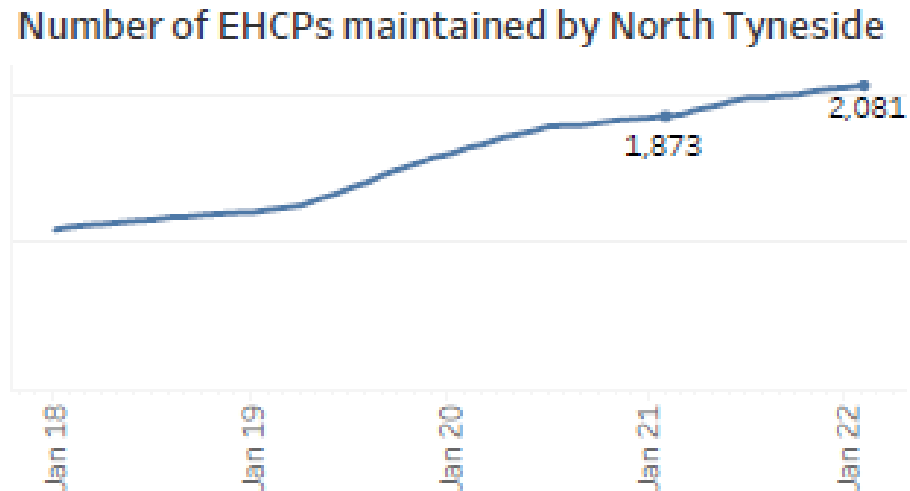


Context EHCPs

- In North Tyneside the proportion of children and young people in North Tyneside schools with Education, Health and Care Plans is higher than is seen nationally.

		2017/18	2018/19	2019/2020	2020/21
EHCP	England	2.9%	3.1%	3.3%	3.7%
	North Tyneside	3.4%	3.7%	4.3%	4.9%

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- The number of EHCPs maintained continues to rise.
- In real terms, based on review of January 2021 SEN2 data, this means that we had around **440** additional plans than what would be seen to be 'average'.
- Our average spend on a EHCP is around £8k, meaning we are spending around **£3.52m** per annum that could be seen as more than typical.
- We are aware of a further **116 needs assessments** currently underway that may result in further plans

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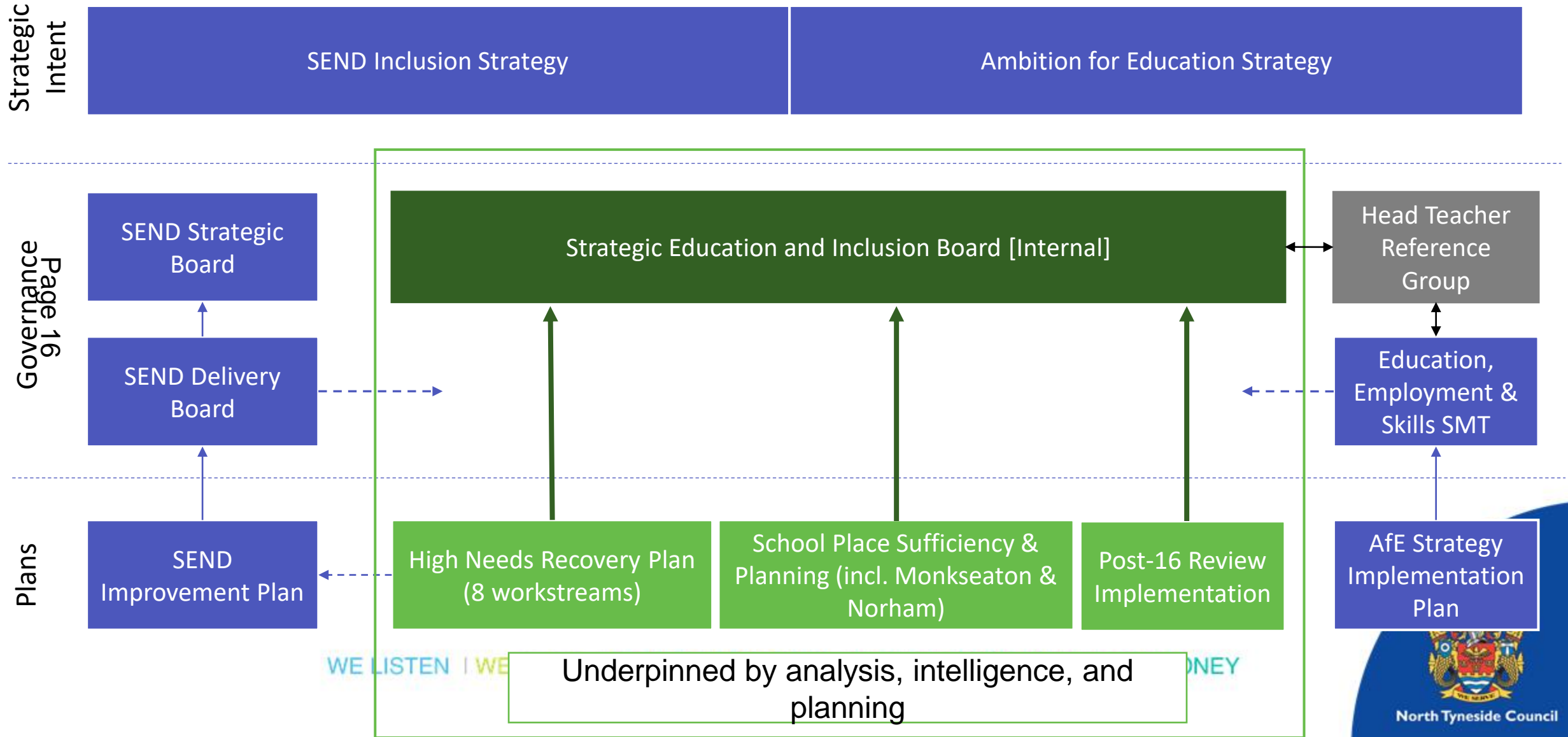


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Context EHCPs

- We are aware that we are an outlier in term of the proportion of our population who are supported by an EHCP
- Whilst we recognise this has been consistently high within North Tyneside from a starting point above the national average prior to the 2015 reforms we know there has been a sustained increase over the last 2/3 years
- Schools tell us they are finding it increasingly difficult to meet need within the universal offer and they are exhausting their available offers
- We are aware of the need to enhance and develop what is available universally- particularly in relation to mental health and wellbeing and issues linked to speech, language and communication

Strategic Education and Inclusion Board Governance



Projects and Leads

1. High Needs Recovery

1.1 Dedicated Schools Grant (Claire Emmerson)

1.2 School Funding Mechanisms (Kevin Burns)

1.3 Graduated Response (Kevin Burns)

Page 17 1.4 ARP Review (Mark Taylor)

1.5 Commissioned Services Review (Mark Taylor)

1.6 EMS recording (Kevin Burns)

1.7 EHCP Annual Reviews (Kevin Burns)

1.8 SEND Place Planning (Rachael Coyne)

1.9 In-borough School Capacity (Rachael Coyne)

2. School Place Sufficiency & Planning

2.1 Mainstream Place Planning / Structural Options (Rachael Coyne)

2.2 Local Plan and Review of Catchment Areas (Rachael Coyne)

2.3 Norham High (Diane Buckle)

2.4 Monkseaton High (Diane Buckle)

3. Post-16 Next Steps

3.1 Post-16 Capacity/Provision (Diane Buckle)

Strategic Education and Inclusion Board

- Purpose of board:
 - Shared **ownership and accountability** for delivery of workstreams
 - To take required **decisions** to progress workstreams – or escalate to Cabinet, where appropriate
 - To deploy sufficient **resources** across the authority to progress workstreams

Member	Role
Jacqui Old	DCS / Strategic Lead
Mark Longstaff	Commissioning and Planning Lead
Janice Gillespie	S151 Officer / Finance Lead
Diane Buckle	Education Lead
Kevin Burns	SEND Lead
Mark Taylor	Commissioning Lead
Rachel Coyne	Place Planning Lead
Claire Emmerson	Finance Lead
TBC	Programme Support

Governance – ways of working

- Board to meet monthly for 2 hours
- Monthly report from project lead, setting out:
 - Progress made
 - Planned activity
 - Impact achieved
 - Risks and issues
 - Required decisions
- Programme support to manage overall programme roadmap and maintain actions log and decisions log
- Quarterly update report regarding delivery of strategy priorities that are not programme projects have an indirect impact on their success

Planned Action Themes

Improved Graduated Approach to support more young people to have success in their local school

Review of Commissioned Services with a focus on maintaining young people in their local school

Annual reviews are focussed, timely and include a lens of 'value for money'

The banding and mechanisms we use to fund schools are brought in line with our graduation aspirations

Use of capital funding to address issue around capacity

More effective place planning and projection is used to ensure sufficient resource

Ensuring that we are working with our partners and stakeholders



Actions Taken So Far

Reduction in unfilled places at the ARPs

- Unfilled places reviewed
- Saving £220k in year 2021/22

Training package for statutory service team

- Invest to save of £10k to ensure team are well supported and their skill set is enhanced

Short term invest to save to address backlog in annual reviews

- Short term investment of just over £50k to address back log of annual reviews

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Longer term invest to save model proposed to increase resource available to ensure annual review

- Given the higher than typical number of plans a business model has been developed to ensure there is enough available resource

Strategic Officer Group in place, working with partners to address current pressures

- Significant workstreams identified to support HN recovery planning

Developing the universal offer for Mental Health

- Significant partnership investment with health and Barnardo's to support those whose education may be interrupted by their mental health

New model of graduation launched in January 2021

- Roll out interrupted by COVID-19
- Relaunch September 2021 following soft relaunch summer 2021

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Projected Impact on the Dedicated Schools Grant

Our overspend is running in the region of £4.6m p.a. (17% of HNB Allocation). We aim to reduce this by ...

- Implementation of graduated response – Challenge to schools with the aim that the universal offer is strong enough so that more children and young people can have success without additional support outside the notional SEND budget
- A review of commissioned services to ensure they are fit for current aspiration and purpose
- Addressing place planning issues in a more timely manner
- De-commissioning of non-statutory services or those services that are not delivering in line with our aspirations
- Improvements to the annual review process so that there is clear consideration given to value of money and evidence of impact so where reductions in funding are appropriate this happens
- Review of banded funding and how funding is attached to EHCPs as we are aware that our current systems are not supporting our ambition and seem to be at odds with the local and national picture
- Cost mitigation- challenging out of borough placements and ensuring capital is spent where it can add value as well as enhance capacity.
- Seeking approval from the Schools Forum to transfer 0.5% from the schools' block to the high needs block

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How are we working with stakeholders?

Schools Forum

Special Heads and
Officer Group

Education
Improvement
Partnership

Primary Learning
Partnership

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Lead Council
Members

Parent Carer
Forum

SEND Strategic
Board

Early Years School
Improvement
Service

SEND Support
Service

Our families

Our children and
young people

SEND Youth
Forum

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Meeting: Finance Sub-Committee

Date: 29 March 2022

Title: Welfare Reform - Financial update on

- **Discretionary Housing Payments Fund**
- **Local Council Tax Support Scheme**
- **Local Welfare Provision Scheme**
- **Universal Credit**

Authors: Tracy Hunter

Tel: 0191 643 7228

Service: Finance Service

Wards affected: All

1. Purpose of the Report

1.1 This report provides a further update on the three schemes that provide financial support to our residents that were implemented or revised in April 2013 onwards because of on-going welfare reform, as well as an update on Universal Credit. The three schemes are:

- Discretionary Housing Payment Fund,
- Local Council Tax Support Scheme, and
- Local Welfare Provision Scheme.

1.2 An update is also included on the additional support that has been provided through the Hardship payment made to working age claimants of Council Tax Support.

2. Recommendations

2.1 Finance Sub Committee are asked to note the content of this report.

3. Detail

Discretionary Housing Payment Fund

3.01 Discretionary Housing Payments (DHP) are administered by local authorities on behalf of the Department for Work and Pensions (DWP). It is aimed at being a temporary payment, which provides support, just at the right time, to people in financial difficulties who have a shortfall between their rent and Housing Benefit (or Universal Credit including the housing element) or require help with moving costs to

more affordable accommodation, including rent in advance and deposits. It provides time to allow a claimant the financial support they need to deal with, seek help, and put in place arrangements to improve their difficult financial circumstances. It is promoted well so partners are aware of this support and can identify quickly those that need it.

- 3.02 Funding in 2021/22 was awarded in two parts £309,105 initially and £123,428 in September bringing a total of £432,533. This was a reduction of 23% compared to £558,563 which was the funding in 2020/21.
- 3.03 We have also now been notified of DHP funding for 2022/23, again this fund is awarded in 2 parts with the initial grant of £300,337. It is unlikely we will get the very much more for the remainder of the year as centrally the national grant for DHP has been reduced considerably from £140 million in 2021/22 to £100 million for 2022/23.

DHP financial details for the current financial year 2021/2022

- 3.04 Table 1 and details below show the current position against the grant for 2021/22.

Table 1 – DHP Spend to date

	Amount of grant
Initial payment- DWP funding only	£432,533
Additional Funding from Housing	£15,000
Total spend and committed	£447,533
Total spend against Fund	£447,492. 36
Funding unallocated	£40.64

- 3.05 Claimants
- 640 claimants made a successful claim, of these 2 claimants have custody of children and 30 claimants are living in adapted property.
- 3.06 Requested reviews
- Since April 2021 there have been 33 reviews carried out with 14 changed in favour of the customer.

Local Council Tax Support Scheme

- 3.07 The Council Tax Support Scheme is a means tested support which helps those on low income pay their Council Tax. Working age can receive up to 85% of their Council Tax liability and pensionable age claimants continue to receive up to 100% support.
- 3.08 As at the end of quarter 3 the caseload stands at 16,855 (7,345 pensionable age and 9,510 working age) which is a reduction of 390 claims against last reported in November. The cost for the scheme is currently £15,406,159, less than reported in November's figure which was £15, 601,887.

3.08 **Hardship fund**

- 3.09 A hardship payment has been awarded for 2020/21, 2021/22 and Council agreed on the 17 February 2022 that the budget for 2022/23 should continue to support working age claimants again with a £150 Hardship payment.

Local Welfare Provision

Statistics for the period 6th April 21 to 28th February 22

- 3.10 There have been 3,699 applications for Local Welfare Support
- 3.11 All 3,699 applications were offered a full screening. Further advice and information including signposting to our partner organisations was offered where this was appropriate.
- 3.12 There were 2,329 crisis applications eligible for further practical support. This included applicants receiving food, utility support, baby items or baby food, essential household items, travel costs or clothing.
- 3.13 Spend for the period in respect of immediate practical support amounted to £43,593. This is in addition to the annual grant to the Food Bank of £40,500 which was paid in the last quarter.
- 3.14 There is still funding with North East First Credit Union which allows the Authority to refer people with poor credit history who would be seen as higher risk customers, the opportunity to access reasonably priced loans. This was a one off funding; customers are charged interest which goes back into the fund to be used by other customers. During this quarter 7 referrals have gone directly to the credit union after an assessment by the welfare staff team. The credit union are now able to take applications online which has made the process simpler and much quicker for customers who are in crisis.
- 3.15 Of the applicants who were not provided immediate practical support funded by the authority, a summary of some of the assistance is as follows:
- Referrals to Whitley Bay Food Bank
 - Liaison to resolve benefit issues with Department for Work and Pensions
 - Referrals to a supported housing provider
 - Referrals to Citizens Advice
 - Liaison with HMRC for Child Tax Credits
 - Working with other community support groups
 - Liaison with their bank utility provider or employer
 - Referral to other Children's Service support
 - Support from the Salvation Army with vouchers (to be used in their shops mainly for clothing)
 - Referral to community resources for clothing or furniture items

Current update including Covid 19

- 3.16 Due to rising energy prices, cuts to Universal Credit, the withdrawal of government support schemes such as furlough and the end of debt recovery suspension. Demand for support is increasing. The impact of the pandemic on family and individuals finances has meant that people who have not accessed support in the past are requesting help from the team.
- 3.17 There have been additional grants over the year to support applicants with financial difficulties caused by the impact of Covid 19 and this has allowed an increase in the support provided.
- 3.18 In addition, the team are currently delivering grants from the Household Support Fund. Additional funding awarded to support vulnerable households with food, utilities and essential items during the winter months.

Universal Credit

- 3.19 Universal Credit (UC) replaces 5 state benefits unless the customer meets certain criteria and would still qualify for a legacy benefit. The five legacy benefits it replaces are:
- Housing Benefit (HB)
 - Income Support (IS)
 - Job Seekers Allowance Income Based (JSA)(IB)
 - Employment and Support Allowance Income Related (ESA)(IR)
 - Tax Credits (Child Tax Credits and Working Tax Credits) (CTC), (WTC)
- 3.20 The number of people claiming Universal Credit is still high but reducing, the most recent data shows 18,548 claimants which is a reduction of 299 against the figure reported in November.
- 3.21 DWP have put in place a programme called Way to Work. It is a national drive to get half a million people who are out of work into jobs in the next five months. There are currently record number of vacancies available - around 1.2 million nationally -and Way to Work aims to support people on Universal Credit who are actively looking to make a fresh start in work, to accelerate connecting current opportunities and people searching for work. This means that:
- work coaches now have more time to work with their customers, identify barriers to work, and prepare them for available jobs,
 - in North Tyneside JCP's have followed a 'Back to Basics' drive (post COVID) to refresh local relationships with all support organisations e.g. health/disability organisations, probation, homelessness organisations, care leaver team, North Tyneside Homes etc to ensure staff are aware of the support, on offer and mechanisms are in place to refer customers appropriately. Many partner organisations are now back working in JCP's, so in each site there is a comprehensive range of support/advice available,

- working with employers to match them with claimants who can rapidly move into jobs and having as many employers as possible in North Tyneside JCP's to meet and interview customers on site,
- running local jobs fairs to 'bring together' large numbers of customers and employers with vacancies.

3.22 Citizens Advice (CA) were successful in the recent competition for the Help to Claim Support which is provided from 1st April 2022. This provides support to those making a new claim to UC from 1 April 2022. Delivery of Help to Claim via telephony, digital and face to face channels will continue until 31 March 2022. From April, the Help to Claim provision will continue to provide support to citizens across England (not face to face) to make a new claim to UC and manage their claim, up to receiving their first correct payment. Face to face support will be available in local JCP's.

Housing Department Update

3.23 The impact of UC continues to be felt by our housing department and they now have 5,075 tenants on UC as at 7 March 2022. 3,545 (70.37%) of these are in arrears although it is worth noting that 89.02% of those on UC were already in arrears when they made the current claim for UC. The average arrears for all tenants have increased since last quarter, those on UC is £805.00 compared to an average arrears of £574.63 for all tenants and £421.15 for those not on UC. Other housing providers continue to advise of significant arrears with tenants, including those in receipt of UC.

3.24 Covid-19 had a large impact on housing tenants with 1428 of tenants reporting that they had been adversely impacted. 132 tenants (9.81%) reporting an adverse impact on more than one occasion. This had contributed to the significant increase in the number of tenants claiming UC. So far 818 tenants on UC, 78 tenants on legacy benefits and 532 self-paying tenants have been recorded as having been impacted by Covid-19.

4. Background Information

The following background documents have been used in the compilation of this report and are available from:

- [Discretionary Housing Payment Policy 2022/23](#)
- [Housing Benefit Circular S1/2022 Discretionary Housing Payments government contribution for English and Welsh local authorities for the financial year ending March 2023](#)

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North Tyneside Council Report to Cabinet 28 March 2022

Title: 2021/22 Financial Management Report to 31 January 2022

Portfolios: Elected Mayor Finance and Resources	Cabinet Member: Norma Redfearn Councillor Martin Rankin
Report from: Finance	
Responsible Officer: Janice Gillespie, Director of Resources	Tel: 0191 643 5701
Wards affected: All	

PART 1

1.1 Executive Summary:

This report is the fifth monitoring report to Cabinet on the 2021/22 financial position. The report brings together financial and performance information with the intention of explaining the current financial position in the context of the policy priorities in the Our North Tyneside Plan. It provides the latest indication of the potential revenue and capital position of the Authority for the year ended 31 March 2022.

- 1.1.1 As reported previously, the Authority continues to feel the impact of the Covid-19 pandemic and as such this report includes consideration of the potential financial impact that the pandemic has had, and is continuing to have, on the Authority during the 2021/22 financial year.
- 1.1.2 The projected outturn position, as at 31 January 2022, is estimated at £2.902m against the approved net budget. This is made up of a forecast pressure of £0.675m on normal activities and £2.227m relating to the impact of Covid-19. The business-as-usual position is comparable with this stage of previous financial years and it is anticipated that the overall in-year pressures of this nature will be managed by the Services. This report necessarily reflects these known pressures the Services will be required to manage during the approach to year end.
- 1.1.3 As well as an explanation of any previously identified risks that have crystallised, this report sets out any new risks that may have a financial impact on the Authority. The financial impact of Covid-19, although a continuing small improvement on previous months, is still having a significant bearing on the overall pressure faced by the Authority. The removal of all restrictions and all financial support related to Covid-19 recently announced by government will have an impact into 2022/23.

- 1.1.4 The Authority has had £42.190m of grants funding available in 2021/22 to support residents, businesses, schools and care homes and as at the end of January 2022, £23.840m has been allocated with the remaining balance fully committed. In addition, the Authority has a further £8.596m of grant funding available to support services, £7.261m of Local Authority Support Grant and an estimate of £1.335m in relation to lost Sales, Fees and Charges income for April 2021 to June 2021. The total financial impact on services as a result of Covid-19 is forecast to be additional pressures of £19.737m, which leaves a net pressure of £2.227m following allocation of the £8.596m and £8.914m utilised from the sector specific grants outlined above.
- 1.1.5 The previous report outlined how the Authority is managing financial risks while trying to ensure the priorities set out by the Mayor and Cabinet are achieved. Section 10 of this report provides a further update on the work that has taken place since the pandemic began to support residents and also highlights the key work that will take place in the future to ensure residents stay safe as the country learns to live alongside the virus.
- 1.1.6 The Authority has explored a range of projects it can support using the Household Support Grant (£1.610m), including support for the Welfare Provision Team, support for care leavers, support for housing costs, support to reduce fuel poverty and support for clothing and school uniforms, with £1.251m spent to the end of January 2022.
- 1.1.7 The report includes details of any additional grants received by the Authority since the previous Budget Monitoring report to 30 November 2021. The report advises Cabinet of the position so far on the 2021/22 Schools budgets, School's funding and the forecast outturn for the Housing Revenue Account as at 31 January 2022. The report also provides an update on the 2021/22 Investment Plan, including delivery so far this year, along with details of variations and reprofiling of the Investment Plan, which are presented to Cabinet for approval.

1.2 Recommendations:

It is recommended that Cabinet:

- (a) notes the forecast budget monitoring position for the General Fund, Schools' Finance and Housing Revenue Account (HRA) as at 31 January 2022 (Annex sections 1, 5, 6 and 7);
- (b) approves the receipt of £2.655m new revenue grants (outlined in Annex section 3);
- (c) approves the receipt of £6.385m brownfield grant funding (outlined in Annex section 3);
- (d) notes the Authority's Investment Plan spend of £43.360m to 31 January 2022 and the financing of the Plan to the end of the year (Annex section 8); and
- (e) approves variations of £0.796m (£0.245m for 2021/22) and reprogramming of (£9.304m) for 2021/22 within the 2021-2026 Investment Plan (Annex section 8).

1.3 Forward Plan:

Twenty-eight days' notice of this report has been given and it first appeared on the Forward Plan that was published on 25 February 2022.

1.4 Authority Plan and Policy Framework:

The budget is a key strand of the Authority's Budget and Policy Framework.

1.5 Information:

1.5.1 Financial Position

This report is the fifth monitoring report presented to Members on the Authority's 2021/22 financial position. It provides an indication of the expected revenue and capital financial position of the Authority as at 31 March 2022. This report is an interim financial view and will change over the remainder of the financial year as the recovery from Covid-19 continues.

The report covers:

- The forecast outturn of the Authority's General Fund and HRA revenue budget including management mitigations where issues have been identified;
- The delivery of 2021/22 approved budget savings plans; and
- An update on the Capital Investment Plan, including details of variations and reprogramming, that is recommended for approval.

1.5.2 General Fund Revenue Account

The budget for 2021/22 was approved by full Council at its meeting on the 18 February 2021. The net General Fund revenue budget was set at £150.154m. This included £4.537m of savings to be achieved, all of which had been identified in previous years.

The forecast overall pressure is estimated at £2.902m against the approved net budget. This is made up of a forecast pressure of £0.675m on normal activities and £2.227m relating to the impact of Covid-19. The pressure on normal activities in the services is driven mainly by Health, Education, Care and Safeguarding at £6.557m, reflecting the continued pressures in Children's Services, partly mitigated by the contingency balances that were created by Cabinet as part of the 2018/19 budget setting process and continue to be held centrally to reflect the on-going pressures in social care being felt locally and nationally.

Included in this projection is £4.996m of pressures in Corporate Parenting and Placements, and £1.317m in Integrated Disability & Additional Needs. The drivers for these pressures continue from 2020/21 and arise from:

- Continued growth in demand in Children's Social Care Services;
- Growth in numbers of children with Education and Health Care Plans;
- The timing of delivery of some aspects of the Efficiency Savings Programme to the extent that achievement of some savings may be at risk; and,
- Increases in staffing costs.

It is anticipated that the outturn forecast for normal activities will improve over the remainder of the financial year as planned remedial actions begin to impact on both expenditure and income.

The figures reported to the end of January 2022 include a projection of £0.716m of costs relating to the recent storms that have hit the region. It is expected that these costs will be met from the Insurance Reserve.

With regards to the impact of Covid-19, the main drivers behind the £19.737m impact on services are also within Health, Education, Care and Safeguarding where £12.243m is for increased costs to the Authority. Significant Covid-19 related pressures also exist in Environment, Housing and Leisure (£3.056m) and in Commissioning & Asset Management (£2.999m).

1.5.3 New Revenue Grants

The following revenue grants have been received during December 2021 and January 2022:

Service	Grant Provider	Grant	Purpose	2021/22 value £m
Environment Housing and Leisure	Football Foundation	Goal post Renewal Programme	To replace goal posts on grass pitches	0.020
Environment Housing and Leisure	Department for Levelling Up Housing and Communities	Homelessness Prevention Grant Top UP	To support low income renters with rent arrears	0.078
Environment Housing and Leisure	Improvement and Development Agency for Local Government	LGA Housing Advisors Programme	To provide support to local authorities to improve	0.025
Environment Housing and Leisure	Department for Levelling Up Housing and Communities	Protect and Vaccinate	To boost vaccination rates for people sleeping rough	0.035
Environment Housing and Leisure	Department for Transport	Bikeability	To provide training courses in schools	0.079
Regeneration and Economic Development	North of Tyne Combined Authority/North East Local Enterprise Partnership	Wallsend Masterplan	Funding for feasibility study for a capital project	0.080
Regeneration and Economic Development	North of Tyne Combined Authority/North East Local Enterprise Partnership	North Shields Fish Quay Development Accelerator Fund	Funding for feasibility work for a capital project	0.084
Commissioning and Asset Management	Education and Skills Funding Agency	Summer Schools	To support the provision of summer schools	0.018
Commissioning and Asset Management	Department for Education	Covid -19 Schools Recovery Premium	To support recovery after Covid-19	0.260

Commissioning and Asset Management	Department for Education	Covid -19 Summer Schools Funding	To support the provision of summer schools	0.009
Commissioning and Asset Management	Department for Education	Senior Mental Health Leads Grant	To support mental health in schools following Covid-19	0.012
Commissioning and Asset Management	Department for Education	School Led Tutoring Grant	To support school led tutoring	0.253
Health Education Care and Safeguarding	Department of Health and Social Care	Omicron Support Fund	To provide additional support for addressing Covid 19 issues in adult social care	0.258
Health Education Care and Safeguarding	Department of Health and Social Care	Workforce Recruitment and Retention Grant Round 2	To address workforce capacity issues in adult social care	1.289
Law and Governance	Local Government Association	Scrutiny Improvement Review	Funding the costs of the scrutiny improvement review	0.005
Resources	Department for Levelling Up Housing and Communities	Cyber Support	Support for cyber security	0.150
Total				2.655

In addition to the £2.655m of revenue grants the Authority has also received £6.385m of brownfield grant funding from the North of Tyne Combined Authority.

1.5.4 Schools Funding

The Annex provides an update on the latest position in respect of Schools Funding. Schools are required to submit their rolling three-year budget plan by 31 May each year. The total planned deficit for 2021/22 is £3.902m. Cabinet will be aware that the Authority has been working with schools for a number of years with regard to the long-term strategic issue of surplus secondary places and the associated financial pressures, which continue to be compounded by rising employment costs. The outturn for the year ended 31 March 2021 showed a surplus of £3.721m, which reversed the trend of deficits over the previous few years.

As well as school balances being forecast to reduce overall, some individual schools continue to face significant financial challenges. There are six schools with deficit budget plans for 2021/22, all of which continue to be in deficit following 2020/21.

Cabinet will recall that the High Needs Block ended 2020/21 with a pressure of £8.880m. The latest forecast of the budget position for 2021/22 indicates an anticipated in-year pressure of £4.533m reflecting a further rise in demand for special school places.

1.5.5 Housing Revenue Account (HRA)

The HRA is forecast to have year-end balances at 31 March 2022 of £3.807m, assuming all identified Covid-19 related costs and income shortfalls are covered centrally. These balances are £0.795m higher than budget which was set at £3.012m, due mainly to an in-year estimated underspend of £0.748m, against an in-year budget of £1.943m, as well as a prior year brought forward improvement on balances of £0.047m.

Universal Credit was fully implemented across North Tyneside on 2 May 2018. As at the end of January 2022, 3,753 North Tyneside Homes tenants had moved on to Universal Credit and a team is working proactively with tenants to minimise arrears. This position will be closely monitored during the year to identify any impacts on the budget position.

1.5.6 Investment Plan

The approved 2021-2026 Investment Plan totals £292.639m (£87.528m 2021/22) and is detailed in Section 8 of the Annex. The Annex to this report also sets out in Section 8 delivery progress to date, planned delivery for 2021/22, reprogramming and other variations identified through the Investment Programme governance process.

The monthly monitoring of the Investment Plan has resulted in proposals for variations of £0.796m and reprogramming of (£9.304m) of which more details are set out in Section 8 of the Annex to this report. The revised Investment Plan stands at £78.469m for 2021/22 and to the end of January 2022 spend of £43.360m had been incurred which represents 55.26% of the revised plan.

1.5.7 Treasury Management

The Bank of England has raised base rate from 0.10% to 0.50% in two increments. A rise in December 2021 from 0.10% to 0.25%, followed by another rise from 0.25% to 0.50% in February 2022. The rise in bank rate is a response to the increased levels of inflation driving domestic cost and price pressures, which is forecast to peak to over 7% in April 2022. The Bank of England committee updated their inflation forecast anticipating base rate to rise to 1.50% by mid-2023.

1.5.8 Performance against Council Plan

The 2021-2025 Our North Tyneside Plan (Council Plan) sets out the overall vision and policy context within which the Financial Plan and Budget are set. The Council Plan, "Building A Better North Tyneside", has five key themes as set out below;

- A caring North Tyneside;
- A secure North Tyneside;
- A family-friendly North Tyneside; and,
- A green North Tyneside.

For each theme there is a set of policy outcomes which the Authority is seeking to deliver; these are detailed in the Council Plan itself. The Authority has plans in place to deliver all elements of the Council Plan and performance against these plans is carefully monitored.

With regards to financial performance against the plan, the area under most financial pressure is Health Education Care and Safeguarding. In common with most local authorities, and in line with the national picture, North Tyneside has seen costs within

adult social care continue to rise. Along with the number of adults supported increasing over the last few financial years, the individual needs of those residents have increased due to people living longer with multiple complex conditions. Supporting those needs requires more intensive packages of care which are more expensive to provide. In addition to older people, younger adults with learning disabilities and physical disabilities are also living longer, often with multiple complex issues.

In Children's Services, good progress continues to be made on engaging with children in the early years of life to ensure that they are ready for school. Safeguarding vulnerable children and maximising their educational attainment remain key priorities.

Over recent years, there has been an increase nationally in demand for children's residential placements but with no corresponding increase in central government funded provision. As such, the levels of looked after children (LAC) and children who require supervision after leaving care continue to generate a significant financial pressure. Data for LAC levels suggest that, whilst fluctuating, there is a general trend of a steady increase in numbers (as per Section 5.2 in the Annex) but there are a wide range of levels of care provided, with more complex cases now being faced.

1.6 Decision Options:

The following decision options are available for consideration by Cabinet:

Option 1

Cabinet may approve the recommendations at paragraph 1.2 of this report.

Options 2

Cabinet may decide not to approve to recommendations at paragraph 1.2 of this report.

1.7 Reasons for Recommended Option:

Option 1 is recommended for the following reasons:

Cabinet is recommended to agree the proposals set out in section 1.2 of this report as it is important that Cabinet continues to monitor performance against the Budget, especially given the current level of financial pressures faced by the public sector.

1.8 Appendices:

Annex : Financial Management Report to 31 January 2021

Appendix 1: 2021 – 2026 Investment Plan

1.9 Contact Officers:

Janice Gillespie – Corporate Finance matters – Tel. (0191) 643 5701

Claire Emmerson – Corporate Finance and Schools matters – Tel. (0191) 643 8109

David Dunford – Corporate Finance and General Fund matters – Tel. (0191) 643 7027

Cathy Davison – Investment Plan matters - Tel. (0191) 643 5727

Darrell Campbell – Housing Revenue Account matters – Tel. (0191) 643 7052

1.10 Background Information:

The following background papers and research reports have been used in the compilation of this report and are available at the offices of the author:

- (a) Revenue budget 2021/22
https://my.northtyneside.gov.uk/sites/default/files/web-page-related-files/North%20Tyneside%20Revenue%20Budget%202021_22.pdf
- (b) Investment Plan 2021-26
<https://democracy.northtyneside.gov.uk/documents/s5460/Appendix%20D%20i%20-%202021-2026%20Investment%20plan%20-%20FINAL.pdf> (Agenda reports pack - Appendix D(i))
- (c) Reserves and Balances Policy
<https://democracy.northtyneside.gov.uk/documents/s5467/Appendix%20G%20Reserves%20and%20Balances%20Policy%202021-22.pdf> (Agenda reports pack - Appendix G)
- (d) Overview, Scrutiny and Policy Development Performance Report
<https://democracy.northtyneside.gov.uk/documents/s5469/Appendix%20I%20-%20202122%20Report%20of%20the%20Overview%20Scrutiny%20and%20Policy%20Development%20Committee%20Jan%202021.pdf>

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and Other Resources

As this is a financial report, implications are covered in the body of the report. This report will also be presented to the Authority's Finance Sub-Committee at its meeting on 29 March 2022.

2.2 Legal

The Authority has a duty to ensure it can deliver a balanced budget. The Local Government Act 2003 imposes a duty on an authority to monitor its budgets during the year and consider what action to take if a potential deterioration is identified.

2.3 Consultation/Community Engagement

2.3.1 Internal Consultation

Internal consultation has taken place with the Cabinet Member for Finance and Resources, the Elected Mayor, Cabinet Members, the Senior Leadership Team and Senior Finance Officers.

2.3.2 External Consultation / Engagement

The 2021/22 budget was completed after widespread consultation and community engagement in line with the Authority's approved Budget Engagement Strategy.

2.4 Human Rights

The proposals within this report do not have direct implications in respect of the Human Rights Act 1998.

2.5 Equalities and Diversity

There are no direct equalities and diversity implications arising from this report.

2.6 Risk Management

Potential future financial pressures against the Authority are covered in this report and registered through the Authority's risk management process.

2.7 Crime and Disorder

There are no direct crime and disorder implications arising from this report.

2.8 Environment and Sustainability

There are no direct environmental and sustainability implications arising from this report.

PART 3 - SIGN OFF

- Chief Executive ☐
- Director of Service ☐
- Mayor/Cabinet Member(s) ☐
- Chief Finance Officer ☐
- Monitoring Officer ☐
- Assistant Chief Executive ☐

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2021/22 Financial Management Report Annex

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SECTION 1 - GENERAL FUND SUMMARY

1 General Fund Revenue Forecast

- 1.1 This report is the fifth monitoring report to Cabinet on the 2021/22 financial position. The report brings together financial and performance information with the intention of explaining the current financial position in the context of the policy priorities in the Our North Tyneside Plan. It provides the fifth indication of the potential revenue and capital position of the Authority at 31 March 2022, and therefore the final one before the outturn. The report explains where the Authority continues to manage financial pressures.

The 2020/21 financial year was highly complex for the Authority with the operational response to the pandemic requiring innovation, agility, professionalism and partnership. Like all local authorities, North Tyneside Council continues to feel the impact of the ongoing Covid-19 pandemic and as such this report contains considerations to the potential financial impact the pandemic will have on the Authority in 2021/22. The Authority continues to see areas of pressure across Adults and Children's Social Care, but there are also significant impacts on income particularly across Sport and Leisure Services, and Catering Services.

- 1.2 The Authority's approved net revenue budget of £150.154m is currently forecast to outturn with a pressure of £2.902m. Table 1 in paragraph 1.5 below sets out the variation summary across the General Fund.
- 1.3 The Authority is continuing to take a prudent approach to forecasting including in relation to the impact of Covid-19 which currently is forecast to add pressures of £19.737m to the General Fund in 2021/22. The total Local Authority Support Grant received from Government for 2021/22 to date is £7.261m, of which £5.576m is new and £1.685m is carried forward from 2020/21. In addition, £8.914m of grants have been received to support specific activities, and an assumption has been made that the Authority will receive £1.335m of Sales, Fees and Charges funding, leaving a forecast pressure in the General Fund due to Covid-19 issues of £2.227m.

Within the BAU position is the inclusion of a projection of £0.716m relating to costs incurred following the recent storms that have hit the region. It is however, expected that these costs will be met from the Insurance Reserve.

The remaining pressure of £0.675m relates to normal ongoing activities.

Section 4 of this Annex sets out details of all grant funding received in respect of Covid-19 issues.

- 1.4 This Annex describes as far as possible the assumptions currently made in respect of additional costs and loss of income as a result of Covid-19, and where services continue to see variations in respect of business as usual.

1.5 Table: 1 2020/21 General Fund Revenue Forecast Outturn as at 31 January 2022

Services	Budget	Forecast Outturn January	Variance January	Previous Cabinet	Variance Change since November
	£m	£m	£m	£m	£m
Health, Education, Care and Safeguarding	75.108	81.665	6.557	7.284	(0.727)
Commissioning and Asset Management	8.013	9.245	1.232	1.260	(0.028)
Environment, Housing and Leisure	44.278	44.259	(0.019)	(0.171)	0.152
Regeneration and Economic Development	1.399	1.549	0.150	0.148	0.002
Corporate Strategy	0.484	0.512	0.028	0.029	(0.001)
Chief Executive's Office	(0.078)	(0.185)	(0.107)	(0.040)	(0.067)
Resources	3.643	4.414	0.771	0.591	0.180
Law and Governance	0.308	0.849	0.541	0.469	0.072
Central Items – BAU	(3.014)	(11.492)	(8.478)	(8.264)	(0.214)
Central Items – Covid-19	0.000	2.227	2.227	3.941	(1.714)
Support Services	20.013	20.013	0.000	0.000	0.000
Total Authority	150.154	153.056	2.902	5.247	(2.345)

SECTION 2 - DELIVERY OF BUDGET SAVINGS PROPOSALS

2.1 No new savings were proposed as part of the budget approved by Council in February 2021 so the total savings the Authority has had to find in the eleven years following the 2010 Comprehensive Spending Review (CSR) remains at the 2020/21 total of £127.756m.

2.2 **Table 2: Year on Year savings since 2010 CSR**

Year	£m
2011/12	16.169
2012/13	16.739
2013/14	12.240
2014/15	16.552
2015/16	14.158
2016/17	15.737
2017/18	18.338
2018/19	10.143
2019/20	6.875
2020/21	0.805
2021/22	0.000
Total Savings	127.756

2.3 Although no new savings were proposed, a total of £1.180m of savings targets were agreed in prior years budget setting processes for delivery in 2021/22. Savings targets of £2.181m within Health, Education, Care and Safeguarding (HECS) were met in 2020/21 through Covid grants or alternative management actions with a further £0.482m met through one-year funding sources. This leaves a total of £3.843m savings targets within HECS which still require a permanent solution in 2021/22. A target of £0.082m from 2020/21 within Commissioning and Asset Management (C&AM) also requires achievement on a permanent basis in 2021/22. The total savings that need to be achieved in 2021/22 are therefore £4.537m.

2.4 The delivery of savings in 2021/22 continues to be impacted by the Covid-19 pandemic within HECS and C&AM. The position with HECS has improved since the November report with a further £0.243m of additional income identified against savings targets. The position for C&AM and EHL is unchanged from November.

2.5 **Table 3: Efficiency Savings by Service at January 2022**

Service	2021/22 Targets £m	Projected Delivery £m	In Year Actions £m	Yet to be achieved £m
HECS	3.843	1.800	0.830	1.213
Commissioning & Asset Management	0.264	0.093	0.000	0.171
Environment Housing & Leisure	0.430	0.430	0.000	0.000
TOTAL	4.537	2.323	0.830	1.384

- 2.6 The governance structure of the Efficiency Savings Programme includes a monthly review of progress by the Senior Leadership Team (SLT). In addition, in-year budget and performance progress meetings are held between officers and Cabinet Members to consider progress and actions being taken to deliver savings. The variations in relation to the savings where delivery has been impacted by Covid are outlined in the sections below.

Health, Education, Care and Safeguarding (HECS)

- 2.7 HECS has achieved savings targets totalling £1.800m primarily relating to Sector Led Improvement income (£0.300m), assistive technology (£0.120m), maximising children's (£0.297m) and Adults NHS income (£0.250m) with improvements in delivery in relation to Learning Disability services (£0.220m), Income Management (£0.050m), development on internal services for children (£0.400m) and reduced external fostering arrangements (£0.120m). An in-year saving of £0.830m has been identified through management actions of retaining vacancies and managing third party payments within Adult services.
- 2.8 This service has been significantly impacted by the Covid-19 pandemic and the level of response required through each phase as the Pandemic continues to unfold. A proportion of the savings involve income generation via third parties. Other service delivery-based savings have been impacted due to capacity issues where placements have had to be maintained due to Covid-19 restrictions.
- 2.9 Finance Officers continue to attend meetings with senior managers and the Head of Service across adult and children's services and individual managers have assigned responsibilities to pursue deliverability of remaining schemes and to identify alternative proposals during 2021/22 and into 2022/23.

Commissioning and Asset Management

- 2.10 Within Commissioning and Asset Management the only savings target unmet in 2020/21 related to the target for an increase in school meals fees of £0.082m. This is now joined in 2021/22 by a further increase in this target of £0.082m. Both of these targets are forecasted as yet to be achieved pending decisions on school meal price increases. In relation to a target of £0.100m relating to SLA income, £0.093m is forecasted to be achieved, with the remaining £0.007m requiring an alternative solution following the departure of faith schools from the SLA.

Environment Housing and Leisure

- 2.11 All savings in this service are forecasted to be achieved.

SECTION 3 – NEW REVENUE GRANTS

3.1 New revenue grants have been received or notified in December 2021 and January 2022.

Table 4: Grants Received or Notified in December 2021 and January 2022

Service	Grant Provider	Grant	Purpose	2021/22 value £m
Environment Housing and Leisure	Football Foundation	Goal post Renewal Programme	To replace goal posts on grass pitches	0.020
Environment Housing and Leisure	Department for Levelling Up Housing and Communities	Homelessness Prevention Grant Top UP	To support low income renters with rent arrears	0.078
Environment Housing and Leisure	Improvement and Development Agency for Local Government	LGA Housing Advisors Programme	To provide support to local authorities to improve	0.025
Environment Housing and Leisure	Department for Levelling Up Housing and Communities	Protect and Vaccinate	To boost vaccination rates for people sleeping rough	0.035
Environment Housing and Leisure	Department for Transport	Bikeability	To provide training courses in schools	0.079
Regeneration and Economic Development	North of Tyne Combined Authority/North East Local Enterprise Partnership	Wallsend Masterplan	Funding for feasibility study for a capital project	0.080
Regeneration and Economic Development	North of Tyne Combined Authority/North East Local Enterprise Partnership	North Shields Fish Quay Development Accelerator Fund	Funding for feasibility work for a capital project	0.084
Commissioning and Asset Management	Education and Skills Funding Agency	Summer Schools	To support the provision of summer schools	0.018
Commissioning and Asset Management	Department for Education	Covid -19 Schools Recovery Premium	To support recovery after Covid-19	0.260

Service	Grant Provider	Grant	Purpose	2021/22 value £m
Commissioning and Asset Management	Department for Education	Covid -19 Summer Schools Funding	To support the provision of summer schools	0.009
Commissioning and Asset Management	Department for Education	Senior Mental Health Leads Grant	To support mental health in schools following Covid-19	0.012
Commissioning and Asset Management	Department for Education	School Led Tutoring Grant	To support school led tutoring	0.253
Health Education Care and Safeguarding	Department of Health and Social Care	Omicron Support Fund	To provide additional support for addressing Covid 19 issues in adult social care	0.258
Health Education Care and Safeguarding	Department of Health and Social Care	Workforce Recruitment and Retention Grant Round 2	To address workforce capacity issues in adult social care	1.289
Law and Governance	Local Government Association	Scrutiny Improvement Review	Funding the costs of the scrutiny improvement review	0.005
Resources	Department for Levelling Up Housing and Communities	Cyber Support	Support for cyber security	0.150
Total				2.655

In addition to the £2.655m of new revenue grants the Authority has also received £6.355m of brownfield grant funding from the North of Tyne Combined Authority.

SECTION 4 – IMPACT OF COVID-19

4.1 The Authority continues to play a key role in supporting businesses, residents, care homes and schools with financial support and additional Covid-19 related services throughout the Pandemic. Financial impacts remain, due to loss of income as a result of closures and restrictions on the facilities the Authority operates and additional costs resulting from Covid-19 in relation to its business-as-usual activities. The Authority has received a range of grants from Government to fund this additional activity and the financial impact on the Authority's normal services. The tables below outline the grants received, spend in year and the outcomes related to each grant.

4.2 **Table 5: Supporting Our Businesses**

Business Grant	Value Awarded 21/22	Value B/Fwd from 20/21	Value Spent 01.04.21-31.01.22	Value Committed @ 31.01.22	Value Available @ 31.01.22
	£m	£m	£m	£m	£m
Business Support Top-Up (Closed Business Lockdown Payments)	0.000	3.307	0.199	3.108	0.000
Local Restrictions Support 'Closed' & 'Open'	0.000	4.694	0.353	4.341	0.000
Additional Restrictions Grant	0.000	2.661	2.681	0.000	(0.020)
Additional Restrictions Grant – Top Up	1.447	0.000	0.690	0.737	0.020
Christmas Support 'Wet-Pubs'	0.000	0.047	0.047	0.000	0.000
Restart Grants	9.804	0.000	8.845	0.959	0.000
Capacity Fund	0.000	0.636	0.583	0.053	0.000
Travel Demand Management	0.000	0.010	0.010	0.000	0.000
Omicron Hospitality & Leisure Grant	1.132	0.000	0.445	0.687	0.000
Total	12.383	11.355	13.853	9.885	0.000

4.3 The Authority has £11.355m of grant funding brought forward from 2020/21 with a further £12.383m awarded in 2021/22 aimed at supporting businesses across the Borough. £13.853m of this has been allocated to date. Of the remaining £9.885m, £8.378m is being held in anticipation of repayment to Central Government. This relates to the Business Support Top-Up, Local Restrictions Grants and Restart Grant where the schemes have ended and the Authority was awarded more funding than was required. The remaining £1.507m is anticipated to be fully allocated during the remainder of 2021/22.

4.4 Table 6: Supporting Our Residents

Residents Grant	Value Awarded 21/22	Value B/Fwd from 20/21	Value Spent 01.04.21-31.01.22	Value Committed @ 31.01.22	Value Available @ 31.01.22
	£m	£m	£m	£m	£m
Test & Trace Programme Support Grant	0.000	0.782	0.594	0.188	0.000
Emergency Assistance Grant	0.000	0.080	0.063	0.017	0.000
Contain Outbreak Management Fund	1.439	5.302	1.828	4.913	0.000
Test & Trace (self-isolation) Support Payments	1.276	0.438	1.269	0.445	0.000
LA Practical Support Framework	0.412	0.000	0.049	0.363	0.000
Covid Marshalls	0.000	0.003	0.003	0.000	0.000
Clinically Extremely Vulnerable	0.236	0.303	0.336	0.203	0.000
Rough Sleepers Additional Grant	0.025	0.000	0.025	0.000	0.000
Winter Grant	0.012	0.000	0.012	0.000	0.000
Local Support Grant & Extension	0.759	0.000	0.759	0.000	0.000
Rapid Testing in the Community	0.104	0.000	0.104	0.000	0.000
Total	4.263	6.908	5.042	6.129	0.000

- 4.5 The Authority has been awarded £4.263m of new grant funding in 2021/22 to continue supporting its residents on top of a brought forward balance of £6.908m from 2020/21, meaning there is £11.171m of funding available. This funding ranges from ensuring our most vulnerable are protected, individuals that needed to self-isolated still have access to the services they required and ensuring residents can visit our coastline and other attractions safely, where guidelines allow, through the employment of Covid Marshalls and other safety measures. The Authority has spent £5.042m in the period to the end of January and is committed to spending the balance of £6.129m in this financial year. The majority of the committed balance relates to the Contain Outbreak Management Fund. This grant is to help the Authority support the prevention of Covid-19 outbreaks or manage any that do occur in the borough. A number of plans are in place to spend this money over the remaining months of 2021/22.

4.6 Table 7: Supporting Our Care Homes

Care Sector Grant	Value Awarded 21/22	Value B/Fwd from 20/21	Value Spent 01.04.21- 31.01.22	Value Committed @ 31.01.22	Value Available @ 31.01.22
	£m	£m	£m	£m	£m
Infection Control	1.755	0.544	1.512	0.787	0.000
Rapid Testing – Care Homes	1.418	0.000	1.221	0.197	0.000
Adult Social Care Omicron Support	0.258	0.000	0.000	0.258	0.000
Total	3.431	0.544	2.733	1.242	0.000

4.7 The Authority has been awarded £3.431m to support the care homes within the borough, as well as having £0.544m carried forward from 2020/21. The majority of this funding is passed over directly to the care homes. The remaining funding is used to support the Authority's adult social care services for infection control and testing activities.

4.8 Table 8: Supporting Our Schools

Schools Grant	Value Awarded 21/22	Value B/Fwd from 20/21	Value Spent 01.04.21- 31.01.22	Value Committed @ 31.01.22	Value Available @ 31.01.22
	£m	£m	£m	£m	£m
Digital Inclusion	0.000	0.076	0.051	0.025	0.000
Schools Catch-up Premium	0.880	0.000	0.880	0.000	0.000
Mental Health in Schools	0.024	0.000	0.000	0.024	0.000
Additional Home to School Transport	0.187	0.000	0.187	0.000	0.000
Mass Testing for Schools	0.172	0.233	0.405	0.000	0.000
Recovery Premium	1.061	0.000	0.531	0.530	0.000
National Tutoring Programme	0.557	0.000	0.042	0.515	0.000
Summer Schools Funding	0.116	0.000	0.116	0.000	0.000
Total	2.997	0.309	2.212	1.094	0.000

4.9 Grant funding of £2.997m has been awarded for 2021/22 with a brought forward balance from 2020/21 of £0.309m giving a balance available to spend on our

maintained schools during 2021/22 of £3.306m. This funding is to help support schools to be able to continue to offer a Covid-safe environment and deliver services to ensure children are not detrimentally impacted by being unable to attend classes in school.

Supporting Council Services

- 4.10 The Authority's services have been heavily impacted by the Covid-19 pandemic. These services are being supported in 2021/22 by £5.576m of Local Authority Support Grant and a brought forward balance of £1.685m. There is also utilisation of £8.914m of specific grants supporting services, and an estimate of £1.335m of grant funding to cover losses on Sales, Fees and Charges, which together with the Local Authority Support Grant amounts to a total grant availability of £17.510m. The tables below, summarised in Table 16, show that the forecasted total impact of Covid-19 on general fund services in 2021/22 is expected to be £19.737m, which will therefore leave a pressure on Covid-19 of £2.227m over the funding currently available.

The figures in the tables below are forecasts based on a range of assumptions relating to when the service areas predict their services will see the financial impact of Covid-19 reduce and activity return to a pre pandemic level. These forecasts will continue to be updated as new Government guidance is considered and implemented.

4.11 Table 9: Supporting Our Council Services in Commissioning & Asset Management

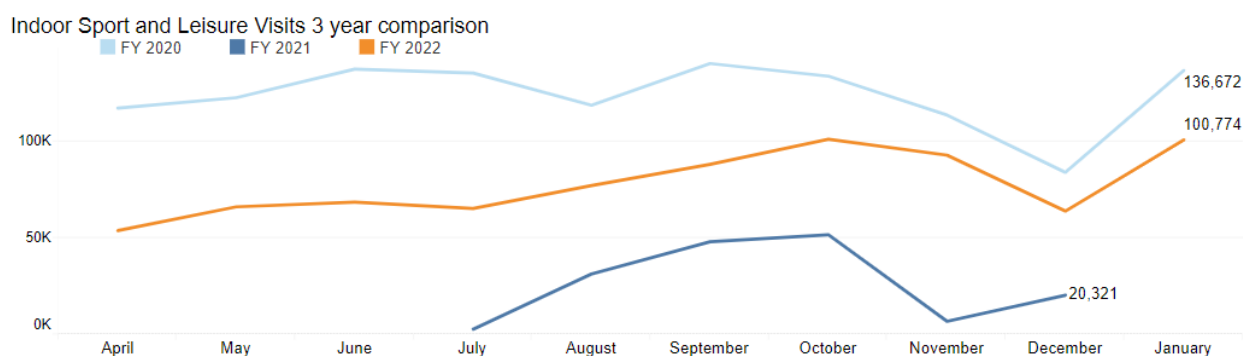
Commissioning & Asset Management	Forecast Spend £m	Other Specific Grant Spend £m	Total Forecast Spend £m
Free School Meals	1.898	0.000	1.898
Asset Management	0.050	0.000	0.050
LA7 Home to School Transport	0.000	0.184	0.184
Clinically Extremely Vulnerable	0.000	0.539	0.539
Electricity	(0.013)	0.000	(0.013)
Cleaning	0.198	0.000	0.198
Rents General	0.036	0.000	0.036
Car Parks (season tickets)	0.042	0.000	0.042
Penalty Notices (absence from School)	0.026	0.000	0.026
Contractor Payments	0.002	0.000	0.002
General Fund PPE	0.037	0.000	0.037
Total	2.276	0.723	2.999

4.12 Table 10: Supporting Our Council Services in Environment, Housing & Leisure

Environment Housing & Leisure	Forecast Spend £m	Other Specific Grant Spend £m	Total Forecast Spend £m
Sport & Leisure	1.763	0.000	1.763
Environmental Services	0.206	0.000	0.206
Waste Management	0.219	0.000	0.219
Highways & Transport	0.367	0.000	0.367
Cultural Services	0.198	0.000	0.198
Homelessness	0.015	0.000	0.015
Marshalls	0.000	0.153	0.153
Environment & Regulatory	0.045	0.000	0.045
Planning & Development	0.090	0.000	0.090
Total	2.903	0.153	3.056

The main pressure within EHL relates to Sport & Leisure, where closures and reduced visits during the pandemic have significantly impacted on income. Chart 1 below shows that visitor numbers have improved in 2021/22 compared to 2020/21 but the number is still much lower than pre-pandemic levels.

Chart 1: Sport & Leisure Visits



4.13 Table 11: Supporting Our Council Services in Health, Education, Care & Safeguarding

Health, Education, Care & Safeguarding	Forecast Spend £m	Other Specific Grant Spend £m	Total Forecast Spend £m
CYPL - School Improvement	0.622	0.000	0.622
CYPL - Front Door & safe and support	1.550	0.000	1.550
CYPL - Placement Costs	1.101	0.000	1.101
CYPL - Residential Staffing	0.883	0.000	0.883
CYPL - Adoption Agency (NTC share)	0.089	0.000	0.089
ASC - Adult Services	1.256	0.000	1.256
ASC – Workforce Capacity	0.000	1.987	1.987
ASC – Omicron Support Fund	0.000	0.258	0.258
ASC - Rapid Testing in Social Care	0.000	1.417	1.417
ASC - Infection Control Grant	0.000	2.298	2.298
CYPL & ASC sub total	5.501	5.960	11.461
PH - Test & Trace Support Service	0.000	0.782	0.782
Total	5.501	6.742	12.243

4.14 Table 12: Supporting Our Council Corporate Strategy

Corporate Strategy	Forecast Spend £m	Other Specific Grant Spend £m	Total Forecast Spend £m
Corporate Strategy	0.096	0.000	0.096
Total	0.096	0.000	0.096

4.15 Table 13: Supporting Our Council Resources and Central Items

Resources & Central Items	Forecast Spend £m	Other Specific Grant Spend £m	Total Forecast Spend £m
Corporate ICT	0.334	0.000	0.334
Finance / Corporate Services	0.082	0.000	0.082
Provision for Bad Debt	0.167	0.000	0.167
Total	0.583	0.000	0.583

4.16 Table 14: Supporting Our Council in Law and Governance

Law & Governance	Forecast Spend £m	Other Specific Grant Spend £m	Total Forecast Spend £m
Law & Governance	0.126	0.000	0.126
Total	0.126	0.000	0.126

4.17 Table 15: Supporting Our Council in Regeneration & Economic Development

Regeneration & Economic Development	Forecast Spend £m	Other Specific Grant Spend £m	Total Forecast Spend £m
Regeneration & Economic Development	0.000	0.051	0.051
Capacity Funding	0.000	0.583	0.583
Total	0.000	0.634	0.634

4.18 Table 16: Covid-19 Support to Services Summary

Service Area/ Category	Forecast Spend £m	Other Specific Grant Spend £m	Total Forecast Spend £m
Cost:			
Commissioning & Asset Management	2.276	0.723	2.999
Environment, Housing & Leisure	2.903	0.153	3.056
Health, Education, Care and Safeguarding	5.501	6.742	12.243
Corporate Strategy	0.096	0.000	0.096
Resources and Central Items	0.583	0.000	0.583
Law and Governance	0.126	0.000	0.126
Regeneration and Economic Development	0.000	0.634	0.634
Total Impact on Services	11.485	8.252	19.737
Income:			
Local Authority Support Grant	(7.261)	0.000	(7.261)
Sales, Fees and Charges*	0.000	(1.335)	(1.335)
Specific Covid Grants	0.000	(8.914)	(8.914)
Covid Pressure at end January 2022 – net gap	4.224	(1.997)	2.227

*This figure is an estimate of the value the Authority will be claiming in relation to the funding available to support losses on Sales, Fees and Charges. Currently, this grant is only available in 2021/22 to cover losses incurred in April 2021 to June 2021.

SECTION 5 – SERVICE COMMENTARIES

5.1 Meetings have been held between finance officers and budget managers to review the forecast positions for 2021/22, with forecasts being prepared on a prudent basis. Challenge sessions have been held to review the quarterly financial position and service performance with the Elected Mayor, the Deputy Mayor, the Cabinet Member for Finance and Resources, and other relevant Cabinet Members. Service Directors and their senior teams also attend these challenge sessions to discuss plans in progress to mitigate any pressures.

5.2 Health, Education, Care & Safeguarding (HECS)

5.2.1 HECS is showing a forecast variance of £6.557m against its £75.108m net controllable expenditure budget, an improvement of £0.727m from the November position of £7.284m. This position is after adjusting for a total of £12.243m of Covid-19 related cost and income pressures which are now shown within Central Items. The forecasted pressure is mostly within Children's Services and excludes the application of contingency budgets set aside in Central Items for pressures in Children's Services of £3.116m.

5.2.2 The HECS service continues to be impacted by the Covid-19 Pandemic and has put in place a range of responses to support existing clients and other residents directly affected by the virus who have required new support packages to be put in place on discharge from hospital or to prevent an admission. Work is also ongoing to support social care providers to maintain their vital services. Further details on Covid impacts are shown in Section 4 above.

5.2.3 Table 17: Forecast Variation for HECS at January 2022

	Budget £m	Forecast Jan £m	Variance Jan £m	Variance Nov £m	Change since Nov £m
Corporate Parenting & Placements	15.802	20.798	4.996	5.097	(0.101)
RHELAC Service	0.008	0.008	0.000	0.000	0.000
Child Protection, Independent Assurance and Review	0.708	0.705	(0.001)	0.003	(0.004)
Early Help & Vulnerable Families	1.580	1.215	(0.365)	(0.151)	(0.214)
Employment & Skills	0.591	0.590	(0.001)	(0.023)	0.022

	Budget £m	Forecast Jan £m	Variance Jan £m	Variance Nov £m	Change since Nov £m
Integrated Disability & Additional Needs Service	2.247	3.564	1.317	1.564	(0.247)
School Improvement	0.319	0.342	0.023	0.055	(0.032)
Regional Adoption Agency	0.000	0.000	0.000	0.000	0.000
Children's Services Sub-total	21.255	27.222	5.969	6.545	(0.576)
Central, Strategy and Transformation	1.131	1.138	0.007	0.022	(0.015)
Social Work and Associated Activity	7.261	7.185	(0.076)	0.157	(0.233)
Integrated Services	2.751	2.472	(0.279)	(0.378)	0.099
Business Assurance	0.296	0.258	(0.038)	0.038	(0.076)
Sub-total Operations	11.439	11.053	(0.386)	(0.161)	(0.225)
Commissioned Services – Wellbeing and Assessment	12.165	12.150	(0.015)	(0.382)	0.367
Commissioned Services – Learning Disability	25.435	25.133	(0.302)	(0.112)	(0.190)
Commissioned Services – Mental Health	3.312	4.572	1.260	1.363	(0.103)
Commissioned Services - Other	1.261	1.292	0.031	0.031	0.000
Sub-total – Commissioned Services	42.173	43.147	0.974	0.900	0.074
Adult Services Sub-total	53.612	54.200	0.588	0.739	(0.151)
Public Health	0.241	0.241	0.000	0.000	0.000
Total HECS	75.108	81.663	6.557	7.284	(0.727)

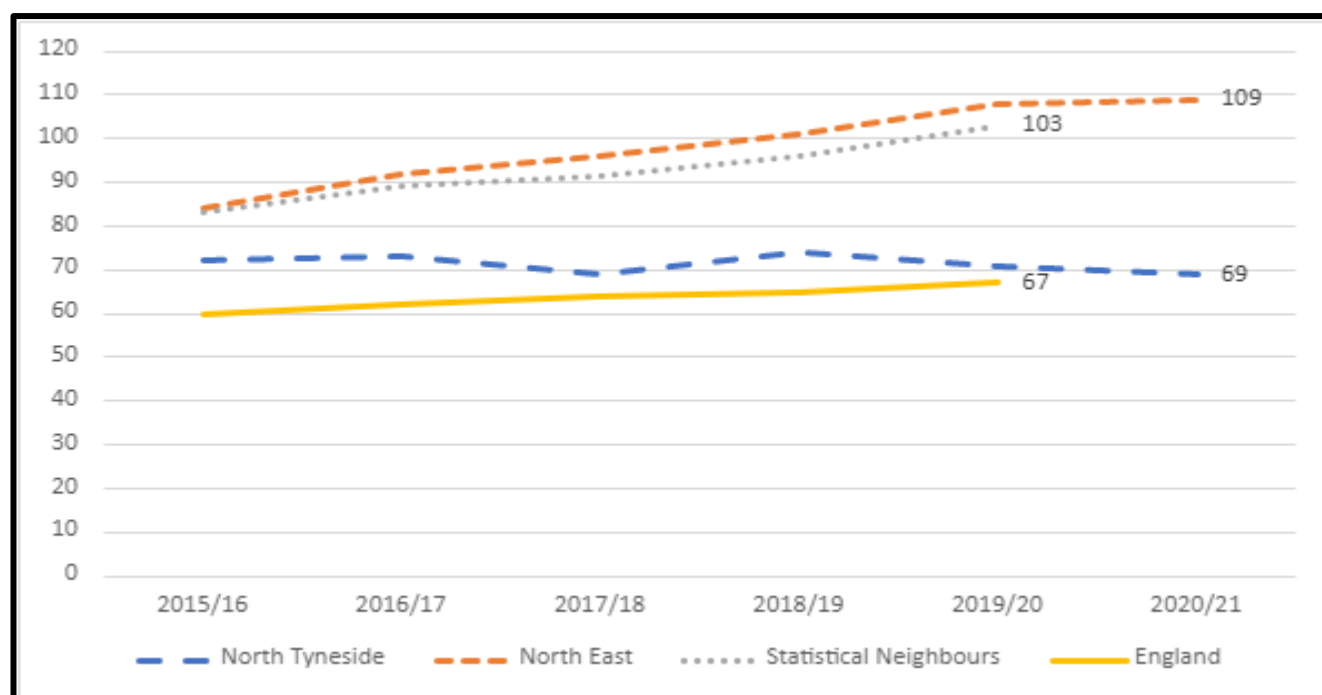
Main budget pressures across HECS

- 5.2.4 In addition to its response to the Covid-19 pandemic, HECS continues to manage a complex budget and is required to deal with a combination of funding arrangements, pressures and national policy changes. There are continuing upward pressures on care providers' fees partially resulting from the National Living Wage but which have become more acute with the operational impact of Covid-19 on care homes and issues around high vacancy levels in a small number of care homes within the borough. Dialogue continues with care providers around appropriate fee rates moving into 2022/23 and negotiations also continue around ensuring funding contributions from the NHS for clients with health needs as the North Tyneside Clinical Commissioning Group (NTCCG) themselves face continuing budget constraints.
- 5.2.5 The main factor behind the overall forecast position, however, is the significant pressure within Corporate Parenting and Placements in relation to care provision for children in care and care leavers. There is also a pressure relating to services for children with additional needs. In addition to care provision pressures, there are also on-going pressures in the workforce arising from staff retention costs and recruitment costs.

Children's Services

- 5.2.6 In Children's Services the £5.967m forecast pressure relates mainly to pressures of £4.996m in Corporate Parenting and Placements and £1.317m in Integrated Disability and Additional Needs. The pressures were foreseen by Cabinet and backed by £3.116m of centrally held contingencies. This position excludes Covid-19 related pressures of £4.153m which have been transferred to Central Items.
- 5.2.7 The improvement of £0.578m since the November report is across a number of areas. Within Corporate Parenting and Placements the improvement is mainly due to increased grant income in relation to Staying Close. Early Help and Vulnerable Families has seen a reduction in staffing forecasts and additional income from Public Health while Integrated Disability and Additional Needs has benefitted from additional income from Health and a reduced forecast in relation to short break costs.
- 5.2.8 In relation to the levels of children in care within North Tyneside, the most recent available national comparators from 2019/20, as demonstrated by Chart 2 below, shows that North Tyneside, although above the England average, has historically performed well within the North East region in relation to the rates of children in care.

5.2.9 Chart 2: Comparative Performance in Rates of Children in Care per 10,000 Children under 18



5.2.10 Although an amount of £3.116m is held as a contingency budget for children's services within Central Items, the budget within the service for the costs of looking after children who need to come into care is not sufficient for the relatively stable level of children who require these services. The costs for children who are formally not classed as in care but who required costed services also continues, as in previous years, to be significantly above budget. The service has completed an exercise in conjunction with colleagues in Finance, Performance and HR to identify growth requirements and saving opportunities as part of the ongoing development of the Medium-Term Financial Plan.

Corporate Parenting and Placements

5.2.11 The pressures within Corporate Parenting and Placements can be broken down as follows:

Table 18: Analysis of Pressures in Corporate Parenting and Placements

Type of Service	Budget £m	Variance Jan £m	Variance Nov £m	Change Since Nov £m
Care provision – children in care	9.188	2.710	2.802	(0.092)
Care provision – other children	3.147	0.800	0.877	(0.077)

Management & Legal Fees	(0.948)	0.835	0.699	0.136
Social Work	4.369	0.648	0.715	(0.067)
Safeguarding Operations	0.046	0.003	0.004	(0.001)
Total	15.802	4.996	5.097	(0.101)

5.2.12 The forecast has been developed based on the children in care as at the end of January 2022. The number in care at the end of January was 335 which was a net increase of 17 from the November figure of 318. The January forecast for the total number of care nights is now 110,247, an increase of 839 over the November forecasted nights, and higher than the total number of care nights delivered in 2020/21 which was 108,745. An increase in the number of children being cared for by in-house fostering has minimised the increased costs.

5.2.13 Table 19: Forecast cost, forecast variance, average placement cost and Placement mix

Placement Type	2021/22 Nov Variance	Average Annual Placement cost (£m)	Forecast Bed Nights Jan	Forecast Bed Nights Nov	Placement Mix	No. of children Jan 22	No. of children Nov 21
External Residential Care	0.964	0.143	8,140	8,140	7%	26	26
External Fostering	0.240	0.041	10,206	10,313	9%	25	27
In-House Fostering Service	0.510	0.022	68,487	67,722	62%	209	193
External Supported Accommodation	0.214	0.130	4,108	3,953	4%	19	17
Other*	0.782	various	19,306	19,280	18%	56	55
Total	2.710		110,247	109,408	100%	335	318

*Other includes Placed for Adoption, Placed with Parents/Parental Responsibility and NTC Children's Homes; the Annual Average Placement Cost represents the potential costs for a full year of those children in placements as at 31 January 2022.

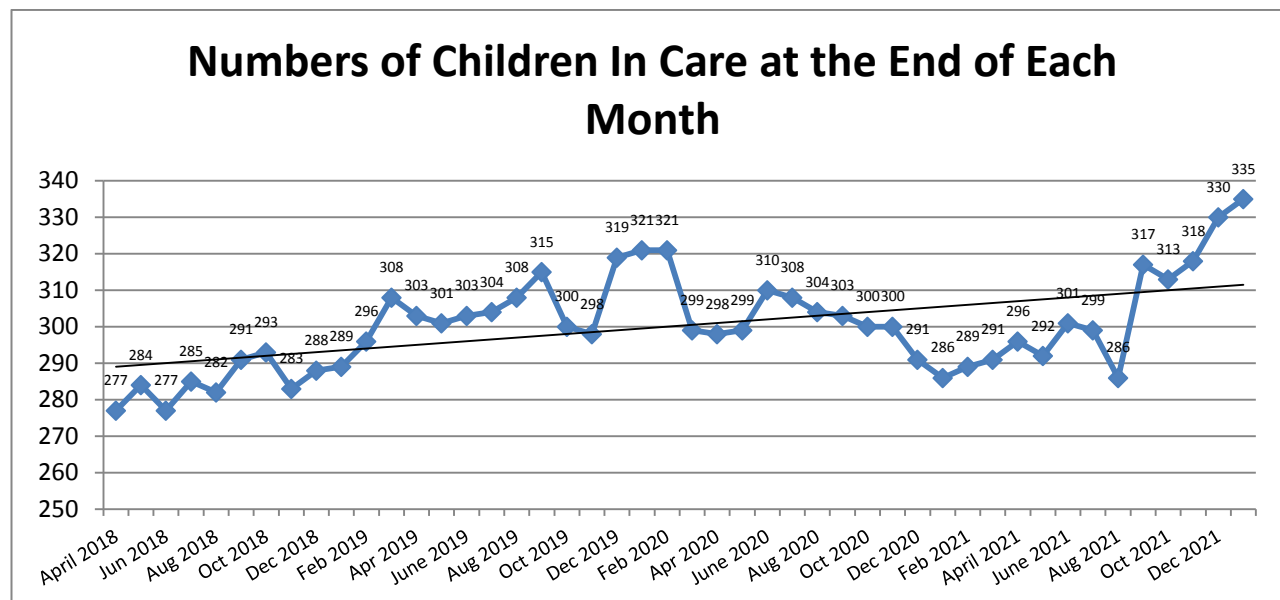
5.2.14 The number of children in care can be volatile and costs for individual children can be very high. There is a potential risk that the forecast could increase if numbers of care nights delivered on complex cases starts to rise above current levels. There is a concern that there may be future spikes in numbers of children in care as the potential economic effects of the Covid-19 crisis impact on families.

Care Provision – Children in Care

5.2.15 Over recent years, there has been an increasing trend nationally in demand for children's residential placements but with no corresponding increase in

government-funded provision. The trend in North Tyneside over the last few years is that the overall number of children in care has mirrored the increases being felt nationally. There has been an increase in January to 335 children and this trend is being watched carefully.

5.2.16 Chart 3: Children in Care at the End of Each Month



Care Provision – Children not in care

5.2.17 The pressure of £0.800m (November variance, £0.877m) relating to care provision for children not in the care system relates predominantly to children under a Special Guardianship Order (SGO). Cabinet will recall that the Authority's policy for supporting children in SGOs was amended in 2018 and that this brought about additional costs. The contingency budget of £3.116m established in Central Items was, in part, intended to mitigate against these costs.

Management and Legal Fees

5.2.18 This area has a forecast pressure of £0.835m which is increased from the variance within the November report of £0.699m. Pressures remain in relation to historic income targets but there has been an increase in forecasts relating to legal fees.

Social Work

5.2.19 Within the overall pressure of £4.996m for Corporate Parenting and Placements, there are social work-related pressures of £0.648m (November, £0.715m). The improvement is due to reduced forecasts due to continuing vacancies. There is an additional team in place of 6 posts costing £0.244m and market supplements across the service amounting to £0.142m. There are s17 assistance costs forecasted above budget level by £0.057m, transport and travel pressures of £0.016m and legal and professional fee pressures of £0.136m. Cabinet is aware

of the particular challenges faced across the children's social care sector nationally as caseloads per social worker remain high at just over 20 compared to the national average of 16.3 (for 2020). The additional social work costs within Children's services reflects the commitment not to use agency staff within front line teams.

Integrated Disability and Additional Needs (IDANS)

- 5.2.20 IDANS is forecasting a pressure of £1.317m (September variance was £1.564m). Pressures within IDANS should be seen within the national and local context of increasing numbers of children with Education Health and Care Plans (EHCPs). Within North Tyneside, the number of children with an EHCP has risen from 1102 in January 2018 to 2064 in January 2022. Within this service area the main pressures relate to operational staffing costs within in-house residential services of £0.334m. There are also forecast pressures of £0.219m in Educational Psychology relating to an increase in non-chargeable statutory work associated with increased levels of EHCPs for children with additional needs. There are pressures of £0.595m on externally commissioned short breaks and staffing pressures of £0.168m across the Statutory Assessment and Review (SAR) Team and the Disability Team. The improvement is due to a reduced forecast for short break services and increased income from Health.
- 5.2.21 The IDANS service is continuing to carefully review planned provision to identify any areas of spend which can be reduced without adverse impacts on the children and families receiving support.

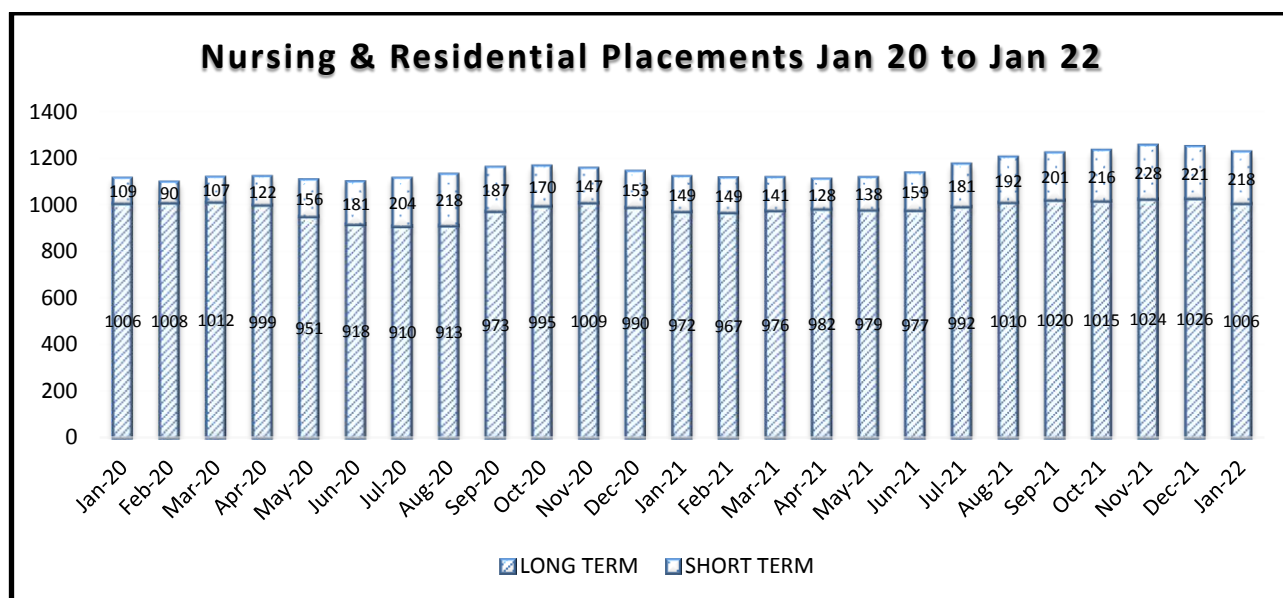
Adult Services

- 5.2.22 Adult Services are forecasted to show a pressure of £0.588m which compares to a forecast pressure of £0.739m in November. This position is after a total of £7.216m of Covid costs are transferred to Central Items to be offset against Covid related grants.
- 5.2.23 Adult Services continues to be heavily impacted by the Pandemic and other external factors. The lack of capacity in the homecare market initially reported in the summer has continued as care providers struggle to recruit and retain staff in a competitive jobs market. The lack of homecare capacity has contributed to higher levels of short-term placements into residential care. Hospital discharges are varying between 250 and 274 per month and remain higher than pre-Covid-19 levels of approximately 160.
- 5.2.24 Forecasted costs associated with the operational management of the service are showing an underspend of £0.386m, an improvement from the November position of an underspend of £0.161m. The change is due to revised assumptions around recruitment into vacancies and a further transfer of Covid related staffing pressures into Central Items to be shown against Covid grants.
- 5.2.25 There is a pressure within Commissioned Services – Mental Health (£1.260m) mainly due to three new high-cost clients who entered the service in March and April 2021. There are also pressures due to increased client numbers relating to residential and nursing care within Mental Health.

5.2.26 Forecasted pressures in Commissioned Services – Mental Health are offset by budget surpluses across Commissioned Services in Wellbeing and Assessment and Learning Disabilities.

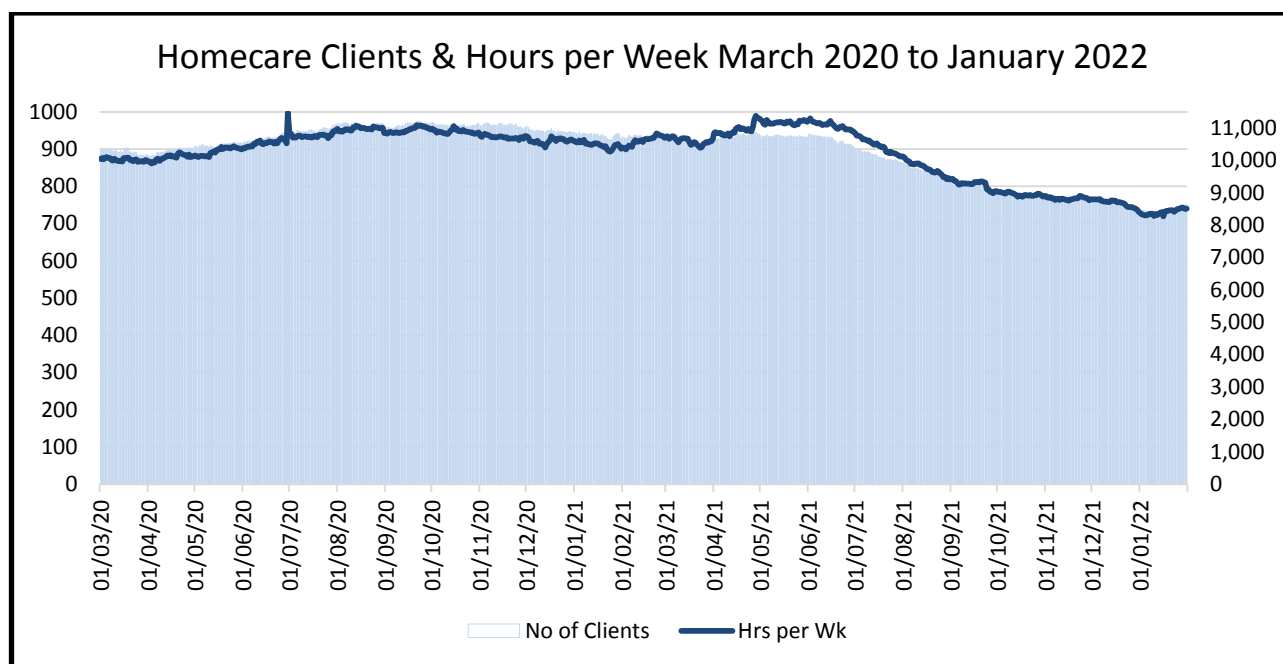
5.2.27 The overall numbers in residential and nursing care continued to rise to November before falling back slightly in December and more significantly in January. There has been a particular increase in short term placements due to the need to maintain rapid discharges from hospital and the lack of capacity in the homecare market.

5.2.28 **Chart 4: Numbers of Clients in Residential and Nursing Care Analysed between Short and Long Term**



5.2.29 The reduced numbers of clients receiving a homecare package and overall reduced number of hours delivered is shown in Chart 5 below. The position includes a prudent forecast for the cost of packages currently on a waiting list based on an assumption that they will be picked up by providers in the last two months of the financial year.

5.2.30 Chart 5: Homecare - Number of Clients and Planned Hours



5.3 Commissioning and Asset Management

5.3.1 Commissioning and Asset Management (C&AM) is showing a pressure of £1.232m (November, pressure of £1.260m) as set out in Table 19.

5.3.2 C&AM has also been heavily impacted by the Covid-19 Pandemic, particularly in relation to supporting schools and in relation to lost income with details shown in Section 4.

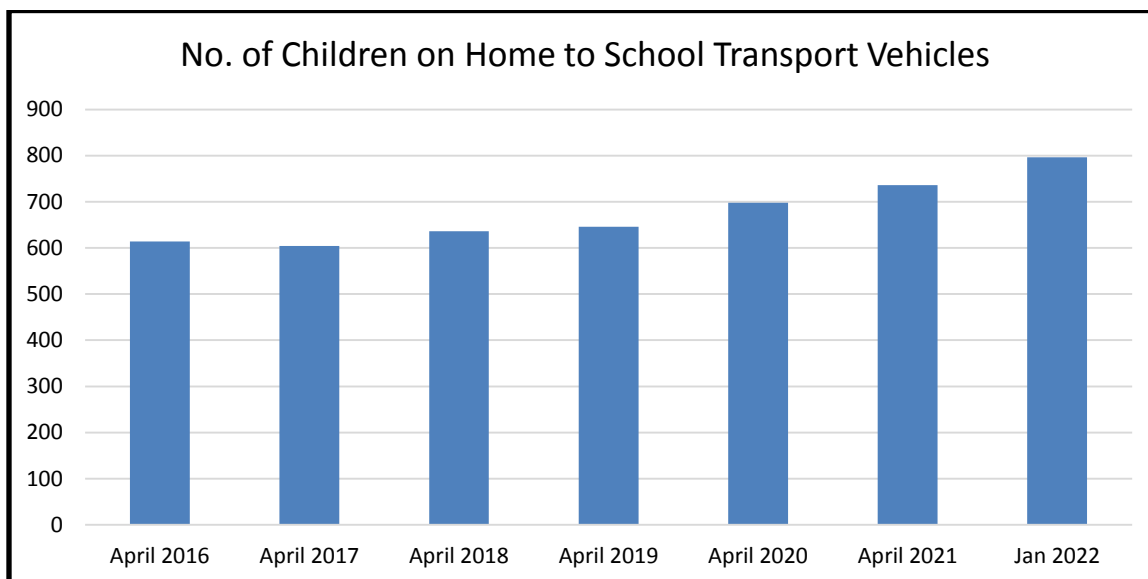
5.3.3 Table 20: Commissioning and Asset Management (C&AM) Forecast Variation

	Budget £m	Forecast Jan £m	Variance Jan £m	Variance Nov £m	Change since Nov £m
School Funding & Statutory Staff Costs	5.410	5.308	(0.102)	(0.102)	0.000
Commissioning Service	0.406	0.406	0.000	0.011	(0.011)
Facilities & Fair Access	0.412	1.704	1.292	1.291	0.001
Community & Voluntary Sector Liaison	0.441	0.399	(0.042)	(0.041)	(0.001)
Strategic Property & Investment	1.918	2.088	0.170	0.170	0.000

	Budget £m	Forecast Jan £m	Variance Jan £m	Variance Nov £m	Change since Nov £m
High Needs Special Educational Needs	0.000	0.000	0.000	0.000	0.000
Property	(0.727)	(0.727)	0.000	0.000	0.000
Commissioning & Asset Management & Support	0.161	0.159	(0.002)	(0.001)	(0.001)
Procurement	(0.008)	(0.092)	(0.084)	(0.068)	(0.016)
Grand Total	8.013	9.245	1.232	1.260	(0.028)

- 5.3.4 The main 'business as usual' budget issues relate to Facilities and Fair Access which is showing forecast pressure of £1.292m (November, forecast pressure of £1.291m). The pressure mainly relates to Home to School Transport (£1.157m). There are also pressures on the catering service of £0.182m due to increasing numbers of benefit-based free school meals and the consequential impact on loss of paid income. Inflationary pressures within Catering are also having an impact. There is also a pressure of £0.059m on car parking income in relation to Quadrant. These pressures are partially offset by an underspend in Cleaning of £0.079m.
- 5.3.5 The improvement in the position relates to Procurement which improved by a further £0.016m to an underspend of £0.084m due to additional funding from the HRA and from the North of Tyne Combined Authority. There has also been an improvement in staffing costs within the Commissioning team (£0.011m).
- 5.3.6 The Home to School Transport position, a pressure of £1.157m, relates to the sustained and increase in children with complex needs attending special schools. Demand pressures in High Needs is a known issue nationally and is also impacting on the High Needs budget within the Dedicated Schools Grant (see paragraphs 6.2 to 6.3 for more details). As a result of the increase in demand for home to school transport for children with additional needs, the number of children in vehicles has risen from 614 in April 2016 to 773 for the autumn term in 2021 as shown in Chart 6 below. Work is also continuing on route rationalisation using the new QRoute system however the requirement for continued social distancing has limited rationalisation opportunities.

5.3.7 Chart 6: Increase in Numbers of Children Accessing Home to School Transport



5.3.8 In addition to Facilities and Fair Access, within Strategic Property and Investment, the repairs and maintenance budget is forecasted to show a pressure of £0.200m due to the cost of essential repairs across the Authority's buildings. This is partially offset by recharges to capital budgets and other savings across this service area.

5.4 Environment, Housing & Leisure (EHL)

5.4.1 EHL is forecasting a saving of £0.019m against the £44.278m net budget, as set out in Table 21 below. The position includes a planned £0.583m draw-down of reserves for the street-lighting PFI contract and PFI buildings, plus a transfer to reserves of £0.214m for the waste contract.

5.4.2 The Covid-19 Pandemic continues to impact on EHL mainly in relation to lost income, with £2.405m of the £3.057m estimated impact is due to income-generating services being expected to operate at a lower level. This forecast is based on a high-level impact assessment of on-going income modelled on actual operating levels to January, with operations assumed to continue at lower than pre-pandemic levels for the remainder of the financial year.

5.4.3 Table 21: Forecast Variation in Environment Housing & Leisure

Service Areas	Budget £m	Forecast Jan £m	Variance Jan £m	Variance Nov £m	Change since Nov £m
Cultural Services	6.825	6.813	(0.012)	0.043	(0.055)
Local Environmental Services	7.527	7.655	0.128	0.035	0.093
Fleet Management	1.123	1.131	0.008	(0.022)	0.030

Service Areas	Budget £m	Forecast Jan £m	Variance Jan £m	Variance Nov £m	Change since Nov £m
General Fund Housing	1.198	1.268	0.070	0.070	0.000
Head of Service and Resilience	0.245	0.308	0.063	0.021	0.042
Security & Community Safety	0.107	0.054	(0.053)	(0.048)	(0.005)
Sport & Leisure	2.719	2.694	(0.025)	(0.099)	0.074
Street Lighting PFI	4.717	4.717	0.000	0.000	0.000
Consumer Protection & Building Control	0.987	0.976	(0.011)	(0.011)	0.000
Planning	0.247	0.247	0.000	0.000	0.000
Transport and Highways	7.187	7.225	0.038	0.038	0.000
Waste Delivery & Management	11.396	11.171	(0.225)	(0.198)	(0.027)
GRAND TOTAL	44.278	44.259	(0.019)	(0.171)	0.152

5.4.4 The movement in variance of £0.152m since the last Cabinet report reflects Sport & Leisure forecasting increased energy costs plus a further reduction in Bereavement income due to the delayed opening of the cremator (now expected in the new year). In mitigation of these increased pressures, Waste Delivery & Management is expecting a forecast underspend of £0.225m due to revised expectations of waste disposal costs and staffing savings, plus reduction in spend in libraries moving Cultural Services to a £0.120m forecast saving.

5.4.5 The following paragraphs outline the pressures in each service area with details of any variances or movement greater than £0.050m.

Sport & Leisure

5.4.6 Sport & Leisure is now expecting to report a forecast underspend of £0.025m which is an adverse change of £0.074m from the last reported position to Cabinet. The main causes for the variance change are increased Energy costs.

Waste Delivery & Management

5.4.7 Overall, the waste service areas are now expecting to report a forecast underspend of £0.225m which is an improvement of £0.027m from the last reported position. The main cause for the improved forecast underspend is due to a slight decrease in household waste.

Local Environmental Services

5.4.8 The income pressure in Bereavement has increased by £0.060m with repairs at the closed cremator now not expected to finish until after the new financial year.

Head of Service & Resilience

- 5.4.9 The service area has been impacted by the high costs of domestic homicide reviews increasing the pressure by £0.030m.

Consumer Protection & Building Control

- 5.4.10 There is a £0.120m pressure in the Capita managed budgets for taxi-licencing income targets, which is expected to be dealt with as part of the commercial discussions at year end with the technical partner.

5.5 Regeneration and Economic Development

- 5.5.1 Regeneration and Economic Development (RED) is forecasting a pressure of £0.150m following a £0.157m drawdown of reserves to meet costs of new senior management positions.

5.5.2 Table 22: Forecast Variation for Regeneration and Economic Development

	Budget	Forecast	Variance	Variance	Change
Service Areas	£m	Jan	Jan	Nov	since
		£m	£m	£m	Nov
					£m
Business & Enterprise	0.751	0.597	(0.154)	(0.057)	(0.097)
Regeneration	0.445	0.674	0.229	0.129	0.100
Resources & Performance	0.203	0.278	0.075	0.076	(0.001)
Grand Total	1.399	1.549	0.150	0.148	0.002

- 5.5.3 The variance reflects forecasts cost pressures within Regeneration of £0.229m linked to unforeseen and higher than expected expenditure across the Swans sites and within Resources & Performance of £0.075m mainly due to staffing pressures.
- 5.5.4 Business & Enterprise is showing a forecast saving of £0.154m, due to staffing savings and reduced operational spends. There are additional small underspends against budget forecast across the rest of the service.

5.6 Corporate Strategy

- 5.6.1 Corporate Strategy is forecasting a £0.028m pressure. The variance reflects a forecast underachievement in the 'cross-service' income target within Corporate Strategy Management, which is nearly fully mitigated by forecast underspends within Policy, Performance & Research and Participation & Advocacy.

5.6.2 Table 23: Forecast Variation Corporate Strategy

Service Areas	Budget £m	Forecast Jan £m	Variance Jan £m	Variance Nov £m	Change since Nov £m
Children's Participation & Advocacy	0.258	0.232	(0.026)	(0.015)	(0.011)
Corporate Strategy Management	(0.221)	(0.073)	0.148	0.140	0.008
Elected Mayor & Executive Support	0.018	0.028	0.010	0.008	0.002
Marketing	0.289	0.234	(0.055)	(0.044)	(0.011)
Policy Performance and Research	0.140	0.091	(0.049)	(0.060)	0.011
Grand Total	0.484	0.512	0.028	0.029	(0.001)

5.7 Resources and Chief Executive Office

5.7.1 Overall Resources and Chief Executive Office are currently forecasting a joint pressure of £0.664m, an adverse movement of £0.133m since November. The main reason for the movement a revised forecast for enforcement costs versus income, which now has a £0.404m pressure.

5.7.2 Table 24: Forecast Variation Resources and Chief Executive

Service Areas	Budget £m	Forecast Jan £m	Variance Jan £m	Variance Nov £m	Change since Nov £m
Chief Executive	(0.078)	(0.185)	(0.107)	(0.040)	(0.067)
Finance	(0.212)	(0.220)	(0.008)	0.009	(0.017)
ICT	2.876	3.016	0.140	0.140	0.000
Human Resources & Organisation Development	0.538	0.503	(0.035)	(0.007)	(0.028)
Internal Audit	(0.079)	(0.009)	0.070	0.017	0.053
Revenues & Benefits	0.520	1.124	0.604	0.432	0.172
Grand Total	3.565	4.229	0.664	0.551	0.113

5.7.3 The Revenues and Benefits service is showing an overall pressure of £0.604m. This is due mainly to full case reviews impacting on overpayments subsidy and drop in enforcement income versus cost of collection. The full pressure for Revenues & Benefits is made up of:

- Subsidy reporting an overall pressure of £0.131m and is due to eligible overpayments for which the Authority only receives 40% from the Department of Work and Pensions. This is offset in year by £0.054m Covid support for additional B&B costs.

- Overpayment income is now showing a pressure of £0.475m, due to a reduction in caseload and write off of outstanding, historic debt for vulnerable people.
- The movement in Bad Debt Provision is showing the opposite impact of the write-off mentioned above, with an improvement against budget of £0.292m.
- Enforcement income was currently forecasted to be in line with budget, however this has been updated to reflect actual cost of collection versus expected income, based on the latest cost of collection statistics. This leaves a pressure of £0.404m, which may be partially mitigated by the commercial discussions held with the business partner.
- The team's costs are showing a forecast saving of £0.060m, mainly reflecting vacancy savings.

5.7.4 There is a pressure within ICT as a result of the transfer of Education ICT income targets with a forecast £0.140m shortfall in SLA income within the service.

5.7.5 The remaining service areas within Resources are all forecasting small underspends for the year.

5.7.6 The Chief Executive's office is showing a saving of £0.107m, due to forecast savings in staffing and other operational spend. The change is due to reduced forecast spend on executive-led schemes and events until the new year.

5.8 **Law and Governance**

5.8.1 Law and Governance is forecasting an increased £0.541m pressure. This variance reflects forecasted cost pressures in Legal Services of £0.383m mainly relating to the employment of locums and other staff costs and £0.215m pressure for delivering North Tyneside Coroner services.

5.8.2 **Table 25: Forecast Variation for Law and Governance**

Service Areas	Budget £m	Forecast Nov £m	Variance Nov £m	Variance Sep £m	Change since Sep £m
Customer, Governance & Registration	(0.071)	(0.038)	0.033	0.032	0.001
Democratic and Electoral Services	0.031	0.052	0.022	0.055	(0.033)
Information Governance	0.159	0.048	(0.112)	(0.085)	(0.027)
Legal Services	(0.105)	0.278	0.383	0.290	0.093
North Tyneside Coroner	0.294	0.509	0.215	0.177	0.038
Grand Total	0.308	0.849	0.541	0.469	0.072

5.8.3 The variance change compared from the last reported forecast to Cabinet is due to increased income for Information Governance as well as lower employee costs

forecast across Democratic & Electoral Services partially offsetting the costs of locums and the coroner service.

5.9 **Central Items**

5.9.1 Central Items is forecasted to be in surplus by £8.478m, an improvement of £0.214m from the November report. The improvement is due to increased interest savings. The surplus figure of £8.478m includes the contingency budgets of £5.404m of which £3.116m of that budget provision relates to the pressure being experienced in Children's Services. The other main areas impacting the position are summarised below:

- Strain on the fund savings of £1.074m, due to minimum in-year costs anticipated this financial year.
- Minimum revenue provision savings of £0.550m,
- Interest savings on borrowing of £1.200m (November, £0.986m), both of these arising from re-profiling of the Investment Programme and use of cash balances to minimise borrowing.

5.9.2 Corporate and Democratic Core may see savings in 2021/22 due to anticipated pressures not being seen to materialise to date and the costs of pensions out of revenue but continues to be forecasted to be balanced.

5.9.3 **Table 26: Forecast Variation Central Budgets and Contingencies**

Service Areas	Budget £m	Forecast Jan £m	Variance Jan £m	Variance Nov £m	Change since Nov £m
Corporate & Democratic Core	4.315	4.315	0.000	0.000	0.000
Other Central Items	(7.329)	(15.807)	(8.478)	(8.264)	(0.214)
Grand Total	(3.014)	(11.492)	(8.478)	(8.264)	(0.214)

SECTION 6 - SCHOOLS FINANCE

6.1 2021/22 Budget Monitoring for Schools

6.1.1 Cabinet will recall that the overall level of school balances at the end of March 2021 was £3.721m compared to £0.165m as at March 2020. This represented an increase in balances of £3.556m.

6.1.2 The schools are still completing the second monitoring reporting, which will be completed by the end of February 2022. The first set of monitoring for the 2020/21 year reflected a £2.091m improvement against budget plans, as reported in November.

6.1.3 Table 27: School balance position against plan (committed and uncommitted)

Phase	OUTTURN 2020/21 £m	BUDGET PLAN 2021/22 £m	MONITORING 1 2021/22 £m	IMPROVEMENT 2021/22 £m
Nursery	0.124	0.082	0.074	(0.008)
First	1.291	0.832	0.910	0.078
Primary	6.055	3.061	3.537	0.476
Middle	1.013	0.414	0.506	0.092
Secondary	(5.577)	(9.808)	(8.915)	0.893
Special/PRU	0.815	(0.574)	(0.014)	0.560
Total	3.721	(5.993)	(3.902)	2.091

6.2 Update on DSG funding 2022/23 Allocations

6.2.1 In September 2017 the Department for Education (DfE) published the response to the stage 2 national funding formula consultation and confirmed the details of the National Funding Formula (NFF) for the Schools block. In 2022/23 the Dedicated Schools Grant (DSG) will continue to be comprised of four blocks covering: Schools, High Needs, Early Years and the Central School Services. Each of the four blocks has their own funding formula.

6.2.2 In 2022/23, as in 2020/21 and 2021/22, the Authority will receive its DSG funding based on the revised DfE National Funding Formula. The initial DSG allocation to the Authority for 2022/23 was published in December 2021 using the October 2021 census results. This shows the funding level for each mainstream school based on the NFF using the 2022/23 Primary Unit of Funding (PUF) and Secondary Unit of Funding (SUF) with October 2021 pupil numbers.

6.2.3 The link to the school level NFF allocations using October 2021 census data information is shown below: -

<https://www.gov.uk/government/publications/national-funding-formula-tables-for-schools-and-high-needs-2022-to-2023>

6.2.6 The North Tyneside final allocation for the Schools block, Central Schools Services block and High Needs block in 2022/23 (using updated census 2021 figures) is shown below with the 2017/18 to 2021/22 figures for comparison. The Early Years Block value for 2022/23 is based on 2021/22 rates and uses prior year pupil numbers, as the DfE have not published this information at time of writing.

6.2.7 Table 28: 2022/23 DSG allocation compared with prior year actuals

	2017/18 Base £m	2018/19 £m	2019/20 £m	2020/21 £m	2021/22* £m	Actual for 2022/23** £m	2021/22 to 2022/23 £m
Schools	115.395	116.594	120.926	126.794	137.231	139.273	2.042
Central Services	2.500	2.314	2.343	2.051	1.877	1.724	(0.153)
High Needs	18.680	19.291	19.818	22.319	26.709	28.747	2.038
Early Years Block	12.064	12.553	12.514	12.771	13.946	13.971	0.025
TOTAL	148.639	150.752	155.601	163.935	179.763	183.715	3.952
17/18 Base Move £m	-	2.113	6.962	15.296	31.124	35.076	
17/18 Base Move %	-	1.42%	4.68%	10.29%	20.94%	23.6%	
Change per Year £m	-	2.113	4.849	8.334	15.828	3.952	
Change per Year %	-	1.42%	3.22%	5.36%	9.66%	2.2%	

* Includes pay award and pension grants previously separate to DSG, now rolled into funding formula

** Excludes approx. £1.100m Rates funding now removed from the funding formula

6.2.8 Government has identified a further allocation of £4m funding for schools in 2022/23. Whilst we have been given indicative factors to allocate this to schools we are awaiting definitive allocations for each school.

6.3 Update on High Needs Block Balances 2021/22

6.3.1 Cabinet will recall from the previous finance report that the High Needs block of the Dedicated Schools Grant (DSG) was anticipating an in-year pressure of £3.763m in November, which raised the cumulative pressure on the block to £12.643m.

6.3.2 The forecast for the High Needs Block at January 2022 is now an anticipated in-year pressure of £4.533m with a cumulative position of £13.413m reflecting a further rise in demand for special school places within the Authority. A breakdown of the in-year pressure is shown in Table 29.

6.3.3 Table 29: Breakdown of High Needs Pressures at January 2022

Provision	Budget	Forecast January	Variance	Comment
	£m	£m	£m	
Special schools and PRU	15.519	17.803	2.284	Pressure on places for children with profound, Multiple Learning Difficulties, Social Emotional and Mental Health problems and Autism Spectrum Disorder
ARPs/Top ups	4.120	5.375	1.255	Pressures in pre 16 top ups e.g. Norham ARP
Out of Borough	2.890	3.735	0.845	Increased number of children placed outside North Tyneside Schools
Commissioned services	3.888	4.037	0.149	
In year Total	26.417	30.950	4.533	
2020/21 b/f			8.880	
Cumulative Total			13.413	

6.4 Early Years Block Update for 2021/22

6.4.1 The Early Years block is showing an expected balanced position as at January.

SECTION 7 - HOUSING REVENUE ACCOUNT

Forecast Outturn

7.1 The forecast set out in Table 30 below is based on the results to January 2022. Currently the HRA is forecasting an underspend of £0.748m against budget which is an improvement of £0.370m from November 2021. Throughout the remainder of the year, costs will continue to be monitored closely across all areas with additional focus on Rent Arrears and the effect this has on the bad debt provision. In addition, changes to prudent assumptions around rental income, Council Tax voids, Contingency and staffing vacancies will be monitored which could affect forecast outturn position. There have been a significant number of works identified as a result of the storms we have been experiencing, and a full programme of works is being commenced and further developed to address this over the coming months. All steps are being taken to try and contain the costs within contingency sums and existing budgets, but again this is being monitored closely and may result in an overspend if the costs of the works delivered in-year cannot be contained. Some comfort can then be gained from the fact that we have an overall improved position in-year within the HRA which should allow us to deal with any cost issues caused by the additional repairs being undertaken.

7.2 **Table 30: Forecast Variance Housing Revenue Account**

	Budget £m	Current Forecast £m	Variance £m
Management – Central	2.520	2.497	(0.023)
Management – Operations	4.767	4.662	(0.105)
Management – Strategy & Support	3.588	3.287	(0.301)
Capital Charges – Net Effect	12.969	12.969	0.000
Contingencies, Bad Debt & Transitional Protection	1.280	0.833	(0.447)
Contribution to Major Repairs Reserve – Depreciation	13.276	13.276	0.000
Interest on Balances	(0.050)	(0.060)	(0.010)
PFI Contracts – Net Effect	2.043	2.343	0.300
Rental Income - Dwellings, Direct Access Units, Garages	(60.995)	(61.066)	(0.071)
Rental Income – HRA Shops and Offices	(0.356)	(0.435)	(0.079)
Revenue Support to Capital Programme	10.551	10.551	0.000
Repairs	12.350	12.338	(0.012)
Total	1.943	1.195	(0.748)

7.3 The Covid-19 costs for HRA relate to unproductive workforce costs, as can be seen in Table 31 below.

7.4 Table 31: Forecast Impact of Covid-19 on HRA for 2021/22

Service Area	Covid Cost Pressure £m	Covid Income Pressure £m	Total Covid Pressure £m	Description
HRA – Workforce	0.076	0.000	0.076	Costs of carrying unproductive staff resource and related support costs during downtime, for staff delivering HRA-related work
Total	0.076	0.000	0.076	

Rental Income

- 7.5 There have been some small changes in trends for the different elements of Rental Income which have led to a small overall improvement on the previous budget forecast, increasing to an overall forecast underspend of (£0.150m). This is made up of a reduction in forecast General Needs Income (£0.025m); offset by improvements in Service Charge Income (£0.063m); Garage Rents (£0.033m); and rental income from other properties (£0.079m). This improving position will be monitored closely to see if there could be any further shift in the forecast during the final part half of the year.

Bad Debt Provision and Management Contingency

- 7.6 Main changes in the forecast relate to the Bad Debt Provision, as Arrears continue to rise but at a much slower rate than anticipated this will result in a reduced forecast underspend in-year of £0.250m. In addition, the Management Contingency is still forecast to be significantly underspent (£0.185m), which accounts for the overall £0.447m underspend in this area.

PFI Contract Costs

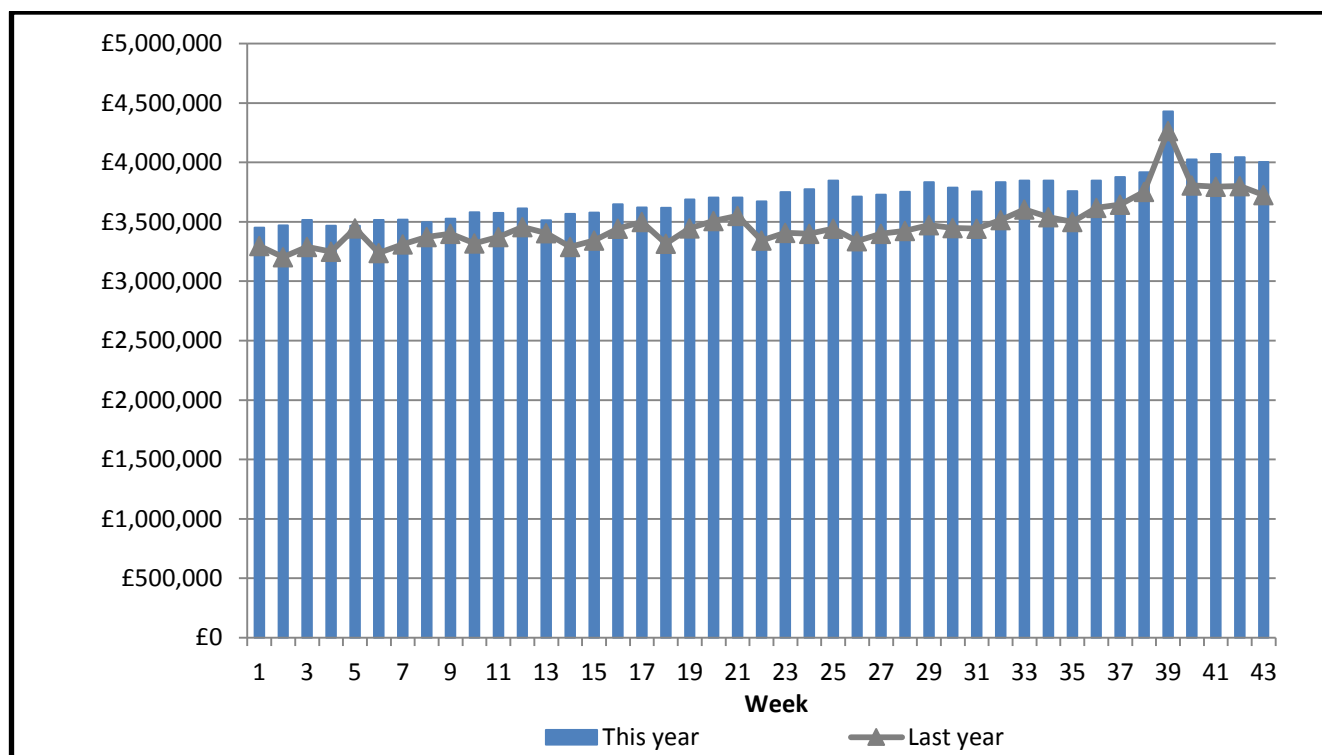
- 7.7 Following the precedent set in the previous two years because of the forecast overall improved position relating mainly to the Bad Debt Provision, the Authority is proposing to make an additional in-year contribution to the North Tyneside Living PFI Reserve (£0.300m), in order to bring the position back in line with the financial model more quickly, following a number of Use of Reserves decisions which borrowed over £4.000m from the Reserve, namely purchase of the HPC Fleet and the one-off £1.5m Settlement Agreement signed with the PFI Construction Contractor.

Rent Arrears

- 7.8 The impact of rent arrears has risen in the first ten months of 2021/22 as compared to 2020/21, however the rate of increase during those first ten months is slower than originally forecast, with current arrears increasing by around £0.545m during the period since the start of April 2021. Chart 7 below shows the value of current rent arrears in 2021/22 compared to the same period in 2020/21. A team is working proactively with tenants to minimise arrears, and this is being

closely monitored as the year progresses to identify any adverse impacts on the budget position. Last year saw a significant underspend against the bad debt provision, which had overspent for the previous two years. Based on the current rate of increase in arrears and the anticipated amount of bad debt to be written off this has led to the underspend declared above in-year. This was also considered and factored into the refresh of the HRA Business Plan which formed the basis of the 2022-23 HRA budget recently agreed by Cabinet. The impact of Universal Credit (UC) continues to be monitored, as significant increases in numbers on UC also affects the rate at which arrears grow.

7.9 Chart 7: Rent Arrears in Weeks 1-43 (April-Jan) 2021/22 compared to 2020/21



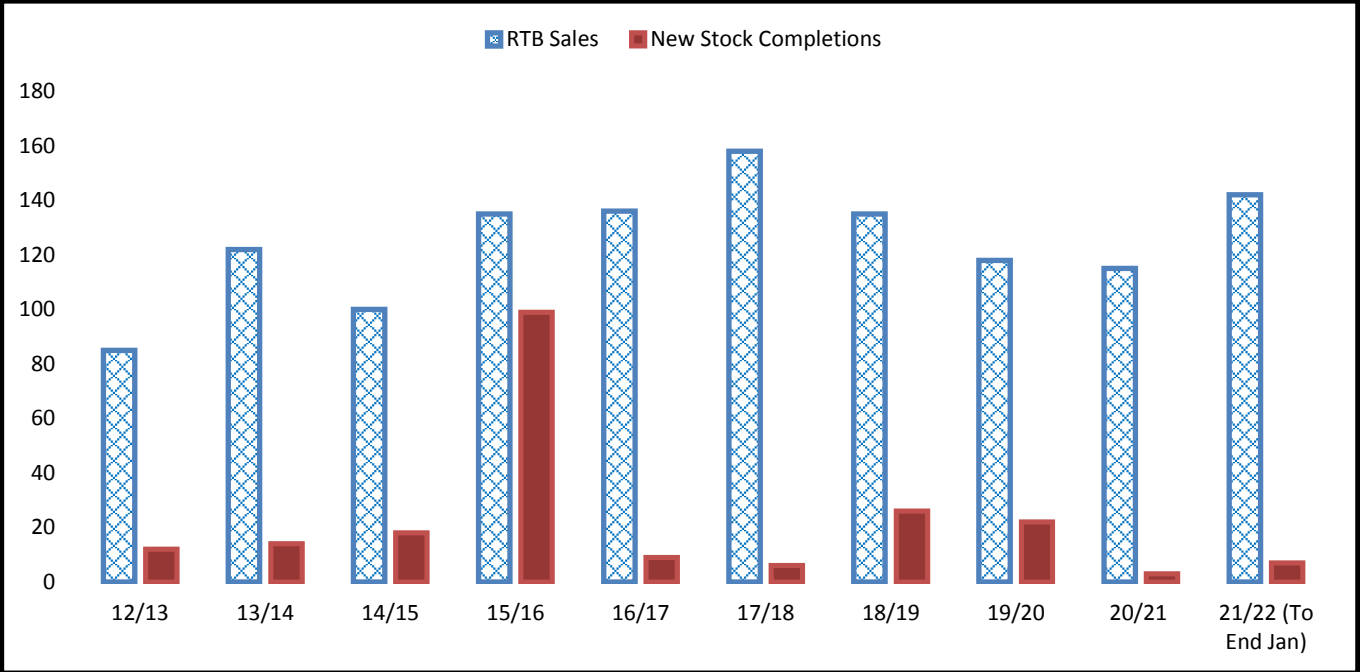
- 7.10 Universal Credit was fully implemented across North Tyneside on 2 May 2018. The Authority continues to work with residents to provide ICT support to help them make applications and to provide personal budget support to help residents manage their household finances. At 31 March 2021 there were 3,306 tenants of North Tyneside Homes on Universal Credit with arrears totalling £2.689m. By the end of January 2022 there were 3,753 tenants on Universal Credit (increase of 447 tenants) with related arrears of £3.116m (increase of £0.427m).

Right to Buy (RTB) Trends

- 7.11 The impact of RTB is critical to long-term planning for the HRA. Prior to the introduction of self-financing in 2012, average RTB sales had dropped to around 25 per annum, mainly due to the capped discount (£0.022m) which had remained static as property values had increased, making RTB less attractive financially to tenants. Shortly after self-financing began, Central Government announced a change to RTB significantly increasing the maximum discount, initially to £0.075m and then subsequently annual inflation was added to the maximum. Chart 8

below shows the trend in RTB sales since that time. There has been an upturn in sales in 2021-22, as 142 properties were sold to the end of January 2022 compared to 96 at the same stage last year.

7.12 **Chart 8: Yearly RTB Sales v New Stock Additions**



SECTION 8 - INVESTMENT PLAN

- 8.1 The Authority's Investment Plan represents the capital investment in projects across all Service areas. Officers continue to plan the delivery of those key projects included within the 2021/22 Investment Plan and regularly review the impact of Covid-19.
- 8.2 There is a continuing risk around the supply of materials and increased cost that could impact the works and services the Authority delivers. This is a national issue with material supply not being able to keep pace with delivery programmes alongside a range of rising costs. Work is on-going with both material suppliers and the wider supply chain to understand how significant these impacts could be on the delivery and cost of works and services during this year. Specific areas of concern are around the supply and costs of all steel based and softwood products, along with growing concerns around the supply of cement and glazing. A risk register around material supply is currently being developed to monitor the likelihood and impact of these risks materialising, however it looks increasingly likely that the Authority will have some supply issues and increased costs that will impact our works and services over the coming months. This will be reported through the bi-monthly monitoring reports to Cabinet.
- 8.3 The recent storms and their aftermath have created additional risks around delivery of the programme and the potential for further increases in costs. HPC staff have been redeployed as part of the clearance and rebuilding process meaning some ongoing projects have been suspended for temporary periods. Issues in the supply chain for some materials have also been exacerbated. The situation is being kept under constant review and any changes that arise will be reported through the bi-monthly monitoring reports to Cabinet.
- 8.3 Some of the key highlights of the Investment Plan due to be delivered during 2021/22 are summarised below:

Affordable Homes New Build and Conversion Works

- 8.4 There are currently 4 affordable home projects that will progress during 2021/22, these include:
- The construction of 12 new affordable homes on the former site of the Cedars, North Shields;
 - The construction of 9 new affordable homes on the former site of Bawtry Court, Battlehill;
 - Refurbishment and remodelling works to create 7 new affordable units at Charlotte Street, Wallsend; and,
 - Convert a Brownfield garage site in Falmouth Road, into 9 new affordable homes.

Housing Investment Work

- 8.5 The Housing Capital delivery programme will see the following works delivered across the borough during 2021/22:
- Kitchens and bathrooms to 678 homes;
 - Heating upgrades to 600 homes;
 - Window and doors replacements to 30 homes;
 - Boundary improvements to 830 homes;
 - Roof replacements to 227 homes;
 - External Brickwork Repairs to 223 homes;
 - Damp Proof Course restoration works to 26 homes;
 - Footpath repairs throughout the borough; and,
 - Fire door replacement to 55 communal blocks.

Education Investment Works

- 8.6 Delivery of the priority condition related projects across the school estate as part of the Schools Condition Investment Programme

Asset Investment works

- 8.7 Delivery of the priority condition related projects across the asset property estate as part of the Asset Condition Investment Programme

Highways and Infrastructure Works

- 8.8 The main Highways & Infrastructure works include:
- Delivery of the LTP including the annual resurfacing programme and integrated transport projects. Larger projects are the construction phase of the Pier Road stabilisation scheme preparation for the demolition of Borough Road Bridge;
 - Delivery of the Additional Highway Maintenance Programme including footway improvements in line with the Mayor's priorities; and,
 - Progression of the Tanners Bank highway improvement scheme at various junctions in North Shields.

Regeneration Works

- 8.9 Regeneration Works for 2021/22 include:
- North Shields – continuation of works for the North Shields Heritage Action Zone scheme for Northumberland Square and Howard Street and initial works for the transport hub;
 - Segedunum – completion of the project initiation document to enable the development of proposals and a strategy to secure match funding;
 - Work is ongoing examining the potential options for the enhancement of the facilities at Killingworth Lake; and,
 - Development of outline scope for the Waggonways project.

Variations to the 2021-2026 Investment Plan

8.10 Variations of £0.796m and reprogramming of £9.304m to the Investment Plan have been identified and are included in tables 36 and 37 below. Further details are provided in paragraph 8.11.

8.10.1 **Table 32: 2021 - 2026 Investment Plan changes identified**

	2021/22 £m	2022/23 £m	2023/24 £m	2024-26 £m	Total £m
Approved Investment Plan – Council 18 February 2021	68.611	43.305	42.858	90.796	245.570
Previously Approved Reprogramming/Variations					
2020/21 Monitoring	11.398	0.000	0.000	0.000	11.398
2020/21 Outturn	13.497	0.000	0.000	0.000	13.497
2021/22 August Cabinet	5.087	0.237	0.000	0.000	5.324
2021/22 September Cabinet	(10.480)	8.446	2.886	1.500	2.352
2021/22 November Cabinet	5.518	2.112	2.650	0.190	10.470
2021/22 March Cabinet	(6.103)	9.131	1.000	0.000	4.028
Approved Investment Plan	87.528	63.231	49.394	92.486	292.639
Dec/Jan 22 Monitoring Variations					
Variations	0.245	0.551	0.000	0.000	0.796
Reprogramming	(9.304)	9.304	0.000	0.000	0.000
Total Variations	(9.059)	9.855	0.000	0.000	0.796
Revised Investment Plan	78.469	73.086	49.394	92.486	293.435

8.11 Details of the main variations are shown below:

- (a) **BS026 Asset Planned Maintenance £0.320m (2022/23)** – Due to damage caused by storm Arwen there was significant structural damage to the roof at Tynemouth Pool, the Grants clock located on the sea front in Whitley Bay and the New York war memorial. The estimated total cost of these emergency works is £0.320m. This is requested to be funded from the Insurance reserve;
- (b) **BS031 Children's Home Capital Programme £0.201m (2022/23)** – A bid to the Department for Education's Children's Homes Capital Fund for £0.201m was successful. The grant will be used to fund the refurbishment of the Heatherfield Mews residential accommodation and to re-register this with Ofsted as two new children's home services;
- (c) **CO079 Playsites £0.030m (2022/23)** – This project will utilise £0.030m of Section 106 funding to make improvements to play areas, including new equipment and safer surfaces at Wilton Drive and Earsdon Village;
- (d) **DV079 Howard Street Cultural Quarter £0.060m** – A gateway 3 has been submitted to the Investment Programme Board (IPB) to increase the budget to

reflect additional Heritage Action Zone (HAZ) funding issued since the Gateway 2 was submitted. This brings the total amount of grant available to £0.600m;

- (e) **EV056 Additional Highways Maintenance £0.110m** – Due to damage caused by storm Arwen there were a significant number of trees uprooted resulting in an immediate requirement to make safe damaged areas and to implement a programme of reinstatement works. The estimated total cost of this emergency capital works will be up to £0.110m. This is requested to be funded from the Insurance reserve;
- (f) **EV076 Operational Depot Accommodation Review £0.700m (2022/23)** – Allocation of £0.700m from GEN03 Contingencies in 2022/23 address the budget pressures and enable the project to be completed;
- (g) **GEN12 Local Infrastructure £0.038m credit** – The programme of works has now been finalised and has resulted in a surplus budget. The balance of £0.038m is to be transferred back to GEN03 Contingencies;
- (h) **NEW Gateways to the Boroughs £0.100m (2022/23)** - The aim of this project is to improve the 12 main strategic gateways into North Tyneside helping to build a sense of place, identity and civic pride for residents and visitors across the Borough. The project will be delivered in three phases during 2022/23. This is to be funded from an allocation of £0.100m from GEN03 Contingencies;
- (i) **NEW Spirit of NT Commemoration Project £0.250m** – The project is to create five lasting physical memorial areas for contemplation and reflection in recognition of the impact of the Covid-19 pandemic in each of the four parts of the borough. The project is to be funded in part by a contribution from GEN03 Contingencies £0.175m and Section 106 funding £0.075m. Officers will continue to explore additional funding opportunities through Section 106 contributions. Should additional contributions be identified, this would reduce the Authority's contribution to the project; and,
- (j) **GEN03 Contingencies £0.937m credit** – This adjustment is to reflect the allocation to/from contingencies to projects detailed above in (f) - (i).

8.12 In addition to the variations reported, there has been £9.304m reprogramming identified. The reprogramming is reflected in the following projects:

- (a) **DV064 Council Property Investment £0.500m** – Following a previously reported award of Brownfield funding £1.300m, there is now a requirement to reprogramme £0.500m of the Council Contribution element to 2022/23;
- (b) **DV066 Investment in North Tyneside Trading Co £3.508m** – £1.959m of Council Contribution to be reprogrammed due to the start on site dates for Aurora Properties Schemes that are now due to start in 2022/23 and also £1.549m of Section 106 funds to be programmed to align to the completion of affordable homes purchases by Aurora Affordable Homes that are unlikely to complete this financial year;

- (c) **DV076 Getting Building Fund (GBF) (North Shields Public Realm) £0.988 –**
The reprogramming is to reflect delivery and to maximise the Heritage Action Zone grant from Homes England by utilising that funding before GBF;
- (d) **DV078 Bedford Street / Saville Street £0.081m –**Reprogramming of £0.081m to allow the continuation of the design work on Saville Street following the outputs of the servant plan;
- (e) **ED190 High Needs Provision Capital Allocation £0.550m & ED120 Basic Need £0.200m –** The expected delivery and installation of the mobile units at Southland School is now expected in 2022/23. This project is funded by both High Needs Capital and Basic Need and both of these require reprogramming to next financial year;
- (f) **EV055 Surface Water Improvements £0.241m –** Following a review of the programme there is a requirement to reprogramme £0.241m to reflect service delivery into 2022/23;
- (g) **EV076 Operational Depot Accommodation Review £1.300m –** A number of packages for Block F and External works are currently out to tender and it is anticipated that the works will commence in 2022/23. Therefore £1.300m reprogramming is required;
- (h) **EV096 Highway Maintenance Challenge Fund £0.325m -** Design will now take place later than expected and no construction until 2022/23 so reprogramming of £0.325m is required;
- (i) **HS015 Refurbishment / Decent Homes Improvements £1.559m –**
Reprogramming of £1.559m is required due to the follow issues; An increased number of Covid-isolations for the frontline teams and supply chain contractors, minor delays following Storm Arwen and the redeployment of frontline teams to help with debris clearance. Also, along with delays to the movement of electric meters being reported by statutory bodies in some homes, there is delay on two Kitchen and Bathroom replacement schemes. Finally, due to the availability of contractors and materials, it is now increasing unlikely that we will be able to deliver and expend the full commitments around installation of additional Solar PV arrays across our stock; and,
- (j) **HS039 ICT Infrastructure Works £0.052m –** There were no suitable tenders submitted for our 'Unified System', therefore there is a requirement to go back out to market and this will slightly delay the project.

8.13 The impact of the above changes on capital financing is shown in table 33 below.

8.13.1 **Table 33: Impact of variations on Capital financing**

	2021/22 £m	2022/23 £m	2023/24 £m	2024-26 £m	Total £m
Approved Investment Plan	87.528	63.231	49.394	92.486	292.639
Council Contribution	(2.779)	2.779	0.000	0.000	0.000
Grants and Contributions	(4.779)	5.145	0.000	0.000	0.366
Contribution from Reserves	0.110	0.320	0.000	0.000	0.430
HRA Capital Receipts	(0.750)	0.750	0.000	0.000	0.000
HRA Major Repairs Reserve	(0.861)	0.861	0.000	0.000	0.000
Total Financing Variations	(9.059)	9.855	0.000	0.000	0.796
Revised Investment Plan	78.469	73.086	49.394	92.486	293.435

Capital Receipts – General Fund

8.14 General Fund Capital Receipts brought forward at 1 April 2021 were £2.583m. The capital receipts requirement for 2021/22, approved by Council in February 2021, was £0.423m (2021-26 £0.677m). There was reprogramming of capital receipts from 2020/21 of £0.342m giving a revised requirement of £0.765m for 2021/22 (2021-26 £1.019m). To date £1.204m useable capital receipts have been received in 2021/22, of which £0.100m are to be used to repay debt. In addition, £5.125m has been received from Aurora to repay loans. The receipts position is shown in table 34 below.

8.14.1 **Table 34: Capital Receipt Requirement – General Fund**

	2021/22 £m	2022/23 £m	2023/24 £m	2024-26 £m	2021-26 Total £m
Requirement reported to 8 February 2021 Council	0.423	0.254	0	0	0.677
Reprogramming 2020/21 Outturn	0.342	0	0	0	0.342
Revised Requirement	0.765	0.254	0	0	1.019
Receipts Brought Forward	(2.583)	(2.922)	(2.668)	(2.668)	(2.583)
Total Receipts received 2021/22	(6.329)	0	0	0	(6.329)
Receipts used to repay capital loans	5.125	0	0	0	5.125
Receipts used to repay debt	0.100				0.100
Net Useable Receipts	(1.104)	0	0	0	(1.104)
Surplus Receipts	(2.922)	(2.668)	(2.668)	(2.668)	(2.668)

Capital receipts – Housing Revenue Account

- 8.15 Housing Capital Receipts brought forward on 1 April 2021 were £8.263m. The housing receipts are committed against projects included in the 2021-2026 Investment Plan. The approved Capital Receipt requirement for 2021/22 was £0.750m. This, together with the reprogramming and variations reported to Cabinet, gives a revised requirement of £1.110m. To date, receipts of £8.172m have been received in 2021/22. Previously pooling of receipts was paid quarterly to Central Government but the requirement has changed to an annual pooling payment. Therefore, subject to future pooling, this leaves a surplus balance of £15.325m to be carried forward to fund future years.

8.15.1 Table 35: Capital Receipt Requirement - Housing Revenue Account

	2021/22 £m	2022/23 £m	2023/24 £m	2024-26 £m	2021-26 £m
Requirement reported to February 2021 Council	0.750	1.886	2.871	5.673	11.180
Reprogramming 2020/21 Outturn	1.124	0.000	0.000	0.000	1.124
Variations August 21 Cabinet	0.173	0.000	0.000	0.000	0.173
Reprogramming Jan 21 Cabinet	(0.187)	0.187	0.000	0.000	0.000
Reprogramming Mar 22 Cabinet	(0.750)	0.750	0.000	0.000	0.000
Revised Requirement	1.110	2.823	2.871	5.673	12.477
Receipts Brought Forward	(8.263)	(15.325)	(12.502)	(9.631)	(8.263)
Receipts Received 2021/22	(8.172)	0.000	0.000	0.000	(8.172)
Receipts Pooled Central Government	0.000	0.000	0.000	0.000	0.000
(Surplus)/ Balance To be generated to fund future years (subject to further pooling)	(15.325)	(12.502)	(9.631)	(3.958)	(3.958)

The final figure for useable receipts and pooled receipts in year will depend on the final number of Right to Buy properties sold during 2021/22.

Investment Plan Monitoring Position to 31 January 2022

- 8.16 Actual expenditure for 2021/22 in the General Ledger was £43.360m; 55.26% of the total revised Investment Plan at 31 January 2022.

8.16.1 Table 36: Total Investment Plan Budget & Expenditure to 31 January 2022

	2021/22 Revised Investment Plan £m	Actual Spend to 31 Jan 2022 £m	Spend as % of revised Investment Plan %
General Fund	49.423	25.415	51.42%
Housing	29.046	17.945	61.78%
TOTAL	78.469	43.360	55.26%

SECTION 9 – TREASURY MANAGEMENT & CASH POSITION

Current Cash Position

- 9.1 The Authority's current available cash balance as at the end of January 2022 is £46.167m, with £25.000m invested externally with other UK Local Authorities. All investments are made in line with the approved Treasury Management Strategy.

Since the last report, the Bank of England has raised base rate from 0.10% to 0.50% in two increments. A rise in Dec 2021 from 0.10% to 0.25%, followed by another rise from 0.25% to 0.50% in Feb 2022.

The rise in bank rate is a response to the increased levels of inflation which is forecast to peak to over 7% in April 2022.

The Bank of England committee updated their inflation forecast anticipating base rate to rise to 1.50% by mid-2023.

The Authority remain well positioned with surplus cash available to facilitate future uncertainties.

9.2 **Table 37: Investment Position as at 31/01/2022**

Counterparty	Type	Amount (£m)	Maturity
DMO	Term	19.500	01 Feb 2022
DMO	Term	10.000	14 Feb 2022
DMO	Term	10.000	07 Mar 2022
Barclays	Call	1.667	n/a
Lloyds Bank	Call	5.000	n/a
Inter – LA	Fixed	25.000	16 Dec 2022*

**This is the last maturity of this tranche.*

- 9.3 Due to the continued low interest rate environment the strategy will remain to repay maturing debt.

Short-term cash investment rates remain at all-time lows and an opportunity has been taken to maximise investment returns by investing longer and locking in investment returns by undertaking forward dated transactions. Forecast investment income excluding DMO investment is anticipated to be £0.081m for the year 2021/22.

- 9.4 The approach of maintaining low cash balances has been part of the strategy for a number of years and has generated substantial savings year on year. Following the rise in Bank of England base rate the Market as seen an instant response to the increase with a rise in all investment and borrowing rates. The Authority is keeping a watching brief on market rates and may look to undertake borrowing at an optimum time to potentially de-risk the Authority's borrowing position.

9.5 Table 38: Summary of Borrowing Levels

Temporary Market		PWLB	
Tenor	Level	Tenor	Level
1 week	0.20%	2 years	2.19%
1 month	0.30%	5 years	2.31%
3 months	0.50%	10 years	2.45%
6 months	0.70%	20 years	2.61%
9 months	0.90%	30 years	2.54%
12 months	1.00%	50 years	2.28%

**Please note interest rates are as 18 Feb 2021*

PWLB rates do not include certainty rate reductions,

- 9.6 Any shortfalls in cashflow are covered by in year temporary borrowing, which is a quick and cost-effective method of cash management in the current situation.

Borrowing Position

- 9.7 Table 39 shows the Authority's current debt position.

Table 39: Current Debt Position

	PWLB (£m)	LOBO (£m)	Temp (£m)	Total (£m)
Total Outstanding Borrowing Debt	397.443	20.000	0.000	417.443
Debt Maturing 2021/22	0.000	0.000	0.000	0.000

Covid-19 Impact on Cash

- 9.8 The impact of Covid-19 on cashflow for the Authority has resulted in several large grants being front loaded and a lumpy grant income profile to the Authority. In March 2020, the Authority drew down £25.000m of PWLB to bolster the Authority's cash position, de-risk our borrowing requirement and take advantage of historically low levels in PWLB, and by doing so has contributed to the continued the surplus cash balance. Whilst a proportion of this is currently invested out for a fixed term, the Authority is currently carrying a cash surplus balance. However, it is anticipated this surplus will unwind as the Authority resumes business as usual and expenditure previously put on hold due to the pandemic can resume. Projected reduced revenue streams, increased costs and repayment of outstanding debt is forecast to utilise cash balances within the year. It is therefore prudent to assume the Authority will be in a deficit cash position to the amount of the projected budget pressure.

The Authority is under-borrowed to the value of £95.166m as at 31 March 2021, and whilst the Authority cannot borrow to fund this revenue pressure however, it can look to utilise reserves, unwind its under-borrowed position and externalise borrowing.

Money Market Funds

- 9.9 The Authority is currently looking at Money Market Funds to provide additional liquid investment options. The funds are an approved investment instrument within the Treasury Management strategy.

SECTION 10 – SUPPORT TO RESIDENTS

- 10.1 Section 4 looks specifically at the Covid-19 grants the Authority has received and provides a snapshot of the position as at 31 January 2022. As the Authority transitions from recovery to building a better North Tyneside, this section will look in more detail at the support the Authority has been able to offer to its residents, how it has utilised the funding provided by Government and how it has also put forward funding of its own to keep the most vulnerable in the Borough safe and supported during the pandemic.
- 10.2 From the start of the pandemic, the Government has provided the Authority with £8.544m of Covid-19 grants aimed at supporting Residents, a further £4.465m of grant funding has been supplied to the Authority to support Residents during the recovery from Covid-19 during 2021/22. Cabinet created the Poverty Intervention Fund in 2020/21, allocating £1.000m to support its most vulnerable Residents. In total £14.009m has been earmarked to supporting Residents. Table 40 breaks down this funding in more detail.

Table 40: Funding to Support Residents

Name of Grant / Source	Amount Awarded £m	Expenditure (Inception to Date) £m	Amount Committed £m	Amount Available £m
Covid-19 Grants				
Test & Trace Grant	(1.140)	0.958	0.182	0.000
Test & Trace Support Payments	(2.178)	1.782	0.396	0.000
Hardship Grant 2020/21	(2.024)	1.734	0.290	0.000
Emergency Assistance Grant	(0.256)	0.252	0.004	0.000
Practical Support Framework	(0.412)	0.064	0.348	0.000
Clinically Extremely Vulnerable	(0.705)	0.502	0.203	0.000
Winter Grant	(0.845)	0.845	0.000	0.000
Rapid Testing in the Community	(0.225)	0.225	0.000	0.000
Local Support Grant	(0.759)	0.917	(0.158)	0.000

Name of Grant / Source	Amount Awarded £m	Expenditure (Inception to Date) £m	Amount Committed £m	Amount Available £m
Other Government Funding				
Hardship Fund 2021/22	(2.066)	1.586	0.480	0.000
Holiday Activities & Food Programme	(0.789)	0.737	0.052	0.000
Household Support Grant	(1.610)	1.251	0.359	0.000
Authority Support				
Poverty Intervention Fund	(1.000)	0.655	0.345	0.000
Total	(14.009)	11.508	2.501	0.000

10.3 The £11.508m has been utilised in a number of ways to ensure the residents of the Borough stayed safe. The key highlights of the activity undertaken during the height of the pandemic were summarised in the previous report.

10.4 As we transition to living alongside the virus, the successful completion of the recovery programme signalled an end to the Authority's emergency response and a return to a business-as-usual state, with the focus on building a better North Tyneside, creating the conditions for a Borough that continues to thrive. As part of that and a refreshed Our North Tyneside Plan the Authority will continue to support its Residents through the allocation of the remaining funding outlined in the above table. More detail on the projects can be found in the previous report.

	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	Total £000
General Fund						
BS026 Asset Planned Maintenance						
Council Contribution	1,770	1,500	1,500	1,500	1,500	7,770
Section 106	9	0	0	0	0	9
Capital Receipts	32	0	0	0	0	32
Contribution from Reserves (Insurance)	244	320	0	0	0	564
BS026 Asset Planned Maintenance Total	2,055	1,820	1,500	1,500	1,500	8,375
BS029 Wallsend Customer First Centre						
Council Contribution	397	0	0	0	0	397
North of Tyne Combined Authority	250	0	0	0	0	250
BS029 Wallsend Customer First Centre Total	647	0	0	0	0	647
BS030 Public Sector Decarbonisation Scheme						
Council Contribution	450	0	0	0	0	450
Low Carbon Skills Grant	3,289	0	0	0	0	3,289
BS030 Public Sector Decarbonisation Scheme Total	3,739	0	0	0	0	3,739
BS031 Childrens Home Capital Programme						
Dept for Education - Childrens Home Capital Fund	0	201	0	0	0	201
BS031 Childrens Home Capital Programme Total	0	201	0	0	0	201
CO079 Playsites						
Section 106	82	30	0	0	0	112
CO079 Playsites Total	82	30	0	0	0	112
CO080 Burradon Recreation Ground						
Section 106	107	0	0	0	0	107
CO080 Burradon Recreation Ground Total	107	0	0	0	0	107
CO081 Gosforth Nature Reserve Grey Squirrel Control and Enhancements						
Section 106	65	0	0	0	0	65
CO081 Gosforth Nature Reserve Grey Squirrel Control and Enhancement	65	0	0	0	0	65
CO082 Sport and Leisure Facility Improvements						
Contribution from Reserves (Leisure)	18	0	0	0	0	18
CO082 Sport and Leisure Facility Improvements Total	18	0	0	0	0	18
CO083 Whitley Bay Crematoria						
Council Contribution	1,379	0	0	0	0	1,379
CO083 Whitley Bay Crematoria Total	1,379	0	0	0	0	1,379
CO085 Northumberland Park Labyrinth						
Section 106	19	0	0	0	0	19
Contribution from Friends of Northumberland Park	25	0	0	0	0	25
Revenue Contribution (05582)	2	0	0	0	0	2
CO085 Northumberland Park Labyrinth Total	46	0	0	0	0	46
CO086 North West Library Improvements						
Section 106	0	129	0	0	0	129
CO086 North West Library Improvements Total	0	129	0	0	0	129
CO087 Contours Gym Improvements						
Section 106	9	75	0	0	0	84
Contribution from Reserves (Leisure)	0	93	0	0	0	93
CO087 Contours Gym Improvements Total	9	168	0	0	0	177
DV058 Swan Hunters Redevelopment						
Council Contribution	13	0	0	0	0	13
DV058 Swan Hunters Redevelopment Total	13	0	0	0	0	13
DV064 Council Property Investment						
Council Contribution	235	800	0	0	0	1,035
North of Tyne Combined Authority - Brownfield Housing Fund	1,300	0	0	0	0	1,300
DV064 Council Property Investment Total	1,535	800	0	0	0	2,335
DV066 Investment in North Tyneside Trading Co						
Council Contribution	0	1,959	0	0	0	1,959

	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	Total £000
Section 106	1,864	1,549	0	0	0	3,413
DV066 Investment in North Tyneside Trading Co Total	1,864	3,508	0	0	0	5,372
DV067 Northern Promenade						
Council Contribution	150	0	0	0	0	150
Capital Receipts	223	0	0	0	0	223
Revenue Contribution (08252)	577	0	0	0	0	577
DV067 Northern Promenade Total	950	0	0	0	0	950
DV068 Southern Promenade						
Environment Agency Grant	193	0	0	0	0	193
DV068 Southern Promenade Total	193	0	0	0	0	193
DV071 Section 106 Contributions to Set Up Health Facilities						
Section 106	228	36	0	0	0	264
DV071 Section 106 Contributions to Set Up Health Facilities Total	228	36	0	0	0	264
DV073 Ambition for North Tyneside						
Council Contribution	0	254	1,225	2,000	0	3,479
Capital Receipts	63	254	0	0	0	317
Historic England - Heritage Action Zone	0	0	0	0	0	0
Revenue Contribution (08252)	0	746	500	0	0	1,246
DV073 Ambition for North Tyneside Total	63	1,254	1,725	2,000	0	5,042
DV074 North Shields Heritage Action Zone (Ambition)						
Council Contribution	705	116	87	0	0	908
Historic England - Heritage Action Zone	725	115	86	0	0	926
DV074 North Shields Heritage Action Zone (Ambition) Total	1,430	231	173	0	0	1,834
DV075 Town & Neighbourhood Centres (Ambition)						
ERDF	34	0	0	0	0	34
DV075 Town & Neighbourhood Centres (Ambition) Total	34	0	0	0	0	34
DV076 Getting Building Fund (North Shields Public Realm)						
NELEP - Getting Building Fund	2,398	988	0	0	0	3,386
DV076 Getting Building Fund (North Shields Public Realm) Total	2,398	988	0	0	0	3,386
DV077 Tyne Brand Development Site						
North of Tyne Combined Authority - Brownfield Housing Fund	25	1,475	2,650	190	0	4,340
DV077 Tyne Brand Development Site Total	25	1,475	2,650	190	0	4,340
DV078 Bedford Street / Saville Street						
Council Contribution	119	81	0	0	0	200
DV078 Bedford Street / Saville Street Total	119	81	0	0	0	200
DV079 Howard Street Cultural Quarter						
Council Contribution	200	0	0	0	0	200
Historic England - Heritage Action Zone	600	0	0	0	0	600
DV079 Howard Street Cultural Quarter Total	800	0	0	0	0	800
ED075 Devolved Formula Capital						
Education Funding Agency (Devolved)	1,306	1,079	579	579	579	4,122
ED075 Devolved Formula Capital Total	1,306	1,079	579	579	579	4,122
ED120 Basic Need						
Education Funding Agency (Basic Need)	39	2,214	113	113	113	2,592
ED120 Basic Need Total	39	2,214	113	113	113	2,592
ED132 School Capital Allocation						
Education Funding Agency (SCA)	4,867	4,334	3,534	3,534	3,534	19,803
ED132 School Capital Allocation Total	4,867	4,334	3,534	3,534	3,534	19,803
ED189 School Nursery Capital Fund						
Education Funding Agency (Devolved)	25	0	0	0	0	25
Education Funding Agency (SNCF)	77	0	0	0	0	77
ED189 School Nursery Capital Fund Total	102	0	0	0	0	102
ED190 High Needs Provision Capital Allocation						
Education Funding Agency (High Needs)	113	550	0	0	0	663
ED190 High Needs Provision Capital Allocation Total	113	550	0	0	0	663
EV034 Local Transport Plan						

	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	Total £000
Dept for Transport LTP ITA	958	958	958	958	958	4,790
Dept for Transport LTP Maint	1,951	1,947	2,000	2,000	2,000	9,898
Section 106	340	0	0	0	0	340
Public Transport Funding	28	28	28	28	28	140
EV034 Local Transport Plan Total	3,277	2,933	2,986	2,986	2,986	15,168
EV055 Surface Water Improvements						
Environment Agency Grant	180	241	0	0	0	421
NWL Contribution	40	0	0	0	0	40
EV055 Surface Water Improvements Total	220	241	0	0	0	461
EV056 Additional Highways Maintenance						
Council Contribution	195	2,000	2,000	2,000	2,000	8,195
Contribution from Reserves (Insurance)	110	0	0	0	0	110
Dept for Transport - Pothole Challenge Fund	1,851	0	0	0	0	1,851
Dft Pothole Funding 21/22	1,000	0	0	0	0	1,000
EV056 Additional Highways Maintenance Total	3,156	2,000	2,000	2,000	2,000	11,156
EV069 Vehicle Replacement						
Council Contribution	1,602	762	1,248	1,676	1,123	6,411
EV069 Vehicle Replacement Total	1,602	762	1,248	1,676	1,123	6,411
EV076 Operational Depot Accommodation Review						
Council Contribution	100	939	0	0	0	1,039
ERDF	511	1,261	0	0	0	1,772
EV076 Operational Depot Accommodation Review Total	611	2,200	0	0	0	2,811
EV083 Street Lighting LED						
Council Contribution	300	2,792	1,386	0	0	4,478
EV083 Street Lighting LED Total	300	2,792	1,386	0	0	4,478
EV084 A189 Improvements Haddricks Mill to West Moor						
DFT National Productivity Fund	245	0	0	0	0	245
Section 278	0	0	0	0	0	0
EV084 A189 Improvements Haddricks Mill to West Moor Total	245	0	0	0	0	245
EV091 Other Initiatives Climate Change						
Council Contribution	27	0	0	0	0	27
EV091 Other Initiatives Climate Change Total	27	0	0	0	0	27
EV094 Transforming Cities Tranche 22						
Council Contribution	803	250	1,000	0	0	2,053
Capital Receipts	447	0	0	0	0	447
Transforming Cities Fund	3,345	0	0	0	0	3,345
EV094 Transforming Cities Tranche 22 Total	4,595	250	1,000	0	0	5,845
EV095 Active Travel Fund						
Dept for Transport Active Travel Fund Tranche2	1,400	0	0	0	0	1,400
EV095 Active Travel Fund Total	1,400	0	0	0	0	1,400
EV096 Highway Maintenance Challenge Fund - Tanners Bank						
Dept for Transport LTP Maint	0	103	0	0	0	103
Dept for Transport - Highway Maintenance Challenge Fund	58	822	0	0	0	880
EV096 Highway Maintenance Challenge Fund - Tanners Bank Total	58	925	0	0	0	983
EV097 Weetslade & Westmoor Roundabouts, Great Lime Road (S106)						
Section 106	1,050	3,191	0	0	0	4,241
EV097 Weetslade & Westmoor Roundabouts, Great Lime Road (S106) Total	1,050	3,191	0	0	0	4,241
GEN03 Contingencies						
Council Contribution	1,980	1,575	2,000	2,000	500	8,055
GEN03 Contingencies Total	1,980	1,575	2,000	2,000	500	8,055
GEN12 Local Infrastructure						
Council Contribution	72	100	100	100	100	472
GEN12 Local Infrastructure Total	72	100	100	100	100	472
HS004 Disabled Facilities Grant						
Better Care Fund	1,400	2,580	0	0	0	3,980
HS004 Disabled Facilities Grant Total	1,400	2,580	0	0	0	3,980
HS051 Private Sector Empty Homes						

	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	Total £000
Council Contribution	141	693	0	0	0	834
Homes & Communities Grant	164	46	0	0	0	210
HS051 Private Sector Empty Homes Total	305	739	0	0	0	1,044
HS053 Green Homes Local Authority Delivery						
Green Homes Grant (LAD1b) - Dept for BEIS	2,162	0	0	0	0	2,162
Green Homes Grant (LAD2) - Dept for BEIS	1,154	0	0	0	0	1,154
Green Homes Grant (LAD3) - Dept for BEIS	0	3,700	0	0	0	3,700
HS053 Green Homes Local Authority Delivery Total	3,316	3,700	0	0	0	7,016
IT020 ICT Strategy						
Council Contribution	1,436	1,000	1,000	1,000	1,000	5,436
Revenue Contribution (COVID)	22	0	0	0	0	22
IT020 ICT Strategy Total	1,458	1,000	1,000	1,000	1,000	5,458
NEW Gateways to the Borough						
Council Contribution	0	100	0	0	0	100
NEW Gateways to the Borough Total	0	100	0	0	0	100
NEW Spirit of NT Commemoration Project						
Council Contribution	50	125	0	0	0	175
Section 106	75	0	0	0	0	75
NEW Spirit of NT Commemoration Project Total	125	125	0	0	0	250
General Fund Total	49,423	44,111	21,994	17,678	13,435	146,641
HRA						
HS015 Refurbishment / Decent Homes Improvements	24,555	22,663	21,248	21,745	22,877	113,088
HS015 Refurbishment / Decent Homes Improvements Total	24,555	22,663	21,248	21,745	22,877	113,088
HS017 Disabled Adaptations	1,314	1,072	1,083	1,094	1,105	5,668
HS017 Disabled Adaptations Total	1,314	1,072	1,083	1,094	1,105	5,668
HS039 ICT Infrastructure Works	221	660	1,109	360	112	2,462
HS039 ICT Infrastructure Works Total	221	660	1,109	360	112	2,462
HS044 HRA New Build	2,956	4,580	3,960	6,750	7,330	25,576
HS044 HRA New Build Total	2,956	4,580	3,960	6,750	7,330	25,576
HRA Total	29,046	28,975	27,400	29,949	31,424	146,794
Total	78,469	73,086	49,394	47,627	44,859	293,435

Financing

	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	Total £000
General Fund						
Council Contribution	12,124	15,046	11,546	10,276	6,223	55,215
Council Contribution - Capital Receipts	765	254	0	0	0	1,019
Grants & Contributions	35,561	27,652	9,948	7,402	7,212	87,775
Revenue Contribution	601	746	500	0	0	1,847
Contribution from Reserves	372	413	0	0	0	785
General Fund Total	49,423	44,111	21,994	17,678	13,435	146,641
HRA Financing						
HRA Capital Receipts	1,110	2,823	2,871	2,689	2,984	12,477
HRA Revenue Contribution	10,759	9,831	9,485	11,932	12,760	54,767
HRA MRR	15,925	16,321	15,044	15,328	15,680	78,298
HRA Grants & Contributions	1,252	0	0	0	0	1,252
HRA Other to split	0	0	0	0	0	0
HRA Financing Total	29,046	28,975	27,400	29,949	31,424	146,794
Total	78,469	73,086	49,394	47,627	44,859	293,435