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26 January 2024

To: All Members of the Overview and Scrutiny Committee

Dear Member,

Overview and Scrutiny Committee - Thursday, 1st February, 2024

I attach a copy of the following reports for the above-mentioned meeting which were not available at the time of collation of the agenda:

- 6. OUTSTANDING RESPONSES TO SCRUTINY QUERIES AND BUDGET RECCOMENDATIONS FROM THE 18TH JANUARY OSC MEETING (PAGES 1 - 42)**

Yours sincerely

Philip Slawther

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Report for: Overview and Scrutiny Committee – 1 February 2024

Title: Scrutiny of the 2024/25 Draft Budget/5 Year Medium Term Financial Strategy (2024/25-2028/29) – Recommendations and additional information (First Phase of Budget Scrutiny)

Report authorised by: Ayshe Simsek, Democratic Services and Scrutiny Manager

Lead Officer: Dominic O'Brien, Principal Scrutiny Officer
Tel: 020 8489 5896 or Email: dominic.obrien@haringey.gov.uk

Ward(s) affected: All

**Report for Key/
Non-Key Decision:** N/A

1. Describe the issue under consideration

- 1.1 This report sets out the draft recommendations to Cabinet as proposed so far by the Overview & Scrutiny Committee as part of the first phase of the scrutiny process for the draft 5-year Medium Term Financial Strategy (2024/25-2028/29). It also includes details of additional information requested by the Committee/Scrutiny Panels arising from queries about the budget reports at previous meetings.
- 1.2 Members of the Committee are asked to consider the additional information that has now been provided and to agree any additions and/or amendments to the draft recommendations contained within this report. These recommendations will be considered by Cabinet on 6th February 2024, when they will also agree the final MTFS proposals that will be put to Council on 4th March 2024.

2. Recommendations

- 2.1 That the Overview and Scrutiny Committee:
 - (a) Notes the additional information provided in response to queries from the Committee/Scrutiny Panels about the budget reports from previous meetings as outlined in **Appendix A**.
 - (b) Proposes any necessary amendments and/or additions to the existing list of draft recommendations on the 2024/25 Draft Budget & 2024/29 Medium Term Financial Strategy (**Appendix B**) and approves the final version of this list to be submitted to the Cabinet for consideration at its meeting on 6th February 2024.

3. Reasons for Decision

- 3.1 As laid out in the Council's Overview and Scrutiny Procedure Rules (Constitution, Part 4, Section G) the Overview and Scrutiny Committee is required to undertake scrutiny of the Council's budget through a Budget Scrutiny process. The procedure by which this operates is detailed in the Protocol covering the Overview and Scrutiny Committee.

4. Alternative Options Considered

- 4.1 N/A

5. Budget Scrutiny Process

- 5.1 The Overview and Scrutiny Protocol lays out the process for Budget Scrutiny. This includes the following points:
- a. The budget shall be scrutinised by each Scrutiny Review Panel, in their respective areas. Their reports shall go to the OSC for approval. The areas of the budget which are not covered by the Scrutiny Review Panels shall be considered by the main OSC.
 - b. A lead OSC member from the largest opposition group shall be responsible for the co-ordination of the Budget Scrutiny process and recommendations made by respective Scrutiny Review Panels relating to the budget.
 - c. Overseen by the lead member referred to above, each Scrutiny Review Panel shall hold a meeting following the release of the December Cabinet report on the new Medium Term Financial Strategy. Each Panel shall consider the proposals in this report, for their respective areas. The Scrutiny Review Panels may request that Cabinet Members and/or Senior Officers attend these meetings to answer questions.
 - d. Each Scrutiny Review Panel shall submit their final budget scrutiny report to the OSC meeting in January containing their recommendations/proposal in respect of the budget for ratification by the OSC.
 - e. The recommendations from the Budget Scrutiny process, ratified by the OSC, shall be fed back to Cabinet. As part of the budget setting process, the Cabinet will clearly set out its response to the recommendations/ proposals made by the OSC in relation to the budget.

6. Budget Scrutiny to Date

First Phase

- 6.1 Following consideration by Cabinet, the four Scrutiny Panels met in December 2023/January 2024 to scrutinise the draft budget proposals that fall within their portfolio areas. In addition, the Overview and Scrutiny Committee met on 9th

January 2024 to consider proposals relating to Corporate Services, parts of Culture, Strategy & Engagement and parts of Environment & Resident Experience.

- 6.2 Cabinet Members, senior service officers and finance leads were in attendance at each meeting to present proposals and to respond to questions from members.
- 6.3 The Overview & Scrutiny Committee then met on 18th January 2024 to consider the draft recommendations that had been proposed from this series of scrutiny meetings. It also considered responses provided by officers following requests for additional information from these meetings. The list of draft recommendations was updated by the Committee and the latest version of this list is provided as **Appendix B**.
- 6.4 While responses to most requests for additional information was provided in advance of the Overview & Scrutiny Committee on 18th January 2024, a number of responses were still outstanding and so could not be considered by the Committee. This additional information has now been provided and the updated list is provided as **Appendix A**. This agenda item provides the Committee with the opportunity to add any final additions/amendments to the list of draft recommendations for the First Phase.

Second Phase

- 6.5 Additional budget proposals are expected to be provided in the agenda papers for the Cabinet meeting on 6th February 2024. The agenda papers are expected to be published on 29th January 2024 and the details will be provided to the Committee as soon as they are available.
- 6.6 Any additional budget proposals will be considered by the Committee as part of this agenda pack but are provided as a separate agenda item and are not included in this report.

7. Next Steps

7.1 The table below sets out the remaining steps in the budget scrutiny process:

Date	Meeting	Comments
29 January 2024	N/A	Agenda papers for Cabinet meeting (on 6 th Feb 2024) to be published. These will include details of any additional budget proposals.
1 February 2024	Overview and Scrutiny Committee	To consider any additions/amendments to the draft recommendations on the original budget proposals (First Phase) and to formally refer the final recommendations to Cabinet.

		To consider any additional budget proposals (Second Phase) and formally refer any new recommendations to Cabinet.
6 February 2024	Cabinet	Cabinet will set out its response to all recommendations made by the Overview and Scrutiny Committee.
4 March 2024	Full Council	Final budget setting.

8. Contribution to Strategic Outcomes

- 8.1 The budget scrutiny process has contributed to each of strategic outcomes relating arising from the Borough Plan.

9. Statutory Officers Comments

Finance

- 9.1 There are no specific financial implications as a result of the scrutiny process but there may be an impact on the overall Council budget if recommendations are made for change. Any such implications would be considered as part of February's Cabinet MTFS report.

Legal

- 9.2 There are no immediate legal implications arising from this report. The Overview and Scrutiny Committee is exercising its budget scrutiny function. This is part of the constitutional arrangements for setting the Council's budget, as laid out in Part 4, Section G of the Haringey Constitution.

Equality

- 9.3 The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advance equality of opportunity between people who share those protected characteristics and people who do not;
- Foster good relations between people who share those characteristics and people who do not.

- 9.4 The three parts of the duty applies to the following protected characteristics: age; disability; gender reassignment; pregnancy/maternity; race; religion/faith; sex

and sexual orientation. In addition, marriage and civil partnership status applies to the first part of the duty.

- 9.5 The proposals in the draft Medium Term Financial Strategy are currently at a high level and will be developed further as service changes and policy changes are progressed. Equality impact assessments will be developed as part of this process.
- 9.6 The Committee should ensure it addresses these equality duties by considering them within its work. This should include considering and clearly stating;
- How specific savings / policy issues impact on different groups within the community, particularly those that share the nine protected characteristics;
 - Whether the impact on particular groups is fair and proportionate;
 - Whether there is equality of access to services and fair representation of all groups within Haringey;
 - Whether any positive opportunities to advance equality of opportunity and/or good relations between people, are being realised.

10. Use of Appendices

Appendix A – Additional information provided in response to queries arising from the Budget Scrutiny process (First Phase).

Appendix B - Draft recommendations on the 2024/25 Draft Budget & 2024/29 Medium Term Financial Strategy (First Phase).

11. Local Government (Access to Information) Act 1985

11.1 N/A

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Outstanding Requests for Information on the MTF/ Budget Scrutiny Proposals

Overview & Scrutiny Committee (Corporate, CS&E and E&RE)				
Ref	MTFS Proposal	Further info requested by the Panel (if appropriate)	Response & Any follow up queries from OSC on 18 th January	Cabinet Response Req'd (Yes/No)
Community Safety, Waste & Enforcement	2023/24 Budget Position	Details to be provided on the part of the underspend relating to “curtailing uncommitted maintenance and improvement works” (page 52 of agenda pack).	Response: The underspend is a result of pausing some of the CCTV capital programme schemes, which means there is a reduction in maintenance and rental charges. There has also been a delay completing some existing schemes due to issues with (UKPN Power & BT fibre) connecting power & transmission the columns.	
Culture, Strategy & Engagement	2023/24 Outturn Position & 2024/25 Budget Position	Noting that the budget pressures relating to Digital and IT services also included factors such as the exchange rate, general inflation, licences/contracts and hardware (in addition to	Response: The £0.23m projected budget pressure in Digital Services reported at Q2 comprised contract pressures of £0.33m offset by an underspend on staffing of £0.10m. The projected contract pressure is based primarily on additional costs being incurred on in-year contract renewals with suppliers raising prices to account for inflation and exchange rate movements. Movement of Digital contract inflation is tracked within the Service with pressures reported as part of the budget monitoring process and forecasted into future financial years to aid budget monitoring and financial planning. The process used to track and report inflation involves complex formulas and calculations which track contracts over multiple years of	

		<p>insourcing costs as above), the Panel requested a breakdown of these costs.</p>	<p>indexation linked to contract regulations and fiscal movement. This makes it difficult to break the causes of increasing contract costs down into a consolidated report in the way requested by the Committee.</p> <p>Follow up Request from 18th January: The Members were unhappy with the response that it was difficult to breakdown the causes of increasing contract costs down into a consolidated report in the way requested by the Committee.</p> <p>The Members asked that a breakdown of the additional costs relating to inflation and exchange rate costs be provided for its next meeting on 1st February.</p> <p>Follow up Response: The original period 6 position reported by Digital services has subsequently changed. The original £0.5m pressure was based on a projection for inflation on contracts and actuals incurred up to period 6 and has been reprofiled to project a year end position and pressure of £0.2m taking account of council-wide provision for contract inflation and costs. The service is managing staffing vacancies to offset this pressure and will seek to conclude the year with a balanced budget.</p> <p>Further to the previous response, of the £0.5m reported at period 6, £300k of it was increased contract costs. The projected contract pressure is a combination of actual increased costs where contracts have been renewed and estimates based on predictions of those to be renewed later in the year. We cannot easily differentiate in this between inflation and exchange rates.</p> <p>E.g. an overseas supplier prices in pounds and may include a combination of exchange costs and inflation pricing to determine their final price. Examples of this are AWS – Amazon Web services and</p>	
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			<p>SAP (our financial and HR management system). Or a UK reseller pricing in £'s against the \$ such as our Core Enterprise agreement and Security (the Council's Firewall).</p> <p>A core enterprise agreement is a commercial business agreement usually covering licenses and support for the core operating systems such as Microsoft used by the Council. A single vendor may have multiple types of licences to permit access to different resources, functionality, and services.</p> <p>We can however break down the £300k increased contract cost into the following categories and applications:</p> <p>The major contributing factors were increased costs of the Core Enterprise agreement - Circa £129k, related to Microsoft licence, costs and use. In addition:</p> <table data-bbox="952 694 1601 798"> <tr> <td>Firewall Costs * Council Security</td> <td>£28k</td> </tr> <tr> <td>Sonus Voice appliance support</td> <td>£4k</td> </tr> <tr> <td>Off Site Backup and storage</td> <td>£4k</td> </tr> </table> <p>IT Managed service Contracts for Maintenance (Managed on behalf of Services) - £50k increased contract costs:</p> <table data-bbox="1086 917 1568 1380"> <tr> <td>AutoCAD</td> <td>£10k</td> </tr> <tr> <td>Carevision</td> <td>£1k</td> </tr> <tr> <td>Adobe</td> <td>£1k</td> </tr> <tr> <td>Cipfa (FinanceMgt)</td> <td>£0.6k</td> </tr> <tr> <td>Express (Elections)</td> <td>£3.6k</td> </tr> <tr> <td>Home Finder</td> <td>£2.4k</td> </tr> <tr> <td>Modern .gov</td> <td>£1.2k</td> </tr> <tr> <td>MitreFinch (access mgt)</td> <td>£1.4k</td> </tr> <tr> <td>Redbox (Recording)</td> <td>£2k</td> </tr> <tr> <td>Wax (e-procurement)</td> <td>£5.6k</td> </tr> <tr> <td>Visual Files (Legal)</td> <td>£1.2k</td> </tr> <tr> <td>View City</td> <td>£3k</td> </tr> <tr> <td>Misc Small Contracts</td> <td>£16k</td> </tr> </table>	Firewall Costs * Council Security	£28k	Sonus Voice appliance support	£4k	Off Site Backup and storage	£4k	AutoCAD	£10k	Carevision	£1k	Adobe	£1k	Cipfa (FinanceMgt)	£0.6k	Express (Elections)	£3.6k	Home Finder	£2.4k	Modern .gov	£1.2k	MitreFinch (access mgt)	£1.4k	Redbox (Recording)	£2k	Wax (e-procurement)	£5.6k	Visual Files (Legal)	£1.2k	View City	£3k	Misc Small Contracts	£16k	
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			<p>IT Managed Services - £86k increased contract costs:</p> <p>Rev and Ben (Iworld) – £20k Parking £5k Web Hosting £14k SAP £47k</p> <p>Colleagues in Strategic Procurement, Finance and Digital services are happy to meet with members to provide a more informed briefing as to how contracts are managed across the Council; of which digital services have approx. 300 contracts.</p>	
Table 7.2c	Management Actions (page 56 of agenda pack)	The Committee noted that under Environment & Resident Experience for 2025/26, there was an overspend of £35k predicted and requested details on the reason for this.	Response: Officers are unable to ascertain where this £35k projected overspend came from.	
EN_SAV_004	Events income increases	The Committee requested further details on how these savings would be achieved and clarification on the reasons for the variation in the	Response: the figure of £124k shown in column N doesn't appear to be correct as columns G to J suggest the saving required as only £50k and, as that's on track, its RAG rating is green. The expectation is that the number of events in parks (and therefore the income stream) will continue to grow over time. The two new (job-share) Assistant Directors for Culture will be leading on encouraging growth in cultural events in parks.	

		savings target in each of the years over the MTFS period and whether these targets were realistic and achievable.														
E&RE	Growth of £946k for the delivery of the Leisure Management Service in-house	The Committee requested a breakdown of the expected extra costs.	Response: OSC received clarification of the financial components of the Cabinet's decision on 5 th December 2023 to insource leisure management, during the exempt part of the OSC Call-In meeting on 3 rd January. The information disclosed in that exempt part of the meeting cannot be shared in the public domain.													
EN24_SAV_003	Enhance enforcement on environmental crime	The Committee requested that details be provided of the estimated cost of hiring more permanent staff to enhance enforcement action compared to the proposed approach of entering into a partnership with a private contractor	<table border="1"> <thead> <tr> <th></th> <th>in-house</th> <th>Commission Based Contract</th> </tr> </thead> <tbody> <tr> <td>Staffing costs to Council</td> <td>£460k</td> <td>Nil (Cost neutral to the Council)</td> </tr> <tr> <td>Processing costs of FPNs</td> <td>X1 member of staff (£31k)</td> <td>Nil (Contained within the contract)</td> </tr> <tr> <td>Retention of FPNs Income based on 1000 fines</td> <td>c.£170K (1000 FPNs p/a)</td> <td>c£750K (1000 FPNs p/w)</td> </tr> </tbody> </table>			in-house	Commission Based Contract	Staffing costs to Council	£460k	Nil (Cost neutral to the Council)	Processing costs of FPNs	X1 member of staff (£31k)	Nil (Contained within the contract)	Retention of FPNs Income based on 1000 fines	c.£170K (1000 FPNs p/a)	c£750K (1000 FPNs p/w)
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		<p>to carry out the additional enforcement action.</p>				<p>Response: The service will cover litter, often associated with smoking, eating and drinking, that are improperly discarded and left by members of the public; or are spilt during business operations as well as waste management operations. The contractors are service industry experts and the additional resource allows for existing staff to focus on more complicated and involved interventions/investigations, whilst the commissioned based contractor are on street 95% of the time and able to issue more FPNs.</p> <p>In summary, we will see a net increase in the number of FPNs served if we had a commission based contract as our operational costs are higher than the commission based contractor, which is cost neutral to the Council.</p> <p>Follow up request from 18th January: The Members requested a further explanation of why issuing FPNS in the private sector generates significant revenue but doing it in house means it would be a net £290k cost to the Council. The members wanted further assurances about the underlying assumptions of this and how realistic they were. The difference can't just be because the Council pays its staff more. Why couldn't an in-house team generate more revenue (the difference between the two models was more than four times as much)</p> <p>The Members also wanted an explanation of what the appeals process would be for a resident who was fined by a private contractor.</p> <p>Follow-up Response: The private sector had better technology and systems as this area is their sole business and work is undertaken nationally. In addition, they will predominantly be based on street and all</p>
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			<p>back-office functions are undertaken centrally. Therefore, there is less need to come back to the office to undertake additional processing/paperwork.</p> <p>See the flowchart appended to this document summarising the representation process* and the below link to representations on the Haringey website Pay or challenge a dumped rubbish penalty notice Haringey Council.</p>										
336	New River Sports & Fitness	The Committee requested further explanation of the self-financing of this scheme.	<p>Response: Service Officers queried whether there has been some conflation with the additional income set out in the new revenue saving EN24_SAV_004.</p> <table border="1"> <tr> <td>EN24_SAV_004</td> <td>The New River Sports Centre has an operational subsidy of £170,000 (Total subsidy of £225k - £54k central recharges). This proposal seeks to realise savings by : Reviewing concessionary discounts; Reducing enery usage through technological improvements;Increase customer base through equipment upgrades and additional activities.</td> <td>E&N</td> <td>-53</td> <td>-40</td> <td>-34</td> <td>-26</td> <td>-17</td> <td>-170</td> </tr> </table> <p>In relation to the new revenue saving identified for New River, there will be a £40k saving on electricity which will be achieved by swapping out all the floodlights / external lighting to LED, supported by some local energy production and battery storage. This requires capital investment, the money for which is in the capital budget. £99k of new income streams over the five years, achieved by increasing the range of activities on site, including things like functions and events through to having Amazon lockers on site. The balancing £31k comes from an above inflation fees and charges increase of 1.2% to raise additional revenue within what we think is the commercial envelope for customers.</p>	EN24_SAV_004	The New River Sports Centre has an operational subsidy of £170,000 (Total subsidy of £225k - £54k central recharges). This proposal seeks to realise savings by : Reviewing concessionary discounts; Reducing enery usage through technological improvements;Increase customer base through equipment upgrades and additional activities.	E&N	-53	-40	-34	-26	-17	-170	
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			Finance have advised that the funding assumption for this scheme is that the capital investment will generate savings/income over the cost of the investment, so it is considered to be self-financing.																									
401	Tottenham Hale Green Space	Noting that there were considerable S106 contributions for this area following large scale development, the Committee requested details on what proportion of Haringey Council funding and S106 funding was being used to support this mixed-funded programme of green space improvements.	<p>The updated Scheme 401 across all years is as per the below table. This does not include any further Dec 23/Jan 24 adjustments. Prior to 2023/24 the scheme included Down Lane Park Improvement Programme (this is now a separate capital scheme – 405). Scheme 401 comprises the following projects: Central Rail Bridge; Ferry Lane; Project Management (salaries) Park View Underpass; and The Paddock.</p> <table border="1"> <thead> <tr> <th></th> <th colspan="7">Total Budget</th> </tr> <tr> <th>Capital Scheme 23/24 with DLP moved</th> <th>LBH Capital (£)</th> <th>SDP Land Receipts (£)</th> <th>S106 (£)</th> <th>S278 (£)</th> <th>GLA grant (£)</th> <th>Unfunded (currently)</th> <th>TOTAL (£'000)</th> </tr> </thead> <tbody> <tr> <td>401 Tottenham Hale Green and Open Spaces</td> <td>3,671,700</td> <td>1,529,000</td> <td>831,000</td> <td>29,750</td> <td>0</td> <td>3,208,000</td> <td>9,269,450</td> </tr> </tbody> </table> <p>The Section 106 funding for the scheme is £831k.</p>		Total Budget							Capital Scheme 23/24 with DLP moved	LBH Capital (£)	SDP Land Receipts (£)	S106 (£)	S278 (£)	GLA grant (£)	Unfunded (currently)	TOTAL (£'000)	401 Tottenham Hale Green and Open Spaces	3,671,700	1,529,000	831,000	29,750	0	3,208,000	9,269,450	
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457	Future High Street Project	The Committee requested details on what proportion of Haringey Council funding and developer/S106	Response: The total budget of £4,081,000 is made up of LBH borrowing – £2.244m and FHSF (grant funding) – £1.836m. There is no contribution from s106.																									

		funding was being used to support this mixed-funded programme of infrastructure improvements.		
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Adults & Health Scrutiny Panel				
Ref	MTFS Proposal	Further info requested by the Panel (if appropriate)	Comments/Recommendation	Cabinet Response Req'd (Yes/No)
Service Growth - Existing		In relation to the proposal on funding for Connected Communities in Appendix 4, the Panel noted that the information provided was limited and requested that more substantive details be provided.	<p>Response: This is an existing item approved in March 2023 in agreeing the MTFS for 2023/24, see below extract from budget papers</p> <p>Connected Communities Funding of core and project – based service activity aligned with council wide transformation programmes. This service provides resident engagement, frontline support to establish the Localities working at place and neighbourhood, resident facing resettlement work and growing portfolio of VCS development & coordination and Health integration initiatives.</p>	

			<p>Follow up from OSC on 18th Jan: The Panel request more information about the £1m budget growth for 2024/25 (shown in Appendix 4) and what specifically that would be funding.</p> <p>Response: Officers have advised that this growth is to all to meet staff costs associated with the project.</p>	
AHC24_SAV_010	Continuing Healthcare	Further evidence to be provided to demonstrate that these savings could be achieved.	<p>Response: At present Haringey is well outside of the national average for those who are in receipt of continuing health care (CHC) funding. The national average is 92.15 per 100,000 with Haringey currently at 26 per 100,000. Not only does this provide potential high-level savings through health taking their legally required funding responsibility of cases but it also ensures residents are accessing the right level of support and that they are not being charged as CHC is not financially assessed where adult social care is.</p> <p>One of the alarming trends families have reported is that people with full <u>NHS Continuing Healthcare funding</u> – whose needs have not reduced and are not likely to – are having their funding downgraded to a joint package of care.</p> <p>The impact of this is, of course, that the local authority element of the funding will be means-tested, and the Local Authority will have to find the financial resources to fund a package of care over which they likely had little commissioning input when the package was first put in place by health.</p> <p>Other families report having NHS Continuing Healthcare assessments that show eligibility for full NHS Continuing Healthcare funding, and yet they're given a joint package of care instead.</p>	

			<p>There are a range of reasons as to why current numbers are as low as they are with anecdotal evidence from within the Adult Social Care workforce stating that:</p> <ul style="list-style-type: none"> • There is not the inhouse 'expertise' available to fully understand and support residents through the CHC process. • There is an inherent reluctance to challenge CHC decisions through a misunderstanding of what can and cannot be challenged. • The continuing healthcare team within the NHS have limited resources to complete assessments and a reluctance to accept referrals from community and social care staff. <p>It needs to be underscored that Continuing Healthcare operates under a different legal framework to the Care Act 2014, and so further expertise is needed for Haringey to maximise transfers of funding in this area. To this end a project team has been set up to lead on this activity.</p> <p>20 of the top 100 cases transferred over for either joint or full funding, we would be able to save between 1.1m-1.6m.</p> <p>The project team setup has been tasked with achieving these savings.</p> <p>A programme of work has commenced in Haringey which provides the knowledge and experience to support achieving better health outcomes for our residents. To further support this work local authorities across NCL are working together to change inequalities in this area.</p>	
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AHC24_SAV_012	Strength Based Working	The Panel was informed that costs were being reduced through assistive technology and strength-based approaches and that data was available to support this. Relevant data to be provided.	Response: See the explanation and tables appended to this document **.	
AHC24_SAV_012	Strength Based Working	On the issue of locality working, the Panel requested details of support groups available in each of the three locality areas in the Borough.	Response: This is currently being mapped out with our health care colleagues and we will have this finalised by the beginning of March. A piece of work is underway with Haricare and this will be integrated into our locality model.	
AHC24_SAV_015	Service Audit	The Panel suggested that question marks remained over the large, estimated size of the proposed saving and requested more detailed information about how these would be achieved.	Response: This is currently on target and the savings have almost been achieved.	

Housing, Planning and Development Scrutiny Panel				
Ref	MTFS Proposal	Further info requested if appropriate)	Comments/Recommendation	Cabinet Response Req'd (Yes/No)
<u>New Savings Proposals</u>				
AHC24_SAV_003	Use of one bed social housing as temporary accommodation for families with a baby or young children	<p>The Panel notes that this appears to be a repeat saving from last year and requests clarification about how the savings put forward in this year's budget proposals relate to last year's. The panel are unsure whether councillors are being asked to agree a saving, which was already agreed to last year, or whether this is a new request.</p> <p>The Panel request assurances about the extent to which the corresponding savings from last year have been achieved/were on track.</p>	<p>Response: AHC24_SAV_003 is a repeat of last year's savings proposal, AHC_SAV_007 and not a new saving The panel are being asked to agree the same.</p> <p>The original overall target for 22/23 and 23/24 was to achieve 45 lets to new TA from social housing stock, but only 10 had been let. The Target delivery has therefore been revised to 30 Lets for delivery in 24/25 and 25/26.</p> <p>Follow up Action from OSC on 18th Jan: There was a process question around the process of why Members were seemingly being asked to confirm a saving that was put forward in last year's budget. It's a 5 year MTFS and this doesn't usually happen.</p> <p>The response confirms that AHC_SAV_003, 006 & 007 are identical to AHC_SAV_007, 009 & 010 on the savings tracker that were agreed last year. The amounts are the same with the column for</p>	

			<p>the current year deleted. The savings are green on the tracker and don't appear to be in the table of written off savings, so Members want assurances that these haven't been double counted.</p> <p>Follow-up response: The saving was double counted in error. This has been corrected. An improvement in Council tax base, after December report, has mitigated the impact this double counting had in the budget.</p>	
AHC24_SAV_006	A Project Officer will be engaged to work with families to remove any barriers to moving on from temporary accommodation.	<p>The Panel notes that this appears to be a repeat saving from last year and requests clarification about how the savings put forward in this year's budget proposals relate to last year's. The panel are unsure whether councillors are being asked to agree a saving, which was already agreed to last year, or whether this is a new request.</p> <p>The Panel request assurances about the extent to which the corresponding savings from last year have been achieved/were on track.</p>	<p>Response: AHC24_SAV_006 is a repeat of last year's proposal AHC_SAV_009. Not a new saving. The panel are being asked to agree the same.</p> <p>Both proposals assumed 180 lets to pre-localism families in TA (those whose applied before 9th November 2012 and was based on several large-scale new build schemes being delivered within the year and the voids programme delivery. While some progress has been made this year (40 lets) it has not been on the scale expected as schemes have been delayed. As a result, savings of approximately £162k have been realised to date but we are unlikely to reach target. Subject to performance in 24/25 we may look to extend the project into 25/26.</p>	

			<p>Follow up Action from OSC on 18th Jan: The response confirms that AHC_SAV_006 is identical to AHC_SAV_009 on the savings tracker that were agreed last year. The amounts are the same with the column for the current year deleted. The savings are green on the tracker and don't appear to be in the table of written off savings, so Members want assurances that this saving hasn't been double counted.</p> <p>Follow-up response: The saving was double counted in error. This has been corrected. An improvement in Council tax base, after December report, has mitigated the impact this double counting had in the budget.</p>	
AHC24_SAV_007	<p>Converting leases to Homes for Haringey in order to charge full LHA subsidy rates.</p>	<p>The Panel notes that this appears to be a repeat saving from last year and requests clarification about how the savings put forward in this year's budget proposals relate to last year's. The panel are unsure whether councillors are being asked to agree a saving, which was already agreed to last year, or whether this is a new request.</p> <p>The Panel request assurances about the extent to which the corresponding</p>	<p>Response: AHC24_SAV_007 is not a new proposal and mirror last year's proposal AHC_SAV_010. The panel are being asked to agree the same.</p> <p>Progress against targets is steady. From April to November, there has been 18 lease completions against a target of 31. The target is expected to be met.</p> <p>Further Action from OSC on 18th Jan: The response confirms that AHC_SAV_007 are identical to AHC_SAV_010 on the savings tracker that were agreed last year. The amounts are the same with the column for the current year deleted. The savings are green on the tracker and don't appear to be in the table of written off savings, so</p>	

		savings from last year have been achieved/were on track.	<p>Members want assurances that this hasn't been double counted.</p> <p>Follow-up response: The saving was double counted in error. This has been corrected. An improvement in Council tax base, after December report, has mitigated the impact this double counting had in the budget.</p>	
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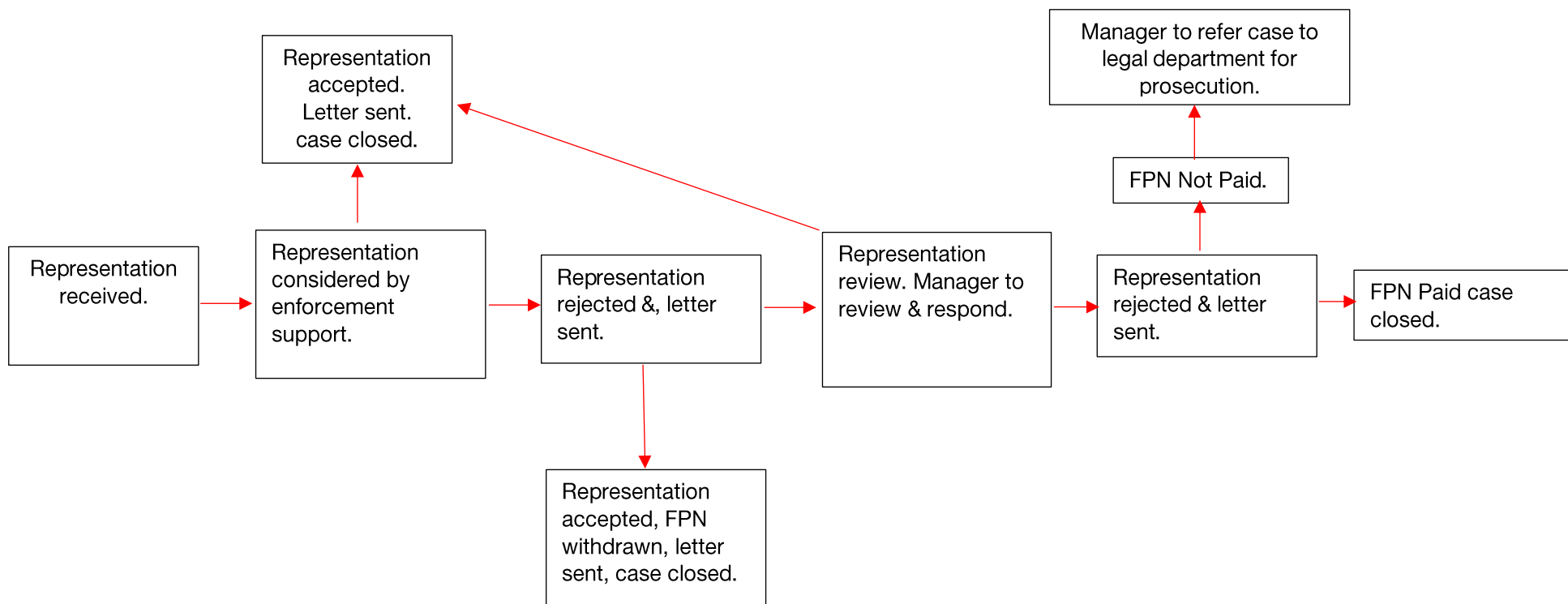
* The process chart showing the Representation Process for Fixed Penalty Notices is set out on the next page.

** The response to the query on Strength Based Working (Adults & Health - AHC24_SAV_012) is set out on the following pages.

Representation Process for all Fixed Penalty Notices

Except sc46 & sc80 of the EPA 1990 and (Smoke Free) Health Act 2006

Process Chart:



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RESPONSE: Strength Based Working (Assistive Technology) - AHC24 SAV 012

Benefits realisation for Assistive Technology requires intermittent audits to determine if anticipated efficiencies have been achieved. 42% of referrals that are assessed lead to an installation, this is a combination of new installations for new clients (66%) and additional equipment required for increased need for existing clients (34%). **It is important to note that as AT is a preventative tool that the savings are predominantly avoidable.**

At the referral stage referrers are asked to identify the anticipated outcomes and any efficiencies. In a recent deep dive exercise for 250 case the following efficiencies were identified and the verification exercise (checking the individual packages to determine if the anticipated outcomes were realised).

Outcome Chosen for referrals which led to installation	Number of times outcome chosen	Average number of hours/weeks selected	Hours/week most chosen by S/W	Percentage outcome met on checked cases
AT instead of care support	181	2	2	66.67%
Existing care package reduced	6	5.2	10	33.33%
Increase in care package avoided	40	2.75	2	100.00%
Residential/Nursing care avoided	23	42	52	100.00%

Efficiencies are calculated as follows Homecare: £19.30ph which is the current rate and for residential this is taking the average cost for residential care (£1115.10 per week), minus the average cost of a Home care package (302.26), making a net efficiency of £852.74. The assumption is that all efficiencies are in place for the 12 month to the next review date. To note the cases that were reviewed were over a period of months and therefore have different start and anticipated end date.

Applying the above to the 250 cases we are able to determine the following.

Jul 23 - March 24					
		Avoidance cost 23-24 (At instead of POC) at £19.30p/h (hours S/W have chosen)	Avoidance cost 23-24 (increase in POC avoided) at £19.30p/h (hours S/W have chosen)	Reduction cost 23-24 at £19.30 p/h	Resi deferred 23-24 at £852.74 p/w
Predicted Effendy savings for	250 installed referrals	210,409	56,916	9,882	444,278
Adjusted for analysis		140,279	18,970	2,393	444,278
				Total	605,920

April 24 - March 25				
	Avoidance cost 23-24 (At instead of POC) at £19.30p/h (hours S/W have chosen)	Avoidance cost 23-24 (increase in POC avoided) at £19.30p/h (hours S/W have chosen)	Reduction cost 23-24 at £19.30 p/h	Resi deferred 23-24 at £852.74 p/w
	474,703	124,446	31,112	408,914
	316,484	41,528	11,040	408,914
			Total	777,966

Grand Total 1,383,886

Overview & Scrutiny Committee (Corporate, CS&E and E&RE)					
Ref	MTFS Proposal	Further info requested by the Panel (if appropriate)	Comments/Recommendation	Cabinet Response Req'd (Yes/No)	Cabinet to agree not agree/partially agree recommendation
<u>General Issues</u>					
Recommendation 1 Culture, Strategy & Engagement	2023/24 Outturn Position & 2024/25 Budget Position	None	Noting the particular budget pressures relating to Digital and IT services and that this was exacerbated by the higher levels of insourced services in recent years, the Panel recommended that all knock-on costs associated with insourcing should be budgeted for over the longer-term at the time when that decision is made.	Yes response to be added below	To be added
Cabinet Response to Recommendation 1					
Recommendation 2 Culture, Strategy & Engagement	2023/24 Outturn Position & 2024/25 Budget Position	Noting that the budget pressures relating to Digital and IT services also included factors such as the exchange rate, general inflation, licences/contracts and hardware (in addition to insourcing costs as above),	The Committee noted the response to this but considered that this was a high spend area of the council and continued to request that the Overview and Scrutiny Committee receive a report on the causes of increasing contract costs in a consolidated report.	Yes response to be added below	To be added

the Panel requested a breakdown of these costs.

Response: The £0.23m projected budget pressure in Digital Services reported at Q2 comprised contract pressures of £0.33m offset by an underspend on staffing of £0.10m. The projected contract pressure is based primarily on additional costs being incurred on in-year contract renewals with suppliers raising prices to account for inflation and exchange rate movements. Movement of Digital contract inflation is tracked within the Service with pressures reported as part of the budget monitoring process and forecasted into future financial years to aid budget monitoring and financial planning. The process used to track and report inflation involves complex formulas and calculations which track contracts over multiple years of indexation linked to

		contract regulations and fiscal movement. This makes it difficult to break the causes of increasing contract costs down into a consolidated report in the way requested by the Committee.			
Cabinet Response to Recommendation 2					
<u>MTFS Savings Tracker</u>					
Recommendation 3 PL20/9	Full cost recovery of matchday cleansing service	None	The Committee considered the use of Council taxpayers funds to meet the costs of matchday cleansing services to be unacceptable and recommended that the Council continues to urgent pursue negotiations with Tottenham Hotspur Football Club to secure full cost recovery of all matchday cleansing service, including recovery of funds retrospectively for costs incurred in previous years since the opening of the new stadium.	Yes – response to be added below	
Cabinet Response to Recommendation 3					

Recommendation 4 N/A	Digital Together	None.	The Committee noted that this proposal involved a substantive sum of money but that over 90% of the savings in 2023/24 had not yet been achieved. The Committee further noted that the savings needed to be achieved on a cross-cutting basis with all service departments adopting more efficient systems and processes. The Committee recommended that the Cabinet explain how each service department will be engaging with this proposal in order to achieve the savings over the MTFS period.	Yes Response to be added below	
Cabinet Response to Recommendation 4					

Children and Young People's Panel – Children's Services					
Ref	MTFS Proposal	Further info requested by the Panel (if appropriate)	Comments/Recommendation	Cabinet Response Req'd (Yes/No)	Agreed/ Not Agreed/ Partially agreed
Recommendation 5		None	<p>The Panel was concerned about the budget gap of £16.4M reported in the draft MTFS and the fact that no further information is available at this stage on where further savings will be coming from.</p> <p>The Panel seeks assurances from Cabinet that it will seek to protect key non statutory services within Children's Services from any further cuts.</p>	Yes – response to be added below	
Cabinet Response to Recommendation 5					

Adults & Health Scrutiny Panel					
Ref	MTFS Proposal	Further info requested by the Panel (if appropriate)	Comments/Recommendation	Cabinet Response Req'd (Yes/No)	Agreed/ Not Agreed/Partially agreed
General Issues					
Recommendation 6 N/A		None	The Panel seeks assurances from Cabinet that the pressures on the Adult Social Care budget would not impact negatively on the quality of care as new contracts were negotiated.	Yes response to be added below	
Cabinet Response to Recommendation 6					

Housing, Planning and Development Scrutiny Panel

Ref	MTFS Proposal	Further info requested if appropriate)	Comments/Recommendation	Cabinet Response Req'd (Yes/No)	Agreed / Not Agreed/ Partially Agreed
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Request for Additional Investment

Recommendation 7	Additional investment in landscaping and green space maintenance on new build developments	<p>The Panel request clarification about whether additional funding for maintaining communal green spaces in our new housing developments could come out of the HRA, rather than the revenue budget, which is facing significant pressures.</p> <p>Response: The HRA is the revenue budget for Housing. Additional landscaping works would come out of the HRA budget, rather than the GF revenue budget.</p>	<p>The Panel welcomes the standard of landscaping and green space provision that has been put in place for our new build housing developments.</p> <p>The Panel would like to see additional investment put into maintaining the high standard of landscaping, so that it does not fall into disrepair or become overgrown. Given the amount of investment the Council has put into its housebuilding programme, maintaining the surrounding green spaces is an important part of their upkeep and ensuring those sites are attractive.</p> <p>Consideration should be given to securing additional resources to undertake additional maintenance of communal green spaces on new developments, including cutting back overgrown foliage, weeding and maintaining flower beds.</p>	Yes – cabinet Response to be added below	
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Cabinet Response to Recommendation 7

Climate, Community Safety and Culture Scrutiny Panel					
Ref	MTFS Proposal	Further info requested if appropriate	Comments/Recommendation	Cabinet Response Req'd (Yes/No)	Agreed Not Agreed Partially Agreed
<u>New Savings Proposals</u>					
Recommendation 8 CSE24_SAV_003	The proposal is to stop providing hard copy newspapers and magazines in libraries. Newspapers and magazines are now available on Pressreader which provides thousands of newspapers and magazines from around the globe. Many library	None	Given the impact the proposed savings would have on elderly citizens and citizens accessing papers in community languages together with the social benefits that this provision of hard copy newspapers provided, the Panel recommended that this saving not be taken forward.	Yes – Cabinet Response to be added below	

	services that stopped newspapers and magazines during COVID lockdown have not reintroduced them.				
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Cabinet Response to Recommendation 8					
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Recommendation 9 CSE24_SAV_001	The use of our libraries varies from one branch to another at different time of the day. Based on footfall analysis we know that library use is typically lowest in mornings. Young people in particular have a need for study space in the evenings and libraries are ideal as a free and safe community space. We want to look at varying the opening hours of our libraries to times when they are most heavily used, which could include later in the evenings, allowing us to allocate resources in a	None.	The Panel would like Cabinet to reconsider this saving. The Panel would not like to see any reduction in Library opening hours and the net saving found from elsewhere.	Yes	
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more targeted way. Library buildings and facilities could be made available to other services even when the library service itself is not operating e.g., Community Hub teams and VCS organisations. The proposed saving is based on reviewing hours at the six branch libraries with a mixture of mornings and afternoons opening times based on demand and demographics, to ensure libraries remain accessible to all. The service is currently carrying some vacancies and agency cover which will reduce the need for any proposed redundancies. No library building would be closed.

Response to Recommendation 9					
Recommendation 10 CSE24_SAV_001	As above		<p>If library opening hours were reduced, the Cabinet should give assurance that it intended to engage robustly with schools, early years users, and local groups to explore options on how to keep Library buildings open at the appropriate times for these users. Also, to provide more information on ‘wrap around’ services that could be provided in Library buildings from other council services outside of the Library opening times.</p> <p>The Cabinet response should also indicate if the service had considered other ways to generate income into libraries by potentially looking at hiring</p>	Yes, to be set out below	

			out spaces before putting this saving forward.		
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Cabinet Response to Recommendation 10					
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Recommendation 11 CSE24_SAV_001			The Overview and Scrutiny Committee recognise the need to make savings to balance the budget and that there are not easy savings to make and not making this associated saving will have an impact on other areas of the budget. Assurance is sought from Cabinet on measures to mitigate impact of reduced library hours on service users including that, individually, the libraries remain open at times of the highest usage and each library is assessed, on a case by case basis, to understand what this peak user time is. Also ensuring that the library opening times are compiled in a way that allows a user to use a library that is in reasonable close reach, if one local library is not open when they need to use it.	Yes to be set out below	
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Cabinet Response to Recommendation 11

Ref	MTFS Proposal	Further info requested if appropriate	Comments/Recommendation	Cabinet Response Req'd (Yes/No)	<u>Agreed/</u> <u>Not Agreed</u> <u>Partially Agreed</u>
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Format of budget scrutiny papers

<p>Recommendation 12</p>	<p>N/A</p>	<p>None</p>	<p>The Committee welcomed the updated format of the budget scrutiny papers and requested the following updates for future years:</p> <ul style="list-style-type: none"> a) A short piece of introductory text for each table (in the main report) to explain how they related to one another. b) Additional explanatory text on the capital budget appendix, including the impact on the revenue budget in terms of interest incurred. c) Additional discussions between the Assistant Director for Finance and the Chair of the Housing, 		<p>Yes to be set out below</p>
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Planning & Development Scrutiny Panel on the format of appendices and reports for this Panel.

d) Concerning the agreed capital expenditure programme, where there are mixed sources of funding supporting a scheme, this should be set out more fully and in more detail.

e) Reductions in the Capital Programme should be set out separately in a tabular format, rather than being embedded in the MTFS report. The table should include brief information on the individual scheme and the impact it has on the Council's aims and ambitions. The table should further indicate whether the decision involves a reduction in the scope of a particular program with figures included or whether this is a capital scheme that has been discontinued; making clear whether it

In the budget compilation exercise, there had been an assessment of capital schemes that: had a risk of not being self-financing and those which were not deemed essential, and projects that could be re-profiled, resulting in £400m reduction in

		<p>borrowing for capital that could in future years impact on the General Fund and have revenue implications. Information on this was embedded in the MTFS report</p>	<p>was a particular line that was in the capital budget in the previous year and has now been deleted.</p>			
<p>Cabinet Response to Recommendation 12</p>						

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