

Report for: Overview and Scrutiny Committee – 28 January 2019

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

Report authorised by: Cllr Pippa Connor, Vice Chair Overview and Scrutiny Committee and lead for Budget Scrutiny

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Ward(s) affected: All

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

1. Describe the issue under consideration

- 1.1 This report sets out how budget proposals detailed in the draft 5 year Medium Term Financial Strategy (2019/19 – 2023/24) have been scrutinised and the draft recommendations that have been reached by the Overview and Scrutiny Committee (OSC) and Scrutiny Review Panels.
- 1.2 Members of the Committee are asked to consider and agree recommendations contained within this report so that these can be considered by Cabinet on 12 February 2019, when they will also agree the final MTFS proposals that will be put to Council on 25 February.

2. Recommendations

- 2.1 That the Overview and Scrutiny Committee:
 - (a) Notes the budget information and capital schemes proposals, attached at Appendices A and B, considered by Scrutiny Panels and the Overview and Scrutiny Committee in December/January 2018;
 - (b) Considers the additional information, attached at Appendix C, requested during the December/January round of budget scrutiny meetings;
 - (c) Agrees final budget recommendations to be put to Cabinet on 12 February 2019, following consideration of recommendations arising out of the budget scrutiny process, set out in Appendix D.

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

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

6.1 The Overview and Scrutiny Committee considered the MTFS (2018/19 – 2022/23) planning timetable and budget scrutiny process for 2018/19 at its meeting on 19 November 2018. Following consideration by Cabinet, all four scrutiny panels have met to scrutinise the draft budget proposals that fall within their portfolio areas:

- Children and Young People Scrutiny Panel
 - o Priority 1

- Adults and Health Scrutiny Panel
 - o Priority 2
- Environment and Community Safety Scrutiny Panel
 - o Priority 3
- Housing and Regeneration Scrutiny Panel
 - o Priority 4 and Priority 5.

6.4 In addition, the Overview and Scrutiny Committee met on 14 January to consider proposals relating to Priority X (Enabling).

6.5 Cabinet Members, senior officers and finance leads were in attendance at each meeting to present proposals and to respond to questions from members. For some of the proposed revenue savings proposals, additional information was requested during the December/January round of meetings. This information is attached at Appendix C while a list of recommendations, developed from the meetings above, is provided at Appendix D.

6.6 The Adults and Health Scrutiny Panel met on 18 January so its draft recommendations are to follow.

7. Next Steps

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

Date	Meeting	Comments
28 January 2019	Overview and Scrutiny Committee	Recommendations agreed and formally referred to Cabinet
12 February 2019	Cabinet	Cabinet will set out its response to recommendations made by the Overview and Scrutiny Committee
25 February 2019	Full Council	Final budget setting

8. Contribution to Strategic Outcomes

8.1 The budget scrutiny process has made a contribution to each of strategic outcomes relating arising from the Councils Corporate Plan 2015-18.

9. Statutory Officers Comments

Finance

- 9.1 The Chief Finance Officer has been consulted on this report and acknowledges the importance of budget scrutiny in preparing and subsequently approving the Council's Medium Term Financial Strategy (MTFS).
- 9.2 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

- 9.3 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

- 9.4 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.
- 9.5 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.
- 9.6 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.
- 9.7 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

Appendices A and B – Draft 5 Year Medium Term Financial Strategy Scrutiny Report and Capital Schemes proposals

Appendix C – Additional Information Requested

Appendix D – Draft List of Recommendations from Budget Scrutiny Process

11. Local Government (Access to Information) Act 1985

11.1 Background papers:

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