

MINUTES OF THE MEETING OF THE ADULTS & HEALTH SCRUTINY PANEL HELD ON THURSDAY 10TH DECEMBER 2020, 6.30pm - 9.35pm

PRESENT:

Councillors: Pippa Connor (Chair), Zena Brabazon, Nick da Costa, Sheila Peacock, Daniel Stone, Helena Kania and Lucia das Neves

Co-optee: Helena Kania

1. 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'.

2. APOLOGIES FOR ABSENCE

None.

3. ITEMS OF URGENT BUSINESS

It was noted that the Panel would discuss the Work Programme at the end of the meeting.

4. DECLARATIONS OF INTEREST

Cllr Pippa Connor declared an interest by virtue of her membership of the Royal College of Nursing.

Cllr Pippa Connor declared an interest by virtue of her sister working as a GP in Tottenham.

Cllr Nick da Costa declared an interest by virtue of his ownership of a company working with the NHS, medical providers and healthcare practitioners on a variety of projects, none of which, to his knowledge, work in Haringey Borough though they do work in surrounding areas and with service providers across London.

5. DEPUTATIONS/PETITIONS/ PRESENTATIONS/ QUESTIONS

None.

6. MINUTES

Cllr Brabazon requested an update on the action recorded in the minutes of the previous meeting to have further conversations with Barnet Enfield & Haringey Mental Health Trust (BEH-MHT) on difficulties with mental health-related casework. Cllr Connor reported there had been some initial dialogue on this with Andrew Wright at BEH-MHT by email and that he would then be looking into this in more detail. Further progress on this would be reported to the Panel. **(ACTION)** The minutes of the previous meeting were agreed.

RESOLVED: The minutes of the previous meeting on 17th November 2020 were approved as an accurate record.

7. SCRUTINY OF THE 2021/22 DRAFT BUDGET / 5 YEAR MEDIUM TERM FINANCIAL STRATEGY (2021/22 - 2025/26)

Brian Smith, Business Partner, introduced the report on the Council's draft budget for 2021/22 and 5-Year Medium Term Financial Strategy (MTFS) for 2021/22 – 2025/26 and proposals relating to the Panel's remit, highlighting the following points:

- That, as noted in Section 5 of the report, at the start of the year the Council's budget gaps for the two years from 2021 - 2023 had been assumed to be £1.9m and £3.1m.
- However, the impact of Covid-19 had resulted in considerable pressures on the Council's budget. A Recovery and Renewal workstream had been undertaken to develop a better understanding of the new context.
- As a result of the Covid crisis and the consequent diversion of Council officers to other tasks, a slippage of £1.6m from pre-agreed savings plans had been reprofiled into the next two years.
- An element of growth had been built into the Adults & Health budget in order to meet rising demand.
- The Council budget for 2020/21 could be set with the use of £5.4m of reserves. However, the current budget shortfall for 2022/23 was projected to be around £8m.

Cllr Sarah James, Cabinet Member for Adults & Health, commented that the Council was in an unprecedented situation, not just due to the pandemic, but also with the impact of Brexit approaching. In terms of Adults and Health, she said that there was a need to tackle poverty and inequality, to meet a rising demand for services and to invest in prevention and early intervention to help stop needs from escalating which would otherwise cost more further down the line. Savings proposals therefore focused on income generation rather than cuts to services. In response to a question from Cllr das Neves about how Haringey compared to other local authorities, she said that while some other Councils may have greater reserves to rely on, Haringey's position having invested services and being able to present a balanced budget put the Council in a relatively good position.

Cllr Brabazon queried the size of the budget gap, noting that it was quoted as £17m in paragraph 1.10 on page 23 of the agenda pack, but that she had heard a lower figure quoted in a previous briefing. Brian Smith said that the cost pressure to the Council remained at £17m, though this could change depending on the level of government grants

provided. However, progress had been made on identifying additional savings to reduce the gap to the point that the Council needed to draw only £5.4m from reserves in order to balance the budget for 2021/22. Asked whether any of the additional savings that had been identified to achieve this had come from the Adults & Health budget, Brian Smith said that there were different elements to the Council's position. Some of this related to increased income generation and there had been some savings slippage carried forward to the following financial year but there were no new savings to be considered by the Panel. Income generation relating to Adults & Health included addressing delays in assessments of financial packages and reviews of packages where circumstances have changed. Around £500,000 of income generation had been considered by the Panel the previous year in relation to the 2020/21 budget.

Referring to Table 7.5 on page 47 of the agenda pack, Cllr da Costa asked for further details on the projected budget for the Adults budget beginning with £83.78m in 2020/21 and then decreasing and increasing in subsequent years. Brian Smith said that the pre-agreed savings set out in Table 7.3 on page 44 of the agenda pack accounted for part of the reductions up to 2022/23, while projected increases in demand for services accounted for growth in the budget in the later years. Asked by Cllr da Costa why the budget figures for Adults appeared to be significantly higher than the same forecasts presented the previous year, Brian Smith said that this was accounted for by the shifting of some services between Directorates. For example, commissioning for homelessness services had moved from Housing commissioning to Adults commissioning.

Cllr Brabazon asked for further explanation on the "delayed and undeliverable savings" set out in Table 7.2 on page 44 of the agenda pack, which were quoted as £1.6m for Adults in 2021/22. Brian Smith said that this represented savings that had previously been agreed but were then not possible to deliver due to the Covid-19 pandemic. However, it was expected that these savings could be reprofiled into the following two years. While they accounted for part of the Council's overspend in the current financial year, there were no new savings in this section to consider.

Asked by Cllr Brabazon for further explanation on the agreed savings of £11.2m for Adults set out in Table 7.3 on page 44 of the agenda pack. Brian Smith said that this represented savings that had been agreed in previous years which were set out in more detail in the Savings Tracker on pages 87 & 88 of the agenda pack.

Cllr das Neves noted that savings proposals B2.8 (Mental Health) and PA5 (In-house Negotiator) had been marked as red on the RAG rating provided in the savings tracker in the Cabinet papers and asked about the implications of this. John Everson, AD for Adults, said that the items were marked red because of the late start in delivering savings/mitigations caused by Covid. In response to concerns expressed by Cllr Brabazon that the savings had not been achieved, Beverley Tarka, Director of Adults and Health, added that, while it had not been possible to deliver the savings on an in-house negotiator as resources were diverted due to the pandemic, an NCL-wide approach on commissioning had been developed over the last couple of years to negotiate better value

for money prices with providers on care services. Going forward, there would be a focus on the learning disability market which was a high cost area for the Council.

Cllr da Costa questioned how realistic the reprofiled savings would be noting that, according to the Cabinet papers, the target for savings in the current year was £5.073m, of which only £2.142m had been achieved, with a variance of £1.246m and slippage of £1.865m. Brian Smith said that the previous year, 90% of the savings target had been achieved in-year with the remainder being achieved in the current year. He said that the plans were robust with a business case for each of the savings, so he believed that these were achievable.

Cllr Connor asked for clarification on the “service growth budget adjustment proposals” set out in Table 7.1 on page 43 of the agenda pack, and it was confirmed that the £2.3m under ‘Adults’ for 2021/22 in the table represented extra money that had been added to the base budget. Asked by Cllr Connor whether additional money would also be added for subsequent years, Sean Huang, Principal Accountant, said that the £2.3m represented a revision following a demand projection exercise carried out last year. Brian Smith added that, because the Connected Communities programme’s focus on early intervention, this was leading to an increase in demand for low level packages but would result in savings from reduced take-up of high-level packages in the future.

In response to a question from Cllr das Neves about the Council’s attitude to the role of innovation and risk, Cllr James said it was important not to be afraid to try new things and this required space to allow new ideas to develop. Creativity was also required to deliver services in a different way at a times when resources were reducing instead of simply continuing to cut services. She added that the Connected Communities programme was a good example of investment in innovation that could produce savings in the long term. Beverley Tarka added that attracting investment for programmes involving innovation and working closely with communities could deliver more sustainable adult social care outcomes. Charlotte Pomery, AD for Commissioning, referred to work on the new Autism Hub, which involved bringing an old building back into use and working closely with services users and carers on a co-production approach, as another example of innovation and of meeting people’s needs at an earlier stage. Understanding how best to use assisted technology and an increasing reliance on digital and online provision would also become increasingly important in future. She added that the use of capital investment was a crucial part of developing innovative programmes.

Cllr Connor asked for further details on the new commissioning arrangements referred to under item B2.8 (Mental Health) and the reduction in the cost of care packages referred to under item PA6 (Transfer of High Cost Day Opps) on the savings tracker. John Everson said, as these were previously agreed savings, these would only have been new at the time that the Panel originally considered them and would have included aspects such as positive behaviour support or methods of commissioning the market differently. Charlotte Pomery said that new commissioning arrangements also included the wellness service commissioned with Mind in Haringey, the early intervention service and the new approaches around mental health community enablement.

Referring to items B2.7 (Haringey Learning Disability Partnership) and B2.9 (Physical Support) on the savings tracker, Cllr Connor asked whether additional income from the NHS could be brought in. John Everson said that income and savings were treated differently but that the Council had aimed to maximise income including through sources such as the Better Care Fund or Covid-related funding that had become available, such as on discharge arrangements for example. These aspects were factored into the current budget position.

Asked by Cllr Connor for more details on the further savings referred to under item PA9 on the savings tracker, John Everson and Brian Smith said that it was a combination of savings that were accelerated to cover a gap and the delivery of them was now built in to current plans.

Cllr das Neves asked about investment in Osborne Grove Nursing Home, specifically on the increase in costs and about possible service provision outside of the Borough. Charlotte Pomery said that the latest iteration of the plans seen by the Panel was the option to maximise provision on the site through a 70-bed nursing home, a 20 unit supported housing development and 8-10 beds for end-of-life care for people with a history of complex homelessness. This was based on local demand but also an increased need for nursing care rather than residential care and the increased uses on the site would enable different but complementary aspects of older age care such as dementia and autism/learning disabilities. This approach could also bring in outside investment. In terms of working with other Boroughs, Osborne Grove is close to the border of Islington and, as mentioned previously, Haringey was closely aligned to the NCL commissioning approach. However, the main driver in the proposals was to meet the needs of Haringey residents.

Asked by Cllr das Neves about performance on the delivery of capital programmes, Charlotte Pomery said that there had been a significant amount of work within the Council on project management processes with a focus on realistic programming, collaborative work and getting the specifications right. However, the impact of Covid and Brexit would continue to impact on projects including on external contractors and supply chains. John O'Keefe, Head of Capital and Major Projects, said that, in terms of slippage, some projects are highly dependent on other factors to proceed. The budget for the Wards Corner project, for example, had been put in place some time previously but had been held up for years by planning issues. In terms of the more controllable type of slippage, the Council had revised its procedures to ensure appropriate teams with appropriate project management methodology applied to the right projects with clear governance. Asked by Cllr das Neves about the visibility of the risk registers, John O'Keefe said that all the project teams have risk registers which the Capital Board would look at but he wasn't sure who else in the organisation would see these.

Cllr Brabazon asked whether the savings proposal B2.7 on the Haringey Learning Disability Partnership, as recorded on the Savings Tracker in the agenda pack, could be achieved and whether this would involve job losses as this seemed unclear from the

documentation provided. Beverley Tarka said that the savings did not involve job losses and that the approach involved market management, demand management (such as through the Connected Communities programme) and operational management (improving skill set of staff). Beverley Tarka said that she could provide a slide to the Panel which outlined examples of these three approaches. **(ACTION)** Asked by Cllr Brabazon whether the savings of £4.29m in this area as set out on the action tracker was realistic, Beverley Tarka noted that the savings would be reprofiled over the MTF period but that they were still achievable, particularly through the market management aspect, as the number of providers were small and so by broadening the market across the NCL sub-region with a dedicated negotiator, real inroads could be made into the cost of care. Asked about the impact of the London Living Wage, Beverley Tarka said that the issue in the negotiations was not what care staff were being paid but the profit margins of the providers. Brian Smith added that there were separate lines within the budget on growth and on savings and the London Living Wage was factored into the growth.

Cllr da Costa commented on the quality of the information provided, noting that the savings tracker in the agenda pack did not match with the savings tracker in the Cabinet papers and also did not reflect the reprofiling that had been carried out. Brian Smith said that part of the issue was that finance officers need to report on the savings agreed at the outset of the year as this was the marker to measure against, though there had been significant changes in-year. Asked by Cllr Connor for an explanation of the “savings with mitigations” section in the Cabinet papers, Brian Smith said that the mitigations are a consequence of growth or doing things differently, such as by investing to save. These mitigations would be tracked during the MTF period in the same way that savings are. Cllr Connor suggested that the Panel may wish to request that further information on the savings with mitigations be provided to the Overview and Scrutiny Committee when the Panel’s recommendations were discussed later in the meeting. .

New Savings Proposals 2021/22 – 2023/24

The Panel then considered the new savings proposals as detailed in the agenda pack.

AS101 – Fast Track Financial Assessments & AS102 – Client Contributions

Cllr Connor asked why, according to the pro forma for these items, no Equality Impact Assessment (EqIA) had been carried out, even though this is required of MTF savings proposals. Officers established that this had in fact been completed but that it had not been provided in the pack, so this would be provided to the Panel. **(ACTION)**

Asked about the proposal itself, Beverley Tarka confirmed that this represented income generation, rather than savings. She described the proposal as an improved efficiency of their processes which would help to prevent people from getting into debt by conducting the financial assessment earlier in the process.

Adults & Health Capital Bids

The Panel then considered the Adults capital programme. John O'Keefe explained that there was only one new item in the programme which was item 221 (Mosaic System Implementation). He explained that the procurement for this item was currently taking place and that the outcome would either be an enhancement of the existing case management system or the replacement of the system. If a replacement was chosen then the budget for this would be higher.

Cllr Brabazon asked how much had been spent in 2020/21 on the eight existing capital schemes set out in the table of page 85 of the agenda pack in 2020/21. John O'Keefe said that, as of Q2, there had been an outturn of around £1m across the Adults capital programme as a whole. This was projected to reach £4m by the end of the year against a budget of £17.8m. The Covid-19 pandemic had caused a profound impact on the programme with projects delayed and supply chains disrupted, resulting in a significant underspend. Cllr Brabazon commented that in these circumstances there would need to be rigorous project management of the capital programme in 2021/22 because, as had been set out earlier in the meeting, the innovation from capital projects had a significant impact on the revenue budget. Cllr Connor noted that an understanding of the oversight of projects would be of particular relevance to the Panel's recommendations. Cllr James noted that she was particularly pleased with progress on a number of projects such as Waltheof Gardens and Osborne Grove, given the extraordinarily difficult circumstances that there had been this year.

Cllr da Costa noted that the budget for item 217 (Burgoyne Road) had been reduced from a forecast of £3m last year to £2.5m this year and asked whether this represented a saving. John O'Keefe said that the budget had not been reduced because it was necessary to obtain permission from Cabinet to carry forward underspends from the previous year so this would be adjusted in June.

Cllr da Costa noted that the budget for item 214 (Osborne Grove) had previously been projected at £35.9m but was now projected to be £43.1m and asked for an explanation on this. John O'Keefe replied that the budget had been increased to reflect the larger scheme that was now being proposed. This level of investment was supported by the draft business case.

Cllr da Costa asked whether an operational budget had been allocated to run any new system provided under item 221 (Mosaic system). Beverley Tarka said that she would need to look into this and provide a written response. **(ACTION)**

Asked by Cllr Connor why there was no information about Waltheof Gardens in the capital programme, John O'Keefe said that there was no anticipated capital spend on this from 2021/22 as the project would be completed by then. Charlotte Pomery said that the overall spend on the project in 2020/21 would have been in the region of £450-480k and confirmed that the opening of the service was expected in January 2021.

Referring to Table 8.3 (Financing Strategy) on page 57 of the agenda pack, Cllr da Costa asked for further explanation of the £54.17m of self-financing from savings and the £14.482m of external funding. John O'Keefe said that the former figure accounts for the savings/income that can be expected to be achieved following the capital investment that is made, for example the income generated after the Osborne Grove redevelopment as specified in the business case. The latter figure predominantly comprised of the Disabled Facilities Grant. Asked by Cllr Connor where the savings are accounted for, John O'Keefe explained that following a capital investment the savings would be deducted from the relevant service budget and transferred to the treasury management budget which pays for the costs of the borrowing.

Asked by Cllr Brabazon about the underspend in 2020/21 on item 213 (Canning Crescent Assisted Living), Charlotte Pomery reported that work had been carried out on the design brief and that it was out to tender with award of contract expected in the next couple of months and delivery on track for early 2022.

Asked by Cllr Connor which reserve funds were being used to fund the £5.4m required to balance the budget, Brian Smith said that a response on this would need to be provided in writing. **(ACTION)** Asked by Cllr Connor how much of the £5.4m gap was attributable to the Adults budget, Brian Smith said that there was not a straightforward answer for this because there were cost pressures and loss of income across the services and there were general Covid grants from Government.

Panel recommendations to Overview & Scrutiny Committee

The Panel then considered what recommendations it could make on the budget to the Overview and Scrutiny Committee.

Cllr das Neves said that it would be useful for the Overview and Scrutiny Committee to have a good understanding of the management of risk around capital budgets and clear visibility of how that is tracked and who sees it. Cllr da Costa agreed with this and added that there was very little information in the papers about the levels of confidence in delivery.

Cllr da Costa said that information should be provided to the Overview and Scrutiny Committee on the savings with mitigations and the impact of this.

Cllr Brabazon suggested that there should be more clarity on the Savings Tracker as there had been two different versions provided, one for Cabinet and one for the Panel and neither of these provided the full information that she would like to have seen. Specifically, she suggested that the information provided should be in one document and set out more clearly the situation in the current financial year and what funds have been carried forward to the next year. She felt that scrutiny required a better understanding of whether savings could realistically be achieved, perhaps by setting out practical examples or cases studies to illustrate how these would work in practice. Cllr Connor concurred with this,

commenting that further information should be provided to the Overview & Scrutiny Committee including how the savings on the tracker can be achieved, including mitigations and slippage. She also commented that the slide referred to by Beverley Tarka on how savings would be achieved on the Haringey Learning Disability Partnership could provide a useful practical illustration.

Cllr Brabazon said that if any jobs losses (or posts not being filled) were involved in any budget changes then this should be clearly highlighted in the documentation. It would also be useful to see reporting on the capital budget that included the progress made against the key milestones and deadlines.

Cllr das Neves said that, given the impact of Covid, it was important to understand how the impact of unexpected events were built into budget plans. Cllr Connor said that the figures were still not clear on the pressures to the Adults budget caused by Covid and where that pressure was in the budget. A table on this for the Overview and Scrutiny Committee would therefore be useful. She also noted that further information had been requested on which reserve funds were being used to cover the £5.4m budget gap.

Cllr da Costa referred to the point raised earlier in the meeting where it had been explained that a significant increase in the Adults budget was a consequence of certain services moving between Directorates and suggested that a breakdown of this for Adults would be required to have a full understanding of the size of the Adults budget over the MTFS period.

Cllr Connor referred to the additional funds being added to the Adults budget due to increased demand pressures and noted that additional demand for low-cost packages was expected in future due to the needs identified by the Connected Communities programme. She suggested that information on what work had been carried out on future demand pressures and what had been budgeted for this should be provided to the Overview & Scrutiny Committee.

Cllr Brabazon requested that more information should be provided to the Overview & Scrutiny Committee on item 209 (Assistive Technology) of the capital budget in order to understand how this money was being spent and what the expected results of this would be.

Cllr Connor commented that on item 221 (Mosaic System Implementation) of the capital budget there was a large variance between the possible options of £650k and £2.5m so it would be useful for the Overview and Scrutiny Committee to understand a little more about this.

Helena Kania commented that it was particularly important for the Panel to receive the information that it asks for ahead of the meeting as it was otherwise difficult to scrutinise. Cllr Connor noted that there was some information provided in the Cabinet papers that was not included in the Panel's agenda pack and proposed that the Panel should make a

recommendation to the Overview & Scrutiny Committee that the information received by the Panel captures everything within the Adults section of the budget.

Cllr Connor suggested that further information should be provided in future years on progress towards the amount of additional income generation that had previously built into the plans so that the Panel could track whether this was actually being achieved as intended.

8. NEW ITEMS OF URGENT BUSINESS

Cllr Connor provided a short update on the Work Programme reporting that:

- There had been a discussion with the Chair of the Housing & Regeneration scrutiny panel about a possible joint meeting on the health needs of people in sheltered housing. However, there was currently an issue with capacity in the Housing & Regeneration scrutiny panel’s work programme so there may be a delay until it would be possible to fit this in.
- The Scrutiny Review on commissioning was still incomplete and required a further meeting to complete the evidence gathering so it was hoped that officers would be able to assist with this early in 2021.
- She suggested that an informal meeting of the Panel could be arranged to discuss additional quick task and finish projects that the Panel could undertake in 2021. This was agreed by the Panel.

9. DATES OF FUTURE MEETINGS

Panel Members were requested to note that the date of the last meeting of the Panel in 2020/21 had been changed and would now take place on Mon 1st March 2021 (6:30pm).

CHAIR: Councillor Pippa Connor

Signed by Chair

Date