

MINUTES OF THE MEETING OF THE ADULTS & HEALTH SCRUTINY PANEL HELD ON THURSDAY 16TH DECEMBER 2021, 6.30 - 9.05pm

PRESENT:

Councillors: Pippa Connor (Chair), Mark Blake, Gideon Bull, Mahir Demir and Sheila Peacock

Co-Optees/Non-voting members: Ali Amasyali and Helena Kania.

35. 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'.

36. APOLOGIES FOR ABSENCE

Apologies for absence were received from Cllr Mahir Demir.

Apologies for lateness were received from Cllr Mark Blake who joined the meeting at 6:45pm.

37. ITEMS OF URGENT BUSINESS

None.

38. 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 Gideon Bull declared that he was currently employed by NHS England.

39. DEPUTATIONS/PETITIONS/ PRESENTATIONS/ QUESTIONS

None.

40. MINUTES

The minutes of the previous meeting were approved as an accurate record.

RESOLVED – That the minutes of the meeting held on 15th November 2021 be approved as an accurate record.

41. SCRUTINY OF THE 2022/23 DRAFT BUDGET / 5 YEAR MEDIUM TERM FINANCIAL STRATEGY (2022/23 - 2026/27)

Josephine Lyseight, Head of Finance (People), introduced the reports focusing initially on Appendix B which covered the 2022/23 Budget and the 2022-2027 Medium Term Financial Strategy. She explained that the draft budget for next year included a budget growth proposal of £11.85m across the whole organisation, of which £2.41m was growth in the Adults part of the budget. To balance the budget there would be a short-term use of reserves totalling £5.8m. This assumed additional income from a Council Tax increase of 1.99% and a further Adults Social Care Precept of 1%.

Josephine Lyseight reported that no new savings were being proposed for Adults & Health, however there were previously agreed savings in the 2022/23 to 2025/26 period with an overall savings target of £4.7m. The total revenue budget for Adults for 2022/23 was just over £82m.

Cllr Bull said that he understood additional funding for local authorities to have been recently announced for adult social care by the NHS to help discharge patients from hospital to free up space for Covid patients. Asked by Cllr Bull how this would be factored into next year's Adults budget, Josephine Lyseight said that she didn't have any specific details about additional funding but that any new money would fund additional expenditure and so would not change the funding allocation in the rest of the budget.

Josephine Lyseight then addressed the capital budget noting that there were no new capital proposals for Adults. The capital allocation for previously agreed projects from 2022/23 to 2026/27 was just under £73m.

Asked by Cllr Connor whether the £12m figure quoted in paragraph 1.4 of Appendix B represented the total savings that the Council needed to make in 2022/23, Josephine Lyseight confirmed that this was correct and that £4.7m of this related to the Adults budget, as set out in Table 7.2 on page 40 of the agenda pack. Asked by Cllr Connor how this related to the figures set out in the Savings Tracker on pages 71 & 72 of the agenda pack, Beverley Tarka, Director of Adults & Health, clarified that the figures in Table 7.2 comprised of previously agreed savings for the 2022/23 to 2025/26 period and that no new savings for this period were being proposed this year. The previously agreed savings were therefore already 'baked into' the budget. The Savings Tracker illustrated progress against agreed savings in the 2021/22 financial year. Josephine

Lyseight clarified that the savings target for 2021/22 was just under £3.2m, followed by £3.98m in 2022/23 and £0.535m in 2023/24 with no savings required in the following two years, resulting in total savings of just over £7.6m.

Asked by Cllr Peacock what services would be cut as a result of this, Beverley Tarka said that their budget management strategy had three strands. The first strand was managing the market which related to how much was paid for care to providers by stabilising prices in line with comparable boroughs. The second strand was demand management with early interventions, such as through reablement, to prevent prices from rising to excessive levels due to periods of increased demand. The third strand was operations management, including through a strength-based approach to improve outcomes and reduce costs by looking at how individuals can support themselves, support available to them in their locality and whether there was a role for assistive technology. Because of this budget management strategy, closures of specific services that had been seen in previous years had not been necessary in the past two years.

Cllr Bull referred to a recent news article highlighting recent difficulties for local authorities in recruiting care staff and asked what challenges were faced on this in Haringey. Beverley Tarka said that Haringey Council pays the London Living Wage for home care and this helps with staff retention. They had also been petitioning the government along with fellow ADASS (Association of Directors of Adult Social Services) members for social care reform funding to improve the working conditions of commissioned staff. At present, the government was only providing one-off, time-limited, grant funding to support local authorities through crisis situations such as Covid. She added that the Council had some specific workforce shortages, particularly with therapists, and this situation was monitored on a daily basis. In some parts of the country some providers were having to turn down work due to staff shortages, but this was not the current situation in Haringey.

Asked by Cllr Bull what impact analysis was carried out in relation to savings proposals, Beverley Tarka said that while closures of services in previous years had a wider adverse impact, the current budget management strategy was a positive approach with partnership working which aimed to improve outcomes and reduce the cost of care without having adverse impacts.

Cllr das Neves, Cabinet Member for Health, Social Care and Well-being, added that it was important to understand that there was not a national vision to place social care on an equal footing to health care. However, locally there had been close partnership working and planning on the integrated care system, including the strengthening of the voice of residents. She added that early intervention and prevention was important, not just as a way of saving money, but also to prevent illness and improve quality of life.

Asked by Cllr Blake about the risk factors associated with the budget, Beverley Tarka responded that the main risk factors were:

- government funding for social care was a key risk factor as settlements received to date had not been adequate.
- there were some unknowns and uncertainties associated with the forthcoming implementation of Integrated Care Systems.
- increased complexity and demand as a consequence of Covid.
- capacity and resource issues in the workforce remained a high priority.
- forthcoming changes in the inspection regime meant that the service needed to prepare, including through a self-assessment on the quality assurance system which had already begun.
- legislative changes on liberty protections safeguards were expected next year.

Cllr Blake asked about the support needs of vulnerable sheltered housing residents, following a recent Panel visit to a sheltered housing scheme in Muswell Hill. Charlotte Pomery, AD for Commissioning, said that on the spectrum of needs, sheltered housing residents are more typically at the preventative end with early intervention required as needs become more acute. Sheltered housing offered opportunities for shared care and communal activities and while residents are not generally seen as being at the acute end of needs, the model allows for additional care and support where required to enable people to remain living in the same home.

Helena Kania asked about the service growth budget adjustments of £8.609m for 2022/23 set out on page 38 of the agenda pack and suggested that greater need was likely to be identified in future. Beverley Tarka said that, as set out in the report, this figure had been revised to almost £12m. This figure was for the whole Council, with £2.4m of this growth coming from Adults & Health. These figures would be re-examined on an annual basis as new data comes through, including on expected long-term pressures. Asked by Cllr Connor about the origin of this growth funding, Josephine Lyseight said that the outturn for 2021/22 had been more favourable than expected so some funds had been put into reserves which was now being used to support the growth funding for 2022/23.

Cllr Connor noted that, while growth funding was set out in Table 7.1 on page 39 of the agenda pack, the overall Adults & Health budget set out in Table 7.3 on page 41 was shown to have declined by over £1m from 2021/22 to 2022/23. Josephine Lyseight responded that this was because the budget encompasses various different elements including the existing budget, previously agreed savings and growth funding. Cllr Connor requested that further information be provided to the Panel to illustrate the different elements of the 2022/23 budget so that the changes to the base budget from 2021/22 are made clear. **(ACTION)**

Cllr Connor asked for further details about the financial deficit which she understood to have worsened between from Q1 of 2021/22 to Q2 of 2021/22. Sean Huang, Business Partner, responded that the Q1 deficit had been around £2.9m and that the Q2 deficit was £6.6m. He added that when reporting for Q1 it had still been unclear what the legacy impact of Covid would be but a clearer picture of the overspend had emerged by Q2 resulting in the increased projection of the deficit. Asked about the likely situation by Q4, Sean Huang said that this was uncertain but that, in addition to the usual winter pressures on the system, the rise in Covid rates may also result in additional pressure from increased discharge from hospital to free up beds. Short-term government funding may help to alleviate this but overall additional spend was difficult to predict at this point. Beverley Tarka added that the short-term government funding had to be spent by the end of the financial year which created challenges with costs associated with long-term needs that lasted beyond March 2022.

Revenue Growth

The Panel then looked at the descriptions of revenue growth items on page 67 of the agenda pack. Cllr Connor asked for more details on the 'Adult Social Care – Care Purchasing budgets' item which showed growth of £1.481m in 2022/23, then nothing for the following two years, then growth of £2.789m in 2025/26 and £2.821m in 2026/27. Sean Huang said that the blank years represented years where the growth had already been built into the budget from the previous MTFS. The growth had also been built into the budget for 2022/23 but the £1.481m displayed on the chart was in addition to that. There would still be time to address any additional demand requirements for future years in future iterations of the MTFS based on any new data that emerged.

Asked by Cllr Connor how the additional £582k for tackling Violence Against Women and Girls (VAWG) would be used, Will Maimaris, Director of Public Health, said that there was a complicated picture for VAWG funding with various different grant sources. The additional funds proposed was intended to enhance support for survivors of domestic abuse through Independent Domestic Violence Advocate (IDVA) services and also provision for investment in perpetrator programmes and to support work in the education sector. The current number of VAWG staffing positions, which were funded through various sources, was not expected to change.

MTFS Savings Tracker – 2021/22-2025/26

The Panel then looked at the MTFS Savings Tracker for 2021/22 to 2025/26 on page 71 of the agenda pack. Cllr Connor noted that this tracked previously agreed savings and included a target of £3.16m of savings for 2021/22. Cllr Bull expressed concerns about savings being made in mental health under item B2.8, given the impact of Covid on mental health throughout the population. Beverley Tarka responded that the savings were not cuts to services but improvements to mental health pathways and

outcomes. Additional funding had also recently been obtained through the Great Mental Health Fund in recognition of the impact of Covid on residents. Cllr das Neves added that mental health was a high priority for the Council and a Great Mental Health Day would be held in January which would include sessions on how to support good mental health in local communities.

Cllr Connor asked about items on the savings tracker where the savings had not yet been achieved and what confidence officers had that these would be achieved by the end of the financial year. Beverley Tarka said that, using the example of the mental health item, £146k of the £490k target had been achieved so far but there had been a late start on developing these outputs due to Covid. However, once they had started, the savings were being achieved quickly so there was still a high level of confidence that they would be achieved by the end of the year. Improvements in outcomes for individuals through the enablement pathways would reduce the need for high-cost care later on. On item AS102 (Client Contributions) it had not been possible to carry out financial assessments at the pace required due to Covid restrictions but, since being up and running, there was some confidence that the savings could still be achieved. Overall, the savings proposals were sound but the challenges of Covid had impacted on the trajectory.

Cllr Connor asked whether it was becoming harder to make savings over time after several years of savings had already been made, Beverley Tarka said that over 80% of targeted savings had been made the previous year despite the challenges caused by Covid. She therefore felt that the strategy being pursued was the right one. Jeni Plummer, AD for Adults, added that there was a system for monitoring progress through the savings tracker and regular meetings with Heads of Service to review the situation and any resources available.

Asked by Cllr Peacock for further details of the three day centres referred to under item PA6 (Transfer of High Cost Day Opps), Charlotte Pomery said that this related to previously approved proposals around what is now known as the Chad Gordon Autism Campus in Waltheof Gardens at centres previously known as the Haven and the Roundway. It also related to the Woodside centre on White Hart Lane.

Asked by Cllr Bull for further details on item AS101 (Fast Track Financial Assessments), Charlotte Pomery said that this was a bundle of items designed to help the Council to be more efficient in terms of client contributions, such as by fast tracking financial assessments, and did not involve charging people who would not previously have been charged. Asked why these efficiencies hadn't been carried out earlier, she said that previously there had been a different model and that it had been with the benefit of things like the benefits system being digitised that it had been possible to generate a more efficient model of working. Cllr Connor asked for clarification on part of the description of the item in the report that read "*reviewing clients potentially eligible for charging that had not previously been assessed*", given

the previous comment that this would not involve charging additional people. Charlotte Pomery said that these were people who had come into need during the pandemic and had not made contributions for various reasons, including a backlog of assessments due to diversions of staff during Covid or a DHSC exemption from charging during that period.

Draft Capital Programme for 2022/23-2026/27

The Panel then looked at the draft Capital Programme for 2022/23 to 2026/27.

Asked for clarification on the Mosaic System (item 221), Jeni Plummer explained that this was Haringey's client information system which holds the information on clients including case files and care packages.

Cllr Connor noted that, according to Table 8.1 on page 45 of agenda pack, the capital expenditure plans totalled £818m across the period. She then referred to Table 8.8 on page and asked about the affordability of the figure of over £29m for financing costs in 2026/27. John O'Keefe, Head of Finance for Capital, Place & Regeneration, explained that the figure related to repayment of capital plus interest and the repayments were factored in as part of the base budget. He added that they were part of the investment choices made by the Cabinet which included large investments in school buildings, public realm and infrastructure. He said that capital costs relating to the Housing Revenue Account (which were separate from the figures referred to above) were ringfenced and that schemes could only go ahead with government grants and with the ability to repay interest charges factored in. Cllr Blake commented that a lot of the capital projects had been underway for some time and noted that many of them would be saving the Council money in the long-term.

The Panel then looked at the specific capital schemes. Cllr Bull asked about Scheme 201 (Aids, Adaptations & Assistive Technologies – Home Owners), including about what happens to properties where adaptations had been installed after the residents had passed away. Beverley Tarka said that aids and adaptations were often specific to the individual but that the points raised were valid. She said that working more collegiately on this issue had already been identified as a priority area, particularly with HfH being brought back in-house. She also said that it was important to adapt new builds at the point of design where possible and not retrospectively. Cllr Connor noted that, in the Panel's recent Q2 financial briefing, the aids and adaptations budget for 2021/22 was £3.5m but she understood that the budget for 2022/23 would be £2.1m and asked for an explanation on the decrease. John O'Keefe explained that the figure for 2021/22 included a carry forward from the previous year as the Covid pandemic had delayed a lot of aids and adaptations work from being carried out. The figure for 2022/23 represented an estimate of how much disabled facilities grant would be provided through the Better Care Fund.

Referring to Scheme 214 (Osborne Grove Nursing Home), Cllr Connor noted that over £34m was due to be spent in 2023/24, which was significantly more than any other year in the MTFs and asked if this was realistic. John O’Keefe said that the budgets for some of the larger projects such as this had been set some years ago and were reviewed on a regular basis so the cash flow could potentially be reviewed. He emphasised that this was a normal part of the process but acknowledged that it was unlikely that this amount of money would be spent in 2023/24.

In relation to Scheme 218 (Social Emotional & Mental Health Provision), Cllr Connor asked what proportion of the spend on this would be sourced from Haringey Council borrowing. John O’Keefe said that the borrowing represented around £300k out of the total £1.8m cost. It had been assumed that about another £500k would be borrowed but that this would be repaid through savings achieved as a consequence of the investment. The remaining £1m would be provided from external sources such as health partners. He added that each spending decision within Scheme 218 was subject to a business case.

Cllr Connor thanked officers for their attendance and the information provided. Officers then left the meetings at this point while the Panel Members remained to consider their recommendations.

Recommendations

Format of budget scrutiny reports

Cllr Connor proposed a recommendation on the format of the budget scrutiny meetings. She noted that the briefings in advance of the budget scrutiny meetings had included a lot of detail on Q2 of 2021/22 and on the performance indicators. She suggested that in future years, briefings on these matters should be received separately and that the pre-budget briefings should concentrate on the following year’s draft budget and the updated MTFs. **(ACTION)**

Cllr Connor also noted that the reports in the agenda packs for each Panel’s budget scrutiny meeting included information about all the other Panel’s budget areas. She suggested that the main budget report provided to each Panel should be tailored to include the information relevant to the policy area of that Panel as this would make the information easier to review. While the Cabinet report on the budget (which covered all policy areas) could still be included as an appendix, the key information for each Panel should be included in a separate report in the agenda pack. **(ACTION)**

Cllr Blake said that he would like to see key points highlighted in future reports, particularly on the risk factors associated with the budget. Cllr Connor agreed with this point, commenting that risk factors on revenue were important to understand,

particularly in light of recent increased borrowing to support capital spending.
(ACTION)

General Fund

Cllr Connor expressed concerns about the significant future increase in interest repayment costs to the General Fund (shown to reach over £29m by 2026/27 according to Table 8.8 on page 52 of the agenda pack) caused by the projected rise in capital investment. The Panel requested that Cabinet provide an assessment of the risk associated with the increase in the proportion of financing costs to the net revenue stream over the MTFS period. **(ACTION)**

MTFS Savings Tracker – 2021/22 to 2025/26

Cllr Connor said that there were some concerns about whether the targeted savings for 2021/22 would be achieved by the end of the year and suggested that further analysis should be provided on this to demonstrate how this could be achieved.
(ACTION)

On the savings tracker, Cllr Bull expressed concerns about item AS101 (Fast Track Financial Assessments) as he felt that the savings expected in 2021/22 were too high and that they should be spread over a longer period rather than being “front-ended”. He suggested that a smaller saving in 2021/22 would allow for analysis of what the impact had been before implementing the rest of the savings as he felt that there had not been enough analysis presented on the impact and risk of what had been proposed. Cllr Connor suggested that an analysis of the impact of the savings on residents should be carried out to ensure that this is not causing financial difficulties for individuals and their families. **(ACTION)**

Draft Capital Programme – 2022/23 to 2026/27

Cllr Connor expressed concerns about Aids & Adaptations (Scheme 201) as she dealt with this issue regularly in local casework and many residents experienced significant problems. This service was funded externally from the Better Care Fund but appeared to be under-resourced. It was also noted that the amount of money available appeared to be the same each year in the MTFS with no increases to keep pace with inflation. The Panel recommended that the Cabinet give consideration about whether the funding in this area is sufficient to meet the needs of local residents and, if not, what steps could be taken to increase the resources available for this including from external sources such as the Better Care Fund. **(ACTION)**

Requests for further information

Cllr Connor reiterated an action point from earlier in the meeting for more information to be provided on the breakdown of the base budget for 2022/23, including previously agreed savings and growth funding, given that the overall total had reduced by over £1m from the previous year. **(ACTION)**

On the draft capital programme, Cllr Bull commented that the total costs for Osborne Grove Nursing Home (Scheme 214) of £44m seemed high. Cllr Blake suggested that it would be useful to receive a recap on the contributions from the health sector and an understanding of how and why the overall costs have increased. **(ACTION)**

RESOLVED – That the above recommendations be submitted to the Overview & Scrutiny Committee.

RESOLVED – That the above requests for further information be followed up with finance officers and that the be information provided to the meeting of the Overview & Scrutiny Committee on 20th January 2022.

42. WORK PROGRAMME UPDATE

The updated Work Programme was noted. A planned visit on December 13th to Lowry House to support the scrutiny review on sheltered housing had been cancelled following public health advice on Covid. It was hoped that this could be rescheduled but, due to the current Covid situation, this was unlikely to be possible until February at the earliest.

43. DATES OF FUTURE MEETINGS

- 3rd March 2022

CHAIR: Councillor Pippa Connor

Signed by Chair

Date