

MINUTES OF THE MEETING OF THE OVERVIEW AND SCRUTINY COMMITTEE HELD ON MONDAY, 30TH JANUARY, 2017, 7.05 - 10.10 pm

PRESENT:

Councillors: Charles Wright (Chair), Pippa Connor (Vice-Chair), Makbule Gunes, Kirsten Hearn and Emine Ibrahim

Co-optees: Luci Davin and Yvonne Denny

92. FILMING AT MEETINGS

Noted.

93. APOLOGIES FOR ABSENCE

None.

94. URGENT BUSINESS

None.

95. DECLARATIONS OF INTEREST

None.

96. DEPUTATIONS/PETITIONS/PRESENTATIONS/QUESTIONS

None.

97. MINUTES

RESOLVED that the minutes of the Overview and Scrutiny Committee meetings held on 8 November 2016, 28 November 2016 and 6 December 2016 be approved as a correct record.

98. MINUTES OF SCRUTINY PANEL MEETINGS

RESOLVED that the minutes of

Adults and Health Scrutiny Panel – 17 November 2016

Children and Young People Scrutiny Panel – 13 December 2016

Environment and Community Safety Scrutiny Panel – 4 October 2016 and 8 December 2016

Housing and Regeneration Scrutiny Panel – 3 October 2016

be noted, and any recommendations contained therein be approved.

99. TREASURY MANAGEMENT STRATEGY STATEMENT

Oladapo Shonola, Head of Finance - Pensions & Treasury, introduced the report as set out.

The following arose during discussion of the report:

- a. The level of borrowing was around £250m, with around £200m for the Housing Revenue Account. The average rate of borrowing was 4.9%, and for the current financial year this equated to £14.5m, which was in line with what had been agreed at the start of the financial year.
- b. The Lender's Option Borrower's Option (LOBO) loans were taken on at a time when rates were favourable, and auditors had concluded that the Council had not lost out as a result of taking a LOBO loan over a government loan, as the rate of borrowing would have been the same.
- c. Internal borrowing was where cash reserves were used in place of external borrowing, and this was used when the interest on investment would be far lower than the interest paid on borrowing. Another option was short-term borrowing, for a period of up to three months, where necessary.
- d. Corporate Committee received regular updates on the status of borrowing and investments.
- e. The decision on which Counterparty to include on the approved list was based mainly on credit criteria, but also on other criteria, in conjunction with treasury advisors. The length of investment was guided by the treasury management strategy, and combined, these helped to mitigate risk of investments.
- f. Members raised questions regarding the monitoring of any borrowing and risks as a result of any external development vehicles. Councillor Arthur explained that in the event of any development vehicle, the Council would have a 50% share, and therefore measures would be put in place to monitor risks and investments. Members requested further information on the impacts on current income streams and the projected income of the Haringey Development Vehicle. Members also referred to the Housing Revenue Account, and questioned what the position would be if the HDV went ahead. Councillor Ibrahim suggested that it would be appropriate for this information to be fed back to the Housing and Regeneration Scrutiny Panel as part of their review of the HDV.
- g. The Committee requested that a meeting take place with the Chair of Corporate Committee, and it was noted that a meeting had been scheduled to take place in March to consider the Annual Audit Plan 2017/18 ahead of activities to develop the 2017/18 scrutiny work programme.

The Committee discussed a number of recommendations and it was

RESOLVED that

- i. the report be noted;**
- ii. a meeting take place between the Chair of Corporate Committee and Overview and Scrutiny Committee to discuss any issues;**

- iii. **Corporate Committee be requested to keep the Lender's Option Borrower's Option (LOBO) under review and take action where appropriate to reduce any risk to the Council;**
- iv. **Corporate Committee be requested to take responsibility for the oversight of the Council's 50% share of any potential future development vehicle in terms of any financial investments; and**
- v. **Further information on the potential impact of a Development Vehicle on the Housing Revenue Account be provided to the Housing and Regeneration Scrutiny Panel.**

100. BUDGET CONSULTATION FINDINGS

Richard Grice, Assistant Director for Transformation and Resources, gave a presentation on the findings of the recent budget consultation.

The following arose during discussion:

- a) The consultation had run from 19 December until 22 January via a number of contact sessions. There were responses from 150-160 people.
- b) The most unpopular themes were libraries and waste. The most popular were those which proposed new models of operation, for example shared services.
- c) Suggestions from the public included ring-fencing the budget for libraries, and reducing senior officer / consultant salaries.

RESOLVED to note the update.

101. BUDGET SCRUTINY MINUTES

RESOLVED that the minutes of

**Children and Young People Scrutiny Panel – 13 December 2016
Adults and Health Scrutiny Panel – 20 December 2016
Environment and Community Safety Scrutiny Panel – 21 December 2016
Housing and Regeneration Scrutiny Panel – 14 December 2016
Overview and Scrutiny Committee – 17 January 2017**

be noted.

102. BUDGET SCRUTINY RECOMMENDATIONS

Councillor Arthur provided a short update on the Medium Term Financial Strategy since the Cabinet papers had been published. The Committee noted the update and discussed the recommendations from the Scrutiny Panels and OSC as set out in the agenda pack.

RESOLVED that

- i) **the draft Medium Term Financial Strategy (2017/18 – 2021/22) be noted;**
- ii) **the additional information as requested during the December round of Scrutiny Panel meetings be noted; and**

- iii) the final budget recommendations as set out in the agenda pack be agreed, with the following amendments:
 - New Parking Operating Model (Environment & Community Safety Scrutiny Panel) – the recommendation was to not proceed with the proposal; and
 - Fees and charges review (Adults & Health Scrutiny Panel) – the recommendation was to not proceed with the proposal.

103. WORK PROGRAMME UPDATE

RESOLVED that the future work programme for the Overview and Scrutiny Committee be noted.

104. NEW ITEMS OF URGENT BUSINESS

None.

105. FUTURE MEETINGS

Noted.

CHAIR: Councillor Charles Wright

Signed by Chair

Date