

NOTICE OF MEETING

HOUSING AND REGENERATION SCRUTINY PANEL

**Monday, 17th December, 2018, 6.30 pm - Civic Centre, High Road,
Wood Green, N22 8LE**

Members: Councillors Dawn Barnes, Isidoros Diakides, Ruth Gordon (Chair),
Bob Hare, Yvonne Say, Daniel Stone and Sarah Williams

Quorum: 3

1. FILMING AT MEETINGS

Please note that this meeting may be filmed or recorded by the Council for live or subsequent broadcast via the Council's internet site or by anyone attending the meeting using any communication method. Although we ask members of the public recording, filming or reporting on the meeting not to include the public seating areas, members of the public attending the meeting should be aware that we cannot guarantee that they will not be filmed or recorded by others attending the meeting. Members of the public participating in the meeting (e.g. making deputations, asking questions, making oral protests) should be aware that they are likely to be filmed, recorded or reported on.

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The chair of the meeting has the discretion to terminate or suspend filming or recording, if in his or her opinion continuation of the filming, recording or reporting would disrupt or prejudice the proceedings, infringe the rights of any individual or may lead to the breach of a legal obligation by the Council.

2. APOLOGIES FOR ABSENCE

3. URGENT BUSINESS

The Chair will consider the admission of any late items of urgent business (late items will be considered under the agenda item where they appear. New items will be dealt with as noted below).

4. DECLARATIONS OF INTEREST

A member with a disclosable pecuniary interest or a prejudicial interest in a matter who attends a meeting of the authority at which the matter is considered:

- (i) must disclose the interest at the start of the meeting or when the interest becomes apparent, and
- (ii) may not participate in any discussion or vote on the matter and must withdraw from the meeting room.

A member who discloses at a meeting a disclosable pecuniary interest which is not registered in the Register of Members' Interests or the subject of a pending notification must notify the Monitoring Officer of the interest within 28 days of the disclosure.

Disclosable pecuniary interests, personal interests and prejudicial interests are defined at Paragraphs 5-7 and Appendix A of the Members' Code of Conduct.

5. DEPUTATIONS/PETITIONS/PRESENTATIONS/QUESTIONS

To consider any requests received in accordance with Part 4, Section B, Paragraph 29 of the Council's Constitution.

6. MINUTES (PAGES 1 - 8)

To approve the minutes of the previous meeting.

7. SCRUTINY OF THE 2019/20 DRAFT BUDGET / 5 YEAR MEDIUM TERM FINANCIAL STRATEGY (2019/20-2023/24) (PAGES 9 - 38)

That the Panel considers, and provide recommendations to Overview and Scrutiny Committee, on the 2019-20 Draft Budget and on the MTFS 2019/20 - 2023/24 and savings proposals relating to the Panel's remit.

8. NEW ITEMS OF URGENT BUSINESS

To consider any items admitted at item 3 above.

9. DATES OF FUTURE MEETINGS

Dominic O'Brien, Principal Scrutiny Officer
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Bernie Ryan
Assistant Director – Corporate Governance and Monitoring Officer
River Park House, 225 High Road, Wood Green, N22 8HQ

Monday, 10 December 2018

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**MINUTES OF THE MEETING OF THE HOUSING AND
REGENERATION SCRUTINY PANEL HELD ON THURSDAY, 15TH
NOVEMBER, 2018, 6.30 - 9.00 pm**

PRESENT:

**Councillors: Dawn Barnes, Isidoros Diakides, Ruth Gordon (Chair),
Bob Hare, Yvonne Say, Daniel Stone and Sarah Williams**

13. FILMING AT MEETINGS

The Chair referred Members present to agenda Item 1 as shown on the agenda in respect of filming at this meeting, and Members noted the information contained therein'.

14. APOLOGIES FOR ABSENCE

No apologies for absence had been received.

15. URGENT BUSINESS

None.

16. DECLARATIONS OF INTEREST

None.

17. DEPUTATIONS/PETITIONS/PRESENTATIONS/QUESTIONS

Tashan Bonner put forward a deputation to the panel on behalf of the TAG (Temporary Accommodation Group) Love Lane resident's group. In addressing the panel he focused on concerns that the group had relating to transparency and mistreatment.

On transparency issues Mr Bonner said that, like many of the Temporary Accommodation tenants, they were not informed when moved on to the estate that it was a future demolition site and had received no indicative or definitive answer as to where they will be housed after demolition of the site. Residents are concerned that they could be moved into the private rented sector. With regards to mistreatment, residents felt that they had no housing security. Furthermore there were a number of

families living in overcrowded spaces and unliveable conditions, including in housing that have problems with damp and mould.

Mr Bonner recommended that the Council should stop the practice of moving more Temporary Accommodation residents into the estate. This is continuing to make the situation worse as it meant that more people have the same insecurity and uncertainty and will also need to be moved out prior to demolition. He added that all Temporary Accommodation residents on the Love Lane estate should receive an offer of permanent housing.

In response to questions from Panel Members, Mr Bonner said:

- That the residents had been provided with a schedule of the proposed Love Lane estate redevelopment but no definitive information had been provided of where residents would be housed in future.
- That he had personally been living in Temporary Accommodation on the estate for three years but some of the other residents had lived there for significantly longer.

Another member of the delegation, Reverend Paul Nicolson, commented that there were 4,400 Haringey families currently in Temporary Accommodation, 3,200 of which were housed within the Borough with the remainder moved out of the borough. In response to a Freedom of Information request, he had received information that 671 families had been moved into the private rented sector which results in a significant increase in the levels of rent thereby causing poverty for families.

Another resident commented that a lot of people on the estate felt emotionally drained by their experience, by not knowing where they will eventually be moved to and by bringing up children in the current living conditions on the estate. These difficult living conditions included problems with anti-social behaviour on the estate such as drug abuse and prostitution. Lifts in the blocks were often out of service and sometimes hazardous as the lift car did not always line up with the floor when the doors are open. Water sometimes leaked through internal ceilings within flats.

Cllr Ruth Gordon thanked the delegation for attending the meeting and putting their concerns forward to the panel. She informed the delegation that, as a scrutiny panel, they were not a decision making body. However, the panel was able to take up questions on behalf of residents and investigate issues further as part of their work programme.

AGREED: That the Panel would:

- **Consider investigating the delegation's concerns as part of the Panel's 2018/20 work programme.**
- **Raise concerns about the anti-social behaviour and the health and safety issues on the Love Lane estate with the relevant Cabinet member and invite members of the TAG Love Lane residents group to address the panel in future to ascertain whether these issues had improved or not.**

In relation to item 9 of the draft minutes of the panel's previous meeting on 17th September 2018, Panel members asked for further clarification about the Cabinet Member for Housing and Estate Regeneration's comments about proposed changes to Appendices C & D of the Council's existing Housing Strategy and about the consultation process for a new Housing Strategy. Dan Hawthorn, Director of Housing & Growth, commented that at a meeting of the Cabinet earlier in the week (on 13th Nov 2018) changes to Appendix C were approved – this does not change the percentage of affordable housing required in new developments but addresses the preferences that the new administration has for the types of affordable housing. On the Council's Housing Strategy, this has a formal planning status so the review of it requires a public consultation, which will take place over the course of 2019, and must be considered by the Regulatory Committee and Cabinet before it is then adopted by full Council. Changing the percentage of affordable housing required by new developments would have to be done through the Local Plan which is subject to an examination by an independent Planning Inspector for viability which is a time consuming process. The Mayor of London is also in the process of updating the London Plan and this is expected to include a change in the overall strategic target of affordable housing in London from 40% to 50% when it is adopted in October 2019.

Asked whether the Planning Sub Committee could begin to base its decisions on an expected forthcoming change in affordability targets, given that it could take a couple of years before the policy could be formally adopted, Dan Hawthorn commented that decisions taken on this basis could be vulnerable to being overturned on appeal. However, the further the policy went through the adoption process, the greater the weight that could be placed on it when making decisions. The Panel also queried whether discussions with developers about future planning applications would be based on the expected future affordability target. Emma Williamson, Assistant Director for Planning, (who was not present at the meeting) could supply further written information to the Panel to provide more detail on these points. **(ACTION – EMMA WILLIAMSON)**

Cllr Barnes noted that there is a discrepancy between the figure of 3,000 Haringey households in Temporary Accommodation, as set out in Item 8 of the minutes of the previous meeting, and the figure of 4,400 Haringey households in Temporary Accommodation, as described by Reverend Nicolson in the deputation that had just been received. Dan Hawthorn confirmed that 3,000 is the figure that he works with and that he does not recognise the larger 4,400 figure.

Cllr Stone noted that he had been marked as not present in the draft minutes which was incorrect. This error would be amended in the final version of the minutes.

AGREED: That, following the aforementioned amendment to the attendance record, the minutes of the Housing & Regeneration Scrutiny Panel meeting held on 17th September 2018 be approved as an accurate record.

19. CABINET MEMBER QUESTIONS - STRATEGIC REGENERATION

Cllr Charles Adje, Cabinet Member for Strategic Regeneration responded to questions on the following issues:

- With regards to the Tottenham landowners forum, Cllr Adje had chaired it once and it was used as a way of engaging with the landowners in Tottenham with regards to the Borough Plan that was being consulted on. In view of the concerns about the forums expressed by Members, officers had been asked to review both the Tottenham and Wood Green forums.
- On Wood Green High Road, Cllr Adje confirmed that the previous proposal to demolish the Sky City and Page High estates would now not be proceeding. The new Wood Green AAP would be put out for consultation soon. The Council would aim to help ensure that disused shop units are not left vacant. Cllr Adje had recently met with Collage Arts which was now using the old Post Office building in the Mall which was a good use of a vacated unit. The Council was also working with the Future Wood Green Business Improvement District on initiatives to improve the High Road. Cllr Diakides welcomed the commitment not to demolish the Sky City and Page High estates.
- On concerns that loading bays would be used by lorries on the redeveloped High Road rather than rear access for loading and unloading, Cllr Adje said that this was news to him but that he would look into it. **(ACTION – Cllr Adje)**
- With regards to the Love Lane estate, Cllr Adje said he was concerned about the issues that had been raised earlier in the meeting through the deputation. Issues like leaks and damp should have been dealt with. CCTV had recently been installed on the estate to improve security.
- On the High Road West project more generally, this project is separate from the HDV, a legal contract had already been signed with Lendlease and a significant sum of money had already been spent. The Council therefore cannot withdraw from this but is having conversations about restructuring the development, including by increasing the number of social housing units. There were other complexities relating to the project. A ballot of Love Lane estate residents was now needed to demonstrate support for the proposals, as required by the Mayor of London, and this will take place next year. In addition, Tottenham Hotspur Football Club are also a stakeholder in the process as they own a section of land known as the Goods Yard where they intend to develop a public square as part of the High Road West site. Conversations were ongoing with the owners of the properties on the Peacock industrial estate. Asked what would happen if the ballot of residents opposes the redevelopment, Cllr Adje said that this was something that was being looked at with legal advice being taken and conversations ongoing with the Mayor of London's office. Asked if the panel can see the legal agreement, Cllr Adje said that this would be a matter for the Borough solicitor.
- On the future of Northumberland Park a letter had gone out to residents from Cllr Brabazon to explain the Council's aspirations for engaging with them about future plans. Cllr Adje clarified that while he is responsible for strategic regeneration, Cllr Brabazon is responsible for neighbourhood renewal consultation.

- On the strategic approach to town centres in Tottenham, Peter O'Brien, Assistant Director for Area Regeneration, said that the role of the different town centres had been considered as part of the last AAP. Bruce Grove and Seven Sisters are the two historic district centres, viewed as having different roles to other parts of Tottenham. For example Seven Sisters has a lot of smaller businesses such as independent shops and ethnic restaurants. Proposals for north Tottenham meanwhile have more of a focus as an entertainment and leisure destination, complemented by the football stadium. The intention for the redevelopment of Tottenham Hale is not to increase the overall amount of retail but rather to move over from the current retail park model towards a more street-based pattern over time.

20. BUILDING COUNCIL HOMES FOR LONDONERS - BRIEFING NOTE

Due to time constraints, no questions were asked to officers on this report. Dan Hawthorn said that he would be happy to respond to any written questions from Members which could be conveyed via the Principal Scrutiny Officer.

AGREED: That the report be noted.

21. TOTTENHAM/WOOD GREEN LANDOWNER FORUMS

Peter O'Brien, Assistant Director for Area Regeneration, introduced the report on the landowners forums noting that:

- The Tottenham landowners forum was founded in the early period of the Tottenham Regeneration programme alongside other groups that were established at the time such as the Joint Strategic Forum and the Programme Delivery Board.
- In time these forums became seen as part of the wider engagement process on emerging policies and projects as a stakeholder group. The Wood Green landowners forum has, for example, been used to support the good practice of engaging with landowners as part of the development of the Wood Green Area Action Plan (AAP).

Members of the panel expressed concerns about the public perception of a lack of transparency of the forums, the potentially influential role of the forums including by potentially enabling decision making between the Council and major developers.

Responding to questions from the panel, Peter O'Brien said:

- That the instruction received by officers from the Housing & Regeneration sub-group was to produce an options report for December 4th in relation to the landowners forums in light of the forthcoming Borough Plan and its approach to business engagement.
- That the quasi-judicial role of the Council as a planning authority needs to be separate from the Council's role in development management but that strategic planning policies, such as on the future of town centres or on the number of

new homes, require dialogue with a variety of different partners including those that own land in order for these policies to be delivered.

- That the forums are not decision making bodies and any action points have been on very minor issues, such as on points of communication between those present at the meeting, rather than agreeing any formal decisions.
- That no budget was allocated for these forums. In terms of staff time, officers regularly attend a wide range of different stakeholder and community group meetings.
- That Robert Evans from Argent had been the chair of the Tottenham landowners forum up until 2014. Argent were particularly prominent in this field at the time partly because of their involvement in what was seen as a good example of redevelopment at Kings Cross.
- That at the time when the Tottenham landowners forum was formed there was relatively modest investment in Tottenham and one of the reasons why it was formed was to explore how further investment for development could be brought in. There has been a significant amount of investment since then, such as in Tottenham Hale, including housing and community infrastructure. Not all of this could necessarily be attributed directly to the forum but nonetheless the overall level of investment has increased.

AGREED: That the Panel consider this issue further when the report to the Housing & Regeneration sub-group has been produced.

22. PRIORITIES 4 & 5 BUDGET POSITION (QUARTER 1 - 2018/19)

Kaycee Ikegwu, Business Partner, introduced the report on the budget position for Priorities 4 and 5 of the Corporate Plan for Quarter 1 of 2018/19 and made the following points:

- On the Revenue Budget there was a £20k underspend forecast on Priority 4. On Priority 5 there was a break even position for the General Fund but a £231k overspend forecast for the Housing Revenue Account (HRA). This overspend was due mainly to reduced rental income caused by the issues on the Broadwater Farm estate where some residents needed to be rehoused.
- On the Capital Budget there was an underspend of just under £11m forecast on Priority 4 which was due mainly to various schemes being delayed. On Priority 5 there was a break even position for the General Fund but there was an underspend of £3.7m for the HRA due mainly to the costs of leaseholder acquisitions on the Love Lane Estate being met from the General Fund.
- On the savings targets from the Medium Term Financial Strategy (MTFS) for 2018/19, the savings of £300k for Priority 4 and £50k for Priority 5 were both projected to be achieved.

Responding to questions from the panel, Kaycee Ikegwu and Dan Hawthorn said:

- That the £300k savings for the MTFS for Priority 4 were originally due to be made through changes resulting from HDV programme but although that was no longer happening the savings were still projected to be achieved through

staff vacancies in the property team and some increases in the income generated through the commercial portfolio. For Priority 5 the £50k savings were made through a reduction in spending on housing related support commissioning.

- On whether the matched leasehold properties on the redeveloped Love Lane estate would be taken from the social housing allocation it was confirmed that this would not be the case but further written information could be provided on how this related to the intermediate housing allocation. **(ACTION – DAN HAWTHORN)**
- That the Quarter 2 figures were expected to be in the public domain next month.

AGREED: That the report be noted.

23. WORK PROGRAMME UPDATE

Dominic O'Brien, Principal Scrutiny Officer, reported that High Road West would be added as a potential scrutiny review to the draft work programme. The draft work programme and the scoping document for the Wards Corner scrutiny review had been submitted to the forthcoming meeting of the Overview and Scrutiny Committee.

A site visit and evidence sessions for the Wards Corner review would be scheduled shortly. Cllr Ruth Gordon requested that the evidence sessions be recorded/broadcast where possible. She also said that she would circulate a possible list of witnesses for the review to the other panel members by email.

24. NEW ITEMS OF URGENT BUSINESS

None.

25. DATES OF FUTURE MEETINGS

The next meetings of the Housing & Regeneration scrutiny panel are scheduled to take place

on:

- 17th December 2018
- 15th January 2019
- 14th February 2019
- 14th March 2019

CHAIR: Councillor Ruth Gordon

Signed by Chair

Date

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Report for: Budget Scrutiny Panels

- Housing and Regeneration Scrutiny Panel, 17th December 2018
- Children and Young People Scrutiny Panel, 18th December 2018
- Environment and Community Safety Scrutiny Panel, 18th December 2018
- Overview and Scrutiny Committee, 14th January 2019
- Adults and Health Scrutiny Panel, 17th January 2019

Item number:

Title: Scrutiny of the 2019/20 Draft Budget / 5 Year Medium Term Financial Strategy (2019/20-2023/24)

Report authorised by: Jon Warlow, Director of Finance and Section 151 Officer

Lead Officer: Oladapo Shonola, Lead Officer Budget & MTFS

Ward(s) affected: N/A

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

1. Describe the issue under consideration

1.1 To consider and comment on the Council's 2019/20 Draft Budget / 5 year Medium Term Financial Strategy (MTFS) 2019-20 - 2023 proposals relating to the Scrutiny Panels' remit.

2. Recommendations

2.1 That the Panels consider, and provide recommendations to Overview and Scrutiny Committee, on the 2019-20 Draft Budget/MTFS 2019/20 to 2023/24 and savings proposals relating to the Scrutiny Panel's remit.

3. Background information

3.1 The Council's Overview and Scrutiny Procedure Rules (Constitution, Part 4, Section G) state: "The Overview and Scrutiny Committee shall 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".

3.2 Also laid out in this section is that "the Chair of the Budget Scrutiny Review process will be drawn from among the opposition party Councillors sitting on the Overview and Scrutiny Committee. The Overview and Scrutiny Committee shall not be able to change the appointed Chair unless there is a vote of no confidence as outlined in Article 6.5 of the Constitution".

4. Overview and Scrutiny Protocol

- 4.1 The Overview and Scrutiny Protocol lays out the process of Budget Scrutiny and 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 in paragraph 4.1.b, each Scrutiny Review Panel shall hold a meeting following the release of the December Cabinet report on the new Draft Budget/MTFS. Each Panel shall consider the proposals in this report, for their respective areas. The Scrutiny Review Panels may request that the Cabinet Member for Finance 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.

5. Draft Budget (2019/20) / 5 year MTFS (2019/20 – 2023/24)

- 5.1 The MTFS agreed by Council in February 2018 recognised a budget gap of £11m in 2019/20 that would need to be closed through further budget reductions. The proposed 2019/20 new budget reductions required to help close this gap (i.e. savings, cuts and income generation) of £7m in 2019/20 (rising to £12.8m by 2023/24) are presented for scrutiny.
- 5.2 Even with the budget reduction options set out in Appendix D being approved when the budget is finalised in February, it is presently estimated that the Council will need to have put into effect £6.5m of further budget reductions. This is after the planned utilisation of £10.5m of corporate reserves and balances in 2019/20. The current 2019/20 gap of £6.5m still needs to be addressed before the Final Budget/ MTFS is submitted to Cabinet and Council in February 2019.
- 5.3 The Council continues to have a structural funding gap in 2020/21 estimated at £18.4m - this rises to £26.4m in 2023/24. This gap will be reduced to the extent that further ongoing budget reductions are identified and put into effect in 2019/20.
- 5.4 Scrutiny panel recommendations relating to 2018/19 savings that were previously considered in December 2017/January 2018 which also form part of the 2018/19 budget setting process are attached at Appendix D.

5.5 This meeting is asked to consider the proposals relating to the services within its remit and to make draft recommendations to be referred to the Overview and Scrutiny Committee on 28th January 2019 for discussion, prior to approval and referral to Cabinet for consideration in advance of the Full Council meeting on 25th February 2019. For reference the remit of each Scrutiny Panel is as follows:

- Priority 1/People (Children) – Children and Young People Scrutiny Panel
- Priority 2 / People (Adults) – Adult and Health Scrutiny Panel
- Priority 3 / Place – Environment and Community Safety Scrutiny Panel
- Priority 4 / Economy – Housing and Regeneration Scrutiny Panel
- Priority 5 / Housing – Housing and Regeneration Scrutiny Panel
- Priority X / Your Council– Overview and Scrutiny Committee

5.6 As an aide memoire to assist with the scrutiny of budget proposals, possible key lines of enquiry are attached at Appendix A. This report is specifically concerned with Stage 1 (planning and setting the budget) as a key part of the overall annual financial scrutiny activity.

5.7 Appendix B sets out the summary of the Draft Budget / 5 year MTFs by priority area.

6. Contribution to strategic outcomes

6.1 The Budget Scrutiny process for 2019/20 will contribute to strategic outcomes relating to all Council priorities.

7. Statutory Officers comments

Finance

7.1 There are no financial implications arising directly from this report. Should any of the work undertaken by Overview and Scrutiny generate recommendations with financial implications then these will be highlighted at that time.

Legal

7.2 There are no immediate legal implications arising from this report.

7.3 In accordance with the Council's Constitution (Part 4, Section G), the Overview and Scrutiny Committee should undertake scrutiny of the Council's budget through a Budget Scrutiny process. The procedure by which this operates is detailed in the Protocol, which is outside the Council's constitution, covering the Overview and Scrutiny Committee.

Equality

- 7.4 The draft Borough Plan sets out the Council's overarching commitment to tackling poverty and inequality and to working towards a fairer Borough.
- 7.5 The Council is also bound by the 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.
- 7.6 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. Marriage and civil partnership status applies to the first part of the duty.
- 7.7 The Council has designed the proposals in this report with reference to the aims of the Borough Plan to reduce poverty and inequality. The Council is committed to protecting frontline services wherever we can and the budget proposals have focused as far as possible on delivering efficiencies or increasing income, rather than reduction in services.
- 7.8 As plans are developed further, each area will assess the equality impacts and potential mitigating actions in more detail. Final EQIAs will be published alongside decisions on specific proposals.
- 7.9 Any comments received will be taken into consideration and a further update will be brought to Cabinet on 12th February 2018.

8. Use of Appendices

Appendix A – Key lines of enquiry for budget setting

Appendix B – 5 year Draft Budget (2019-20) / Medium Term Financial Strategy
(2019/20 – 2023/24) - Cabinet 11th December 2018

Appendix C – 2018 (Prior Year) Overview & Scrutiny Recommendations

Appendix D – 2019 (New) Budget Proposals

9. Local Government (Access to Information) Act 1985

Background papers: 2019/20 Draft Budget / 5 year MTFS (2019/20 – 2023/24) -
Cabinet 11th December 2018

Financial Scrutiny: Understanding your Role in the Budget Process

This document summarises issues and questions you should consider as part of your review of financial information. You might like to take it with you to your meetings, and use it as an aide-memoir.

Overall, is the MTFS and annual budget:

- A financial representation of the council's policy framework/ priorities?
- Legal (your Section 151 Officer will specifically advise on this)?
- Affordable and prudent?

Stage 1 – planning and setting the budget

Always seek to scrutinise financial information at a strategic level and try to avoid too much detail at this stage. For example, it is better to ask whether the proposed budget is sufficient to fund the level of service planned for the year rather than asking why £x has been cut from a service budget.

Possible questions which Scrutiny members might consider –

- Are the MTFS, capital programme and revenue budget financial representations of what the council is trying to achieve?
- Does the MTFS and annual budget reflect the revenue effects of the proposed capital programme?
- How does the annual budget relate to the MTFS?
- What level of Council Tax is proposed? Is this acceptable in terms of national capping rules and local political acceptability?
- Is there sufficient money in “balances” kept aside for unforeseen needs?
- Are services providing value for money (VFM)? How is VFM measured and how does it relate to service quality and customer satisfaction?
- Have fees and charges been reviewed, both in terms of fee levels and potential demand?
- Does any proposed budget growth reflect the council's priorities?
- Does the budget contain anything that the council no longer needs to do?
- Do service budgets reflect and adequately resource individual service plans?
- Could the Council achieve similar outcomes more efficiently by doing things differently?

Stage 2 – Monitoring the budget

It is the role of “budget holders” to undertake detailed budget monitoring, and the Executive and individual Portfolio Holders will overview such detailed budget monitoring. Budget monitoring should never be carried out in isolation from service performance information. Scrutiny should assure itself that budget monitoring is being carried out, but should avoid duplicating discussions and try to add value to the process. Possible questions which Scrutiny members might consider –

- What does the under/over spend mean in terms of service performance? What are the overall implications of not achieving performance targets?
- What is the forecast under/over spend at the year end?
- What plans have budget managers and/or the Portfolio Holder made to bring spending back on budget? Are these reasonable?
- Does the under/over spend signal a need for a more detailed study into the service area?

Stage 3 – Reviewing the budget

At the end of the financial year you will receive an “outturn report”. Use this to look back and think about what lessons can be learned. Then try to apply these lessons to discussions about future budgets. Possible questions which Scrutiny members might consider –

- Did services achieve what they set out to achieve in terms of both performance and financial targets?
- What were public satisfaction levels and how do these compare with budgets and spending?
- Did the income and expenditure profile match the plan, and, if not, what conclusions can be drawn?
- What are the implications of over or under achievement for the MTFS?
- Have all planned savings been achieved, and is the impact on service performance as expected?
- Have all growth bids achieved the planned increases in service performance?
- If not, did anything unusual occur which would mitigate any conclusions drawn?
- How well did the first two scrutiny stages work, were they useful and how could they be improved?

HARINGEY GENERAL FUND BUDGET 2019/20 AND MEDIUM TERM FINANCIAL PLAN 2019/24

Appendix B

	2018/19 Budget	Movement	2019/20 Projected	Movement	2020/21 Projected	Movement	2021/22 Projected	Movement	2022/23 Projected	Movement	2023/24 Projected
Services	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Priority 1	54,525	4,766	59,291	(401)	58,890	(90)	58,800	0	58,800	0	58,800
Priority 2	91,809	6,319	98,128	(4,584)	93,544	(6)	93,538	39	93,577	(100)	93,477
Priority 3	27,920	(731)	27,189	(1,565)	25,624	(600)	25,024	(70)	24,954	(70)	24,884
Priority 4	4,716	(2,310)	2,406	(15)	2,391	0	2,391	0	2,391	0	2,391
Priority 5	19,833	(1,036)	18,797	(708)	18,089	(573)	17,516	0	17,516	0	17,516
Priority X	38,281	(2,795)	35,487	(2,505)	32,982	(25)	32,957	(6)	32,951	(6)	32,945
Non Service Revenue	13,026	23,521	36,548	(92)	36,456	5,532	41,988	9,416	51,404	8,041	59,445
Further Savings to be identified	0	(6,521)	(6,521)	(11,921)	(18,443)	(1,532)	(19,974)	(4,029)	(24,003)	(2,414)	(26,417)
Contribution from Reserves and Balances		(10,487)	(10,487)	10,487	0	0	0	0	0	0	0
Total Budget Requirement	250,110	10,726	260,836	(11,304)	249,533	2,706	252,239	5,350	257,589	5,451	263,040
Funding											
New Homes Bonus	(2,736)	336	(2,400)	200	(2,200)	0	(2,200)	0	(2,200)	0	(2,200)
Adult Social Care Grant	(718)	718	0	0	0	0	0	0	0	0	0
Revenue Support Grant	(30,202)	8,561	(21,641)	1,626	(20,015)	1,658	(18,357)	0	(18,357)	0	(18,357)
Council Tax	(101,917)	(3,826)	(105,744)	(2,658)	(108,401)	(3,253)	(111,654)	(3,350)	(115,004)	(3,451)	(118,455)
Retained Business Rates by Pool	(20,729)	(3,500)	(24,229)	0	(24,229)	(612)	(24,841)	(500)	(25,341)	(500)	(25,841)
Top up Business Rates	(56,702)	(1,310)	(58,012)	(547)	(58,559)	(1,485)	(60,044)	(1,500)	(61,544)	(1,500)	(63,044)
Total Main Funding	(213,004)	979	(212,025)	(1,379)	(213,404)	(3,691)	(217,095)	(5,350)	(222,446)	(5,451)	(227,897)
Public Health	(20,209)	532	(19,677)	0	(19,677)	0	(19,677)	0	(19,677)	0	(19,677)
Other core grants	(16,897)	(12,237)	(29,134)	12,682	(16,452)	986	(15,466)	0	(15,466)	0	(15,466)
TOTAL FUNDING	(250,110)	(10,726)	(260,836)	11,304	(249,533)	(2,706)	(252,239)	(5,350)	(257,589)	(5,451)	(263,040)

Appendix C – Prior Year Overview & Scrutiny Committee Recommendations

Ref	MTFS Proposal	Recommendation	Cabinet Response
N/A	In the context of continuing difficult financial circumstances, and in respect of learning from the experience of the MTFS to date OSC agreed scrutiny should be locked in to the process both of monitoring budget and performance and of evaluating strategy, considering risks and setting out mitigation.	Cabinet to examine how the Council can ensure that meaningful consultation is undertaken in response to the budget setting process.	The Council is required to consult with residents and businesses on any new budget proposals.
		Cabinet should regularly monitor progress on achievement of savings, and report regularly on budget, including achievement of savings, projections; risk; and mitigation.	The budget monitoring report is on the Council’s forward plan to be considered by Cabinet on a quarterly basis.
		<p>A) Cabinet members and priority leads as appropriate should report to their scrutiny panels, starting in October on: financial performance against budget, risks and mitigation plans, alongside regular reporting on overall priority performance.</p> <p>B) Quarterly briefings prepared for all panel chairs on priority performance, budget, risks and mitigation.</p>	Cabinet Members and officers regularly attend scrutiny panel meetings and will continue to do so.
		Cabinet member for finance should then report to OSC on overall progress against budget, risks and mitigation.	

Appendix C – Prior Year Overview & Scrutiny Committee Recommendations

Budget Scrutiny Recommendations – Housing and Regeneration Scrutiny Panel

Priority 4 & 5

Ref	MTFS Proposal	Recommendations	Cabinet response
4.1	Consultancy Spend (Tottenham Regeneration)	That further information on the Consultancy Spend for Tottenham Regeneration be made available for consideration by OSC on 29 January before final budget scrutiny recommendations are made. This should include information on how the budget was spent in 2017/18 and what the budget will be used for during 2018/19.	Noted
4.1	Consultancy Spend (Tottenham Regeneration)	That an in-principle target of zero be set for consultancy spend.	The Council looks to only use consultants when their specialist skills and the additional capacity they bring to projects are required.
5.1	Reduction in Housing Related Support Budget	None	N/A

Appendix C – Prior Year Overview & Scrutiny Committee Recommendations

Ref	MTFS Proposal	Recommendations	Cabinet response
Any Other Comments			
N/A		That a full breakdown of the P4 and P5 budget, for April 2018 – March 2023, be made available for consideration by OSC on 29 January before final budget scrutiny recommendations are made. This should include information on the capital strategy and HRA.	Noted
N/A		That further information on the Consultancy Spend for Wood Green Regeneration be made available for consideration by OSC on 29 January before final budget scrutiny recommendations are made. This should include information on how the budget was spent in 2017/18 and what the budget will be used for during 2018/19.	Noted

Summary of Budget Reduction Proposals – Economy/Regeneration

Economy				All Years	2019/20	2020/21	2021/22	2022/23	2023/24
Ref	Title	Category	Description	Net Saving (All)	Net Savings	Net Savings	Net Savings	Net Savings	Net Savings
				£'000	£'000	£'000	£'000	£'000	£'000
EC1	Carbon Management	Other	Saving £60k from the Carbon Management Service's base budget, replacing this with an income of the same amount from Planning Service. The Carbon Management Service will increase its support to the Planning Service through advice and technical specification on planning applications and issues related to carbon reduction, energy and sustainability.	(60)	(60)	-	-	-	-
EC2	Reduction in consultancy budget	Other	Saving £75k from central budget typically allocated to cover large contracts and project delivery requirements. As some Tottenham Regeneration activities shift from a focus on initial strategies and feasibility work to delivery stage, there is increasing scope to explore funding these types of contracts from other sources, including but not limited to capitalisation of costs, utilising both internal and external funding sources.	(75)	(75)	-	-	-	-
EC3	Deletion of senior post	Efficiency Saving	The Strategic Director of Regeneration, Planning & Development was re-designated as Director of Housing, Regeneration and Planning, and along with this, it was proposed to delete the Director of Regeneration post.	(225)	(225)	-	-	-	-
EC4	Tackling uncrystallised debt	Income Generation	This proposal comprises an opportunity to achieve new income potential by starting a process of tackling the uncrystallised debt in the commercial portfolio	(50)	(50)	-	-	-	-
EC5	Outdoor media advertising	Income Generation	Proposal to generate new income from outdoor media, utilising the council's landholdings by identifying sites suitable for outdoor installations. It is estimated that net income in 2019/20 would be at least £100k, and increasing significantly over future years.	(15)	-	(15)	-	-	-
Economy Totals				(425)	(410)	(15)	-	-	-

Business Planning / MTFs Options 2019/20 – 2023/24

Ref: EC1

Title of Option:	Sustainability Planning Advice Income – Carbon Management and Planning Service		
Priority:	Economy	Responsible Officer:	Joe Baker / Emma Williamson
Affected Service(s):	Carbon Management and Planning	Contact / Lead:	Joe Baker

Description of Option:

- What is the proposal in essence? What is its *scope*? What will *change*?
- What will be the impact on the Council's objectives and outcomes (please refer to relevant Corporate Plan 2015-18 objectives and outcomes, and Borough Plan Evidence Packs)
- **How does this option ensure the Council is still able to meet statutory requirements?**
- How will the proposal deliver the benefits outlined?

[Proposals will be mapped to the new Borough Plan Priorities/Objectives/Outcomes as they emerge – please take account of any likely changes when framing proposals]

To make a saving of £60,000 from the Carbon Management Service base budget, and to replace this saving with income from the Planning Service for the same amount (secured through a Service Level Agreement). This income from the Planning Service would be secured through Planning Performance Agreement Fees. The Carbon Management Service would then continue, and increase, its support the Planning Service through advice and technical specification on planning applications and issues related to carbon reduction, energy and sustainability. The level of support and the timeframes will need to be set out in the agreed Service Level Agreement between the two services.

The Carbon Management Service already undertakes this work for the planning service to ensure that the policies around Carbon Reduction, Local Energy Production, and Sustainability are secured in the planning process. This SLA and budget adjustment would better reflect the arrangement, and allow for it to mature and improve on a stable footing, while reducing the demand placed on the Council's base revenue budget by the Carbon Management team.

1. Financial benefits summary					
2018/19 Service Budget (£'000)	312,500				
Savings	2019/20	2020/21	2021/22	2022/23	2023/24
<i>All savings shown on an incremental basis</i>	£000s	£000s	£000s	£000s	£000s
Existing Budget	£313	£253	£253	£253	£253
Proposed net expenditure after savings	£253	£253	£253	£253	£253
Savings	£60	£0	£0	£0	£0
New net additional savings (year on year)	£60				

Impact / non-financial benefits and disbenefits
<p>What is the likely impact on customers and how will negative impacts be mitigated or managed? <i>List both positive and negative impacts. Where possible link these to outcomes (please refer to relevant Corporate Plan 2015-18 objectives and outcomes)</i></p>
<p>There should be no impact on the services offered, but fees collected from the Planning Service may have to increase.</p>
<p>What is the impact on businesses, members, staff, partners and other stakeholders and how will this be mitigated or managed? How has this been discussed / agreed with other parties affected? <i>List both positive and negative impacts.</i></p>
<p>Planning fees (pre-application advice) may have to increase.</p>
<p>How does this option ensure the Council is able to meet statutory requirements?</p>
<p>Carbon reduction and sustainability is a statutory requirement and its process has been embedded through the planning service through the SEA Directive, and the NPPF. Though supporting the Carbon Management Service in this manner it will ensure that this statutory function can continue.</p>

Risks and Mitigation			
<i>What are the main risks associated with this option and how could they be mitigated?</i>			
Risk	Impact H/M/L	Probability H/M/L	Mitigation
Planning fees reduce in volume.			To continue to promote that borough as a place to do business in.
Environmental Standard are not required			To monitor national, regional and local policies.

**Business Planning / MTF5 Options
2019/20 – 2023/24**

Ref: EC2

Title of Option:	Reduction in Consultancy Budget		
Priority:	Economy	Responsible Officer:	Peter O'Brien
Affected Service(s):	Regeneration	Contact / Lead:	David Lee

Description of Option:

- *What is the proposal in essence? What is its scope? What will change?*
- *What will be the impact on the Council's objectives and outcomes (please refer to relevant Corporate Plan 2015-18 objectives and outcomes, and Borough Plan Evidence Packs)*
- *How does this option ensure the Council is still able to meet statutory requirements?*
- *How will the proposal deliver the benefits outlined?*

[Proposals will be mapped to the new Borough Plan Priorities/Objectives/Outcomes as they emerge – please take account of any likely changes when framing proposals]

Regeneration are proposing to save £75k in our central budget (V30001), from an allocation of £250k in 2017/18 for GL code 24005 (Fees – Consultants).

This budget line has typically been allocated to cover large contracts and project delivery requirements.

As some Tottenham Regeneration activities shift from a focus on initial strategies and feasibility work to delivery stage, there is increasing scope to explore funding these types of contracts from other sources, including but not limited to capitalisation of costs, utilising both internal and external funding sources. It is therefore not proposed that the work undertaken in this area would change, but that funding for this work would be sought from other sources.

We do not expect that this will impact on the Council's objectives and outcomes, nor will this affect statutory requirements as the work that Regeneration undertakes is not statutory. There is a risk that some exploratory/feasibility work may take longer to commence, or will not happen in a given financial year, if alternative funding sources cannot be identified.

1. Financial benefits summary					
2018/19 Service Budget (£000s)	2019/20	2020/21	2021/22	2022/23	2023/24
Savings					
<i>All savings shown on an incremental basis</i>	£000s	£000s	£000s	£000s	£000s
New net additional savings	75				

Impact / non-financial benefits and disbenefits
<p>What is the likely impact on customers and how will negative impacts be mitigated or managed? <i>List both positive and negative impacts. Where possible link these to outcomes (please refer to relevant Corporate Plan 2015-18 objectives and outcomes)</i></p>
<p>As above, the most significant risk is that some feasibility, technical or commercial work may take longer to commence and there will be a reduction in operational flexibility. This may require managing expectations around how much feasibility work can be undertaken in a given year, which may impact on the council's housing and development aspirations.</p> <p>The Regeneration Department will work to try and identify alternative sources of funding to seek to mitigate this risk.</p>
<p>What is the impact on businesses, members, staff, partners and other stakeholders and how will this be mitigated or managed? How has this been discussed / agreed with other parties affected? <i>List both positive and negative impacts.</i></p>
<p>There is minimal impact on relevant stakeholders, as above; however if cumulative savings pressures were to increase substantially this could impact on the Regeneration Team's ability to continue to match fund its significant external investment secured to date. It is believed that the £75k savings can be offset through capitalising costs and, where this is not possible, that an internal review of subsidiary budgets can offset this reduction in the central budget.</p>
<p>How does this option ensure the Council is able to meet statutory requirements?</p>
<p>This £75k makes a contribution of 0.7% of the £11m savings expected in 2019/20.</p>

Risks and Mitigation			
<i>What are the main risks associated with this option and how could they be mitigated?</i>			
Risk	Impact H/M/L	Probability H/M/L	Mitigation
There is a risk that, as Regeneration budgets shrink, it is unable to meet match funding requirements for external funding secured.	H	L	Budget holders with responsibility for externally funded projects to ensure that adequate match funding remains in place.
Risk that cumulative savings proposals impact on the Regeneration Team's ability to deliver the ambitious change laid out in the Tottenham and Wood Green SRFs.	M	L	The Regeneration Team is continuing to explore further capitalising costs and will continue to leverage in external funding sources in order to deliver large-scale change.

**Business Planning / MTFs Options
2019/20 – 2023/24**

Ref: EC3

Title of Option:	Deletion of Senior post		
Priority:	Economy	Responsible Officer:	Helen Fisher
Affected Service(s):	HRP	Contact / Lead:	

Description of Option:

- *What is the proposal in essence? What is its scope? What will change?*
- *What will be the impact on the Council's objectives and outcomes (please refer to relevant Corporate Plan 2015-18 objectives and outcomes, and Borough Plan Evidence Packs)*
- *How does this option ensure the Council is still able to meet statutory requirements?*
- *How will the proposal deliver the benefits outlined?*

[Proposals will be mapped to the new Borough Plan Priorities/Objectives/Outcomes as they emerge – please take account of any likely changes when framing proposals]

Background

Following consultation with Corporate Leadership Group, it was decided that a senior management restructure was required to establish and clarify the role of strategic leadership, required to effectively deliver the Council's priorities in light of recent changes. The restructure would involve:

- achieving a flatter, more coherent structure and improve reporting lines;
- work towards a more joined up, corporate way of working;
- to create stability in the senior management structure;
- to establish a more coherent approach to commissioning;
- focus on the need to develop our approach to partnership working;
- to create a Corporate Board structure in place of SLT;
- the need to ensure that the senior leadership of the council is as cost-effective as possible whilst delivering strong leadership.

The proposal included deletion of a number of posts as well as creating, and re-designating a number of other roles.

Proposal

The Strategic Director of Regeneration, Planning & Development was re-designated as Director of Housing, Regeneration and Planning, and along with this, it was proposed to delete the Director of Regeneration post. It has been agreed that the restructure of the senior level within Housing, Regeneration & Planning will take place at a later date as part of a second phase of the above restructure. The Director of Regeneration is currently acting up into the role of Director of Housing, Regeneration & Planning due to a vacancy. Whilst the detailed decision on the deletion of the post can be determined at a later date, there is a saving currently due to the vacancy and it is proposed that this saving could be realised immediately.

1. Financial benefits summary					
2018/19 Service Budget (£'000)					
Savings	2019/20	2020/21	2021/22	2022/23	2023/24
<i>All savings shown on an incremental basis</i>	£000s	£000s	£000s	£000s	£000s
Existing Budget	£425				
Proposed net expenditure after savings	£200				
Savings	£225				
New net additional savings (year on year)	£225				

Impact / non-financial benefits and disbenefits
<p>What is the likely impact on customers and how will negative impacts be mitigated or managed? <i>List both positive and negative impacts. Where possible link these to outcomes (please refer to relevant Corporate Plan 2015-18 objectives and outcomes)</i></p>
<p>N/A</p> <p>Customers will not be directly impacted, staff have managed impact to ensure seamless transition. Proposal is currently in operation.</p>
<p>What is the impact on businesses, members, staff, partners and other stakeholders and how will this be mitigated or managed? How has this been discussed / agreed with other parties affected? <i>List both positive and negative impacts.</i></p>
<p>This results in one post being deleted, however this proposal is already in operation with negative impacts experienced. All parties involved have been notified.</p>
<p>How does this option ensure the Council is able to meet statutory requirements?</p>

Risks and Mitigation			
<i>What are the main risks associated with this option and how could they be mitigated?</i>			
Risk	Impact H/M/L	Probability H/M/L	Mitigation
Delay in implementation	L	M	

**Business Planning / MTF5 Options
2019/20 – 2023/24**

Ref: EC4

Title of Option:	Strategic Property Unit – New Income Proposal		
Priority:	Economy/Your Council	Responsible Officer:	Steve Carr
Affected Service(s):	Housing, Regeneration & Planning	Contact / Lead:	Bill Ogden

Description of Option:

- *What is the proposal in essence? What is its scope? What will change?*
- *What will be the impact on the Council's objectives and outcomes (please refer to relevant Corporate Plan 2015-18 objectives and outcomes, and Borough Plan Evidence Packs)*
- *How does this option ensure the Council is still able to meet statutory requirements?*
- *How will the proposal deliver the benefits outlined?*

[Proposals will be mapped to the new Borough Plan Priorities/Objectives/Outcomes as they emerge – please take account of any likely changes when framing proposals]

This proposal comprises an opportunity to achieve new income potential by starting a process of **tackling the uncrystallised debt** in the commercial portfolio:

1. **Existing Proposal:** There is a level of uncrystallised debt in the commercial portfolio, which is estimated at circa £225k per annum. This has arisen from a backlog of outstanding rent reviews as well as tenants holding over under expired leases, where lease renewals still have to be negotiated. The existing professional staff in the Strategic Property team does not have the capacity to address this and it is proposed to secure an additional agency resource to tackle this backlog. The proposed cost of an agency surveyor through Hays is circa £75k per annum. We estimate this would achieve a net increased income to the Council during 2019/20 of £150k per annum. **Update:** An agency surveyor commenced at the end of June and has already made encouraging progress in inspecting units, initiating rental negotiations and achieving two rental settlements.
2. **Additional Proposal:** It is estimated that there is further potential to release more income, estimated at £225k per annum, from retrospective and ongoing rent reviews and lease renewals, which is beyond the capacity of existing professional staff to handle. It is proposed to recruit a second agency resource through Hays to undertake this work at a cost of circa £75k per annum to commence in September 2018. We estimate this would achieve a net increased income to the Council during 2019/20 of £150k per annum
3. In Summary, we estimate that in 2019/20 a **total gross new income of £450k** per annum could be achieved from rent review/lease renewal settlements given an outlay of £150k, giving a net new income flow of £300k per annum.
4. We would thus offer up £300,000 income to be set against the ongoing budget deficit of the SPU team that has arisen from the carrying cost of the supernumerary posts, which were deleted in anticipation of the HDV.
5. Note – this exercise cannot be scaled-up without further resource allocation to the property function.

2. Financial benefits analysis					
Saving / Cost	2019/20	2020/21	2021/22	2022/23	2023/24
<i>All savings / costs shown on an incremental basis</i>	£000s	£000s	£000s	£000s	£000s
A. Gross saving	-450				
B. Revenue implementation cost (One Off Pressure)					
C. Ongoing revenue cost	150				
D. Net Saving (A+B+C)	-300	0	0	0	0
E. Saving(s) already included in MTF5 2018/23	-250				
F. New net additional saving (D minus E)	-50	0	0	0	0

Impact / non-financial benefits and disbenefits
<p>What is the likely impact on customers and how will negative impacts be mitigated or managed? <i>List both positive and negative impacts. Where possible link these to outcomes (please refer to relevant Corporate Plan 2015-18 objectives and outcomes)</i></p>
<p>Rent reviews and lease renewals can give rise to issues of tenant affordability, which can be addressed through good communication and dialogue with tenants, and in some cases agreement of stepped rents or payment plans.</p>
<p>What is the impact on businesses, members, staff, partners and other stakeholders and how will this be mitigated or managed? How has this been discussed / agreed with other parties affected? <i>List both positive and negative impacts.</i></p>
<p>As above</p>
<p>How does this option ensure the Council is able to meet statutory requirements?</p>
<p>The Council is under an obligation to ensure it achieves best value from the commercial portfolio</p>

Risks and Mitigation			
<i>What are the main risks associated with this option and how could they be mitigated?</i>			
Risk	Impact H/M/L	Probability H/M/L	Mitigation
Tenant affordability	M	M	Good communication and dialogue with tenants, with agreement of stepped rents and payment plans if appropriate

**Business Planning / MTF5 Options
2019/20 – 2023/24**

Ref: EC5

Title of Option:	Strategic Property Unit – New Income Proposal		
Priority:	P4/PX	Responsible Officer:	Steve Carr
Affected Service(s):	Housing, Regeneration & Planning	Contact / Lead:	Bill Ogden

Description of Option:

- *What is the proposal in essence? What is its scope? What will change?*
- *What will be the impact on the Council's objectives and outcomes (please refer to relevant Corporate Plan 2015-18 objectives and outcomes, and Borough Plan Evidence Packs)*
- *How does this option ensure the Council is still able to meet statutory requirements?*
- *How will the proposal deliver the benefits outlined?*

[Proposals will be mapped to the new Borough Plan Priorities/Objectives/Outcomes as they emerge – please take account of any likely changes when framing proposals]

This proposal comprises an opportunity to achieve new income potential from the introduction of outdoor media, beginning with regularisation of existing media/advertising on our estate:

1. There is significant income potential to be achieved from Outdoor Media advertising across the Council's commercial estate, including development sites and highway land. At present there is only one lease of an advertising billboard in the commercial portfolio. The income potential from Outdoor Media is well proven and many London Boroughs are achieving valuable income from this. It is therefore proposed initially to instruct a specialist consultant to undertake an assessment of the Council's landholdings to identify suitable sites for Outdoor Media installations and in doing so to identify existing illegal advertising on Council property where action can be taken to regularise. The initial Stage 1 assessment is estimated at a cost of £15k. Thereafter, subject to planning consent and Member agreement, it is estimated that net income in 2019/20 would be not less than £100k, increasing significantly over future years. It is not possible at this stage to accurately forecast future income flows until an initial assessment has been completed, but it is not unusual for Boroughs to achieve many times this per annum depending on their location and appetite of advertisers.
2. In Summary, we estimate that in 2019/20 a total gross new income of £115k could be achieved from Outdoor Media given an outlay of £15k, giving a net new income flow of £100k per annum.
3. We would thus offer up £100,000 income to be set against the ongoing budget deficit of the SPU team that has arisen from the carrying cost of the supernumerary posts which were deleted in anticipation of the HDV.
4. Note – this exercise cannot be scaled-up without further resource allocation to the property function. We will address this wider issue of income generation and cost cover in the Commercial Property Review exercise that is intended to go to Corporate Board in September and will influence the restructure programme of the Housing, Regeneration and Planning Directorate.

2. Financial benefits analysis					
Saving / Cost	2019/20	2020/21	2021/22	2022/23	2023/24
<i>All savings / costs shown on an incremental basis</i>	£000s	£000s	£000s	£000s	£000s
A. Gross saving	0	-115			
B. Revenue implementation cost (One Off Pressure)					
C. Ongoing revenue cost	0	100			
D. Net Saving (A+B+C)	0	-15	0	0	0
E. Saving(s) already included in MTFS 2018/23	0	0			
F. New net additional saving (D minus E)	0	-15	0	0	0

Impact / non-financial benefits and disbenefits
<p>What is the likely impact on customers and how will negative impacts be mitigated or managed? <i>List both positive and negative impacts. Where possible link these to outcomes (please refer to relevant Corporate Plan 2015-18 objectives and outcomes)</i></p>
<p>Any cases of illegal advertising on Council land would be subject to action to regularise either through formal agreements or in some cases removal</p>
<p>What is the impact on businesses, members, staff, partners and other stakeholders and how will this be mitigated or managed? How has this been discussed / agreed with other parties affected? <i>List both positive and negative impacts.</i></p>
<p>Suggested early discussion with Cabinet Member on Outdoor Media proposals to secure support and agree guidelines</p>
<p>How does this option ensure the Council is able to meet statutory requirements?</p>
<p>Outdoor Media companies would be responsible for securing appropriate planning and building regulation consents as appropriate</p>

Risks and Mitigation			
<i>What are the main risks associated with this option and how could they be mitigated?</i>			
Risk	Impact H/M/L	Probability H/M/L	Mitigation
Outdoor Media installations require planning consent	M	M	Discussion with Planners at early stage. Seek alternative sites
Outdoor Media content not compliant with council policy	M	L	Ensure that licences and Heads of terms incorporate council policy and are reviewed by Comms and Procurement teams
Outdoor Media proposals may be politically sensitive	M	M	Early discussion with Cabinet Member and agree guidelines for advertising content

Summary of Budget Reduction Proposals - Housing

Housing				All Years	2019/20	2020/21	2021/22	2022/23	2023/24
Ref	Title	Category	Description	Net Saving (All)	Net Savings	Net Savings	Net Savings	Net Savings	Net Savings
				£'000	£'000	£'000	£'000	£'000	£'000
HO1	Temporary accommodation reduction plan	Other	Reduce TA costs, as detailed in the TA Reduction Plan. Proposals include initiatives to prevent homelessness, improve economic position of those in TA, and help support those in TA to move on. Revenue costs covered by the Flexible Homelessness Support Grant. Plan also includes proposals to increase supply of low cost TA through new purchase, repair and management joint venture partnership, and capital investment in new Community Benefit Society. Please note that due to the additional costs incurred due to unforeseen works at BWF, it may not be possible to meet the projected savings.	(2,201)	(920)	(708)	(573)	-	-
HO2	Explore opportunities to capitalise development team costs	Other	Proposal to charge salaries of staff within housing development and enabling team to the Housing Revenue Account, as their work is now focused on bringing forward sites for direct housing development. Approximately 40% of salaries are currently funded by the HRA, and it's proposed to increase this to 100%.	(150)	(150)	-	-	-	-
Housing Totals				(2,351)	(1,070)	(708)	(573)	-	-

**Business Planning / MTFs Options
2019/20 – 2023/24**

Ref: HO1

Title of Option:	Temporary Accommodation Reduction Plan		
Priority:	Housing	Responsible Officer:	Alan Benson
Affected Service(s):		Contact / Lead:	Alan Benson

Description of Option:

- *What is the proposal in essence? What is its scope? What will change?*
- *What will be the impact on the Council's objectives and outcomes (please refer to relevant Corporate Plan 2015-18 objectives and outcomes, and Borough Plan Evidence Packs)*
- *How does this option ensure the Council is still able to meet statutory requirements?*
- *How will the proposal deliver the benefits outlined?*

[Proposals will be mapped to the new Borough Plan Priorities/Objectives/Outcomes as they emerge – please take account of any likely changes when framing proposals]

Background

The Council has a statutory duty to provide temporary accommodation (TA) to households who have been accepted as Statutorily Homeless until they can be discharged, usually through an offer of settled accommodation.

Haringey has just under 3,000 households in such accommodation including around 2,600 placed in private sector accommodation. The costs of these properties is, in most cases, significantly in excess of the Local Housing Allowance (the maximum amount of Housing Benefit which can be claimed in the private rented sector) and so the council is required to subsidise these properties to ensure that they are affordable to these households. The current budget for this in the MTFs is £7.1 million per annum.

Proposals

The proposals to reduce this cost are contained in the Temporary Accommodation Reduction Plan. These proposals include initiatives to prevent homelessness, to improve the economic position of those who are in temporary accommodation and to help people move on – with the revenue costs of these covered by the Flexible Homelessness Support Grant. They also include proposals to increase the supply of lower-cost temporary accommodation through a new Purchase Repair & Management Joint Venture Partnership and capital investment in a new Community Benefit Society.

However please note that due to the additional costs incurred due to unforeseen works at BWF, it may not be possible to meet the projected savings. Other options are currently being scoped in order to ensure savings are met.

1. Financial benefits summary					
2018/19 Service Budget (£'000)					
Savings	2019/20	2020/21	2021/22	2022/23	2023/24
<i>All savings shown on an incremental basis</i>	£000s	£000s	£000s	£000s	£000s
Existing Budget	£7,100	£6,180	£5,472	£4,899	£4,899
Proposed net expenditure after savings	£6,180	£5,472	£4,899	£4,899	£4,899
Savings	£920	£708	£573	£0	£0

Impact / non-financial benefits and disbenefits
<p>What is the likely impact on customers and how will negative impacts be mitigated or managed? <i>List both positive and negative impacts. Where possible link these to outcomes (please refer to relevant Corporate Plan 2015-18 objectives and outcomes)</i></p>
<p>Improved temporary accommodation offer for homeless households, with properties meeting agreed minimum standards at an LHA rent. The quality of service will also improve, as housing services will be provided by a housing association or Homes for Haringey, rather than by the often unreliable arrangements put in place by private landlords.</p>
<p>What is the impact on businesses, members, staff, partners and other stakeholders and how will this be mitigated or managed? How has this been discussed / agreed with other parties affected? <i>List both positive and negative impacts.</i></p>
<p>Reduced reliance on private landlords. Depending on exact arrangements, Homes for Haringey may provide housing management services to more homes.</p>
<p>How does this option ensure the Council is able to meet statutory requirements?</p>
<p>The Council has a statutory duty to provide temporary accommodation (TA) to households who have been accepted as Statutorily Homeless until they can be discharged, usually through an offer of settled accommodation. This will allow us to achieve this duty for less money and provide better quality accommodation.</p>

Risks and Mitigation			
<i>What are the main risks associated with this option and how could they be mitigated?</i>			
Risk	Impact H/M/L	Probability H/M/L	Mitigation
See attached detailed Risk Register for the Housing Delivery Companies programme.			

**Business Planning / MTFs Options
2019/20 – 2023/24**

Ref:
HO2

Title of Option:	Capitalisation of Development team salary costs		
Priority:	Economy	Responsible Officer:	Dan Hawthorn
Affected Service(s):	HRP	Contact / Lead:	Alan Benson

Description of Option:

- *What is the proposal in essence? What is its scope? What will change?*
- *What will be the impact on the Council's objectives and outcomes (please refer to relevant Corporate Plan 2015-18 objectives and outcomes, and Borough Plan Evidence Packs)*
- *How does this option ensure the Council is still able to meet statutory requirements?*
- *How will the proposal deliver the benefits outlined?*

[Proposals will be mapped to the new Borough Plan Priorities/Objectives/Outcomes as they emerge – please take account of any likely changes when framing proposals]

Background

One of the Council's key priorities is to deliver new council housing on council-owned land as part of the target to provide 1,000 new Council homes by 2022. A Development & Enabling team exists within the Housing Strategy & Commissioning team to work up proposals for – and then deliver – new homes on medium-sized council-owned land, the majority of which is currently held in the Housing Revenue Account (HRA). Because the nature of this team's work is changing and it will now be working to bring forward sites for direct housing development, it is proposed that the salaries of a number of staff in the development team are now charged to the HRA in full:

Proposals

In order to facilitate required general fund savings it is proposed to charge the salaries of key development team staff fully to the HRA.

2 x Senior Housing Project Managers and 1x Housing Project Manager.

Approximately 40% of these salaries are currently funded by the HRA and it is proposed to increase this to 100% and offer the balance as a saving to the General Fund.

Current Housing Strategy & Commissioning General Fund budget - £914,300

Existing MTFs Savings - none

Net New Savings - £150k

2018/19 Service Budget (£'000)					
Savings	2019/20	2020/21	2021/22	2022/23	2023/24
<i>All savings shown on an incremental basis</i>	£000s	£000s	£000s	£000s	£000s
Existing Budget	914	764	764	764	764
Proposed net expenditure after savings	764	764	764	764	764
Savings	150	0	0	0	0
New net additional savings (year on year)	150	0	0	0	0

Impact / non-financial benefits and disbenefits
<p>What is the likely impact on customers and how will negative impacts be mitigated or managed? <i>List both positive and negative impacts. Where possible link these to outcomes (please refer to relevant Corporate Plan 2015-18 objectives and outcomes)</i></p>
<p>N/A</p> <p>Customers will not be impacted.</p>
<p>What is the impact on businesses, members, staff, partners and other stakeholders and how will this be mitigated or managed? How has this been discussed / agreed with other parties affected? <i>List both positive and negative impacts.</i></p>
<p>The proposal is to increase the level of salaries charged to the HRA. This will reduced the amount of HRA funding for other requirements, but the cost is not considered significant and leads to the provision of additional housing to be let in future.</p>
<p>How does this option ensure the Council is able to meet statutory requirements?</p>

Risks and Mitigation			
<i>What are the main risks associated with this option and how could they be mitigated?</i>			
Risk	Impact H/M/L	Probability H/M/L	Mitigation
HRA will not be able to fund other requirements/projects.	L	L	The level of funding required from the HRA relative to the total value of the account is very low, and leads to the provision of additional housing to be let in future.

**Business Planning / MTFs Options
2019/20 – 2023/24**

Ref:
PL1

Title of Option:	Additional HMO Licensing Scheme for HMO		
Priority:	Place	Responsible Officer:	Lynn Sellar
Affected Service(s):	Community Safety & Enforcement	Contact / Lead:	Lynn Sellar

Description of Option:

- *What is the proposal in essence? What is its **scope**? What will **change**?*
- *What will be the impact on the Council's objectives and outcomes (please refer to relevant Corporate Plan 2015-18 objectives and outcomes, and Borough Plan Evidence Packs)*
- **How does this option ensure the Council is still able to meet statutory requirements?**
- *How will the proposal deliver the benefits outlined?*

[Proposals will be mapped to the new Borough Plan Priorities/Objectives/Outcomes as they emerge – please take account of any likely changes when framing proposals]

Licensing of Houses in Multiple Occupation is a Mandatory Function. Owners of eligible properties have to pay a fee of £208 per habitable unit to licence with the local authority.

As of April 2018 the definition of a Mandatory HMO has changed and now includes properties regardless of the number of storeys. This will expand the number of properties within our borough which will require licensing as previously they would have fallen outside this definition. This scheme became operational as of 1st October 2018.

Licensing of Mandatory HMO accommodation is a statutory function within Housing Act 2004.

The licensing of smaller HMO accommodation is a discretionary power that Haringey has adopted the use of. Additional HMO licensing exists within 5 wards of Tottenham and will end in May 2019.

Plans to extend Additional HMO Licensing across the borough and introduce selective licensing is proposed in 29 hot spots. The aim is to have both schemes in place by the end of 2019-20. These schemes have a 5 year lifetime and can be renewed at the end of this period.

HMO Licensing includes the inspection of property to ensure that it meets all legal standards. The aim of licensing is to improve living conditions for those tenants residing within this property type and to reduce the impact that this type of property can have on the local community.

Where it is a legal requirement of the property owner to licence, the onus is on the landlord or managing agent to ensure they fulfil their legal obligation. The aim of HMO Licensing in Haringey is to ensure that this property type is safe and well maintained for the tenants living within it. The property will be inspected for standards based on risk. Any property failing to meet standards will be prosecuted as per the legislation pertaining to this. Properties which are found to have failed to licence will be enforced against.

Additional fee income will be used to cover the costs of related services.

Mitigation to avoid negative consequences of the HMO licensing scheme

Through Migration Impact Funding (MIF) we are seeking to recruit 3 housing needs advisors who will sit within the Housing Improvement Team (HIT) and work alongside HMO Licensing officers and well as Homes for Haringey housing needs advisors. The aim of their role is to provide early intervention in cases where there may be displacement following our interventions or cases of tenants being negatively affected by their living conditions. Advisors will ensure that tenants understand their responsibilities as well as those of the landlord. This intervention aims to reduce landlords' use of section 21 eviction powers to evict tenants.

2018/19 Service Budget (£000s)					
Savings	2019/20	2020/21	2021/22	2022/23	2023/24
<i>All savings shown on an incremental basis</i>	£000s	£000s	£000s	£000s	£000s
New net additional savings		400			

Impact / non-financial benefits and disbenefits

What is the likely impact on customers and how will negative impacts be mitigated or managed?

List both positive and negative impacts. Where possible link these to outcomes (please refer to relevant Corporate Plan 2015-18 objectives and outcomes)

POSITIVE IMPACTS

Positive impact for tenants who reside in poorly maintained /managed HMO accommodation.

Properties found to be in use without a licence can have Rent Re-Payment Orders (RRO) placed on them if prosecuted and found guilty. The tenant can take his or her own RRO claim. Tenants are also protected from sec 21 housing evictions.

Those living in the local community should be positively impacted if they live in an area where this property type is not managed effectively. Licence conditions last for 5 year period, so landlords remain responsible for this duration.

Licensing produces a register of licence holders who have to be fit and proper persons. This allows tenants and Haringey officers to have direct contact details of the person they need to contact if things are failing.

Landlords and letting agents can advertise their properties as being licensed with the council, as a means of showing they meet standards and are compliant, good landlords in our borough.

NEGATIVE IMPACTS

Landlords have to pay a licence fee, although this is not burdensome with the average cost equating to £4 per week based on a 5 room HMO. That is 80p per week per tenant.

Some landlords have claimed to pass this cost on to tenants so tenants are concerned their rents will rise.

Mitigation/management – Landlords can claim this expense back from Inland revenue.

Landlord has to meet conditions and have works done to the property to meet statutory requirement.

Mitigation/management – Licensing conditions only ask for what is already a legal requirement for HMO accommodation. If they do not have these elements already then they have always been non-compliant.

What is the impact on businesses, members, staff, partners and other stakeholders and how will this be mitigated or managed? How has this been discussed / agreed with other parties affected?

List both positive and negative impacts.

Positive Impact.

Makes identifying responsible owners of property easier for staff as there is a register of their contact details.

Provides a database of known HMO accommodation for the borough

Greater joining up of resources and service delivery.

Negative Impacts.

Increase in workload for officers in Housing improvement Team and other services.

How does this option ensure the Council is able to meet statutory requirements?

Licensing is a statutory function which supports the other statutory functions around enforcement response, fly tipping, noise and anti-social behaviour.

Properties are often identified through licensing that do not have planning permission, or which are failing to declare habitable units to Council Tax.

Licensing and early intervention will assist with the Homelessness Reduction Act and the impact of identifying non-compliance within HMO accommodation and the impact this can have on evictions etc.

Risks and Mitigation

What are the main risks associated with this option and how could they be mitigated?

Risk	Impact H/M/L	Probability H/M/L	Mitigation
Extension to Licensing will not be agreed by cabinet	H	L	New Cabinet administration fully advised on its advantages.

Landlords fail to license upfront, consequence is fee income will be stunted	H	M	<p>Offer early bird, discount incentive to landlords who licence early.</p> <p>Prosecutions early on against those who have failed to licence to show that it is not an option to be tolerated.</p>
Fail to recruit adequately trained officers to carry out HMO Licensing Function.	H	M	<p>Re-examine delivery structure, look at alternative means of employment type/background, re-negotiate starting salaries to reflect competitive market in this area.</p>

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