

Budget Scrutiny Recommendations

| Housing, Planning and Development Scrutiny Panel – Economy Priority | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| Ref | MTFS Proposal | Further info requested if appropriate) | Comments/Recommendation | Cabinet Response Req'd (Yes/No) | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <u>New Savings Proposals</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| AHC_SAV_008 | Housing Demand - Targeted 1 bedroom move on project | The Panel requested a written breakdown of the £10m spend on Temporary Accommodation and how many families were expected to be moved on as part of the £80k saving. | <p>Response to adjacent column:</p> <table border="1"> <thead> <tr> <th colspan="3">Summary of Housing Demand's projected EOY spend as at P8 - 2022/23</th> </tr> <tr> <th>Area of expenditure</th> <th>£k</th> <th>Detail</th> </tr> </thead> <tbody> <tr> <td>Staffing</td> <td>4,552</td> <td>Total staff & other costs</td> </tr> <tr> <td>Direct costs of TA</td> <td>11,145</td> <td>cost of NPA/PSL/Lodges/AST etc. Includes BDP and HB subsidy</td> </tr> <tr> <td>Indirect TA costs</td> <td>477</td> <td>Legal and other client costs</td> </tr> <tr> <td>Corporate OHDS</td> <td>1,401</td> <td>Corporate overheads</td> </tr> <tr> <td>Other Hsg initiatives outside HD</td> <td>907</td> <td>Various Homelessness Initiatives.</td> </tr> <tr> <td>HPG contribution</td> <td>-8,394</td> <td>Homelessness prevention grant received</td> </tr> <tr> <td>P8 EOY projection</td> <td>10,088</td> <td></td> </tr> </tbody> </table> <p>Number of families expected to be moved as part of the project = 100 households</p> | Summary of Housing Demand's projected EOY spend as at P8 - 2022/23 | | | Area of expenditure | £k | Detail | Staffing | 4,552 | Total staff & other costs | Direct costs of TA | 11,145 | cost of NPA/PSL/Lodges/AST etc. Includes BDP and HB subsidy | Indirect TA costs | 477 | Legal and other client costs | Corporate OHDS | 1,401 | Corporate overheads | Other Hsg initiatives outside HD | 907 | Various Homelessness Initiatives. | HPG contribution | -8,394 | Homelessness prevention grant received | P8 EOY projection | 10,088 | | |
| Summary of Housing Demand's projected EOY spend as at P8 - 2022/23 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Area of expenditure | £k | Detail | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Staffing | 4,552 | Total staff & other costs | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Direct costs of TA | 11,145 | cost of NPA/PSL/Lodges/AST etc. Includes BDP and HB subsidy | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Indirect TA costs | 477 | Legal and other client costs | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Corporate OHDS | 1,401 | Corporate overheads | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other Hsg initiatives outside HD | 907 | Various Homelessness Initiatives. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| HPG contribution | -8,394 | Homelessness prevention grant received | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| P8 EOY projection | 10,088 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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| AHC_ SAV_008 | Housing Demand - Targeted 1 bedroom move on project | <p>The Panel noted a seeming discrepancy in the figures of the 103 people in TA who required one-bedroom properties, the breakdown of the figures only added up to 100. Are you saying that only 100 of the 103 people identified are targeted for a move or is this a typographical error.</p> <p>Response: There are currently (3/1/22) 100 approved households with a 1 bed need in TA.</p> | | |
| AHC_ SAV_007 | Use of 1 bed social housing as Temporary Accommodation | Clarification requested on whether a review of suitability of TA accommodation was carried out and the | Given the propensity of young families to grow, and given the length of average stay in Temporary Accommodation, the Panel recommends that the suitability of accommodation used for Temporary Accommodation should be reviewed annually, on family by family basis | Yes |

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| | | <p>frequency with which this was done.</p> <p>Response: Our aim is to assess or review households every 18 months and include changes in household composition. If it becomes clear the customer's family has naturally increased in size whereby they are classed as severely overcrowded (i.e. by 2 rooms or more) then we would list them for a transfer in addition to providing advice on their settled housing options.</p> <p>The speed at which a family may be able to move when severely</p> | | |
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| | | <p>overcrowded is dependent on a large number of factors. Generally, our reporting allows us to quickly ascertain who may be classed as severely overcrowded. Customers also keep us informed if they have a change in their circumstances and the importance of highlighting this is detailed in the correspondence, they're provided with throughout their homelessness application.</p> | | |
| AHC_SAV_007 | Use of 1 bed social housing as Temporary Accommodation | The Panel requested a written clarification on the maximum number of adults and the maximum | That Cabinet agree that the placing of families into one-bedroom accommodation should be limited to families with one child. | Yes |

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| | | <p>number of children, and the ages of the children, that would be placed in a one-bedroom property.</p> <p>Response:</p> <p>The TA placements policy passed by Cabinet on 18 October 2016 sets out that:</p> <p>Accommodation must provide adequate space and room standards for the household and be fit to inhabit. Households in temporary accommodation will often be placed into units with 1 bedroom less than they would be entitled to on a permanent basis, with the</p> | | |
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| | | <p>expectation that the living room provides dual purpose as a living and sleeping area. The following minimum size criteria will apply:</p> <p>...</p> <p>One bedroom accommodation</p> <ul style="list-style-type: none"> • Lone parents or couples with 1 child over the age of 1 year (no upper age limit) • Lone parents or couples with 2 children of the same sex (no upper age limit) • Lone parents or couples with 2 children of opposite sexes where both children are under the age of 10 years. | | |
| <p><u>HRA Budget</u></p> | | | | |

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| N/A | London Affordable Rent Model | <p>Further information requested on whether any of the 840 new homes scheduled to be allocated to the London Affordable Rent model had not yet received Planning Permission.</p> <p>Response: 68 have not yet received planning permission.</p> | | |
| N/A | London Affordable Rent Model | <p>It was commented that the gap in affordability to the cap from LAR to formula rent seemed to be slightly larger than was presented in the report.</p> <p>The Chair requested some clarity and reassurance of the relative</p> | | |

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| | | <p>affordability of LAR against formula rent, based on the actual formulas used, rather than their relative proximity to the cap.</p> <p>Response:</p> <p>Formula rents charged for the same bed size varies due to several factors including property values. Hence the gap between formula rent and LAR also varies depending on the location of the property in the borough.</p> <p>The gap between the average actual 2022/23 formula rent, and average LAR (£32.36) is slightly higher</p> | | |
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| | | <p>than that between average formula rent cap and average LAR (£13.73).</p> <p>However, LAR is significantly less than the Local Housing Allowance rate. This means that any tenant entitled to Housing Benefit, or the housing element of Universal Credit would have their housing costs covered.</p> | | |
| N/A | General point. | <p>Clarification requested on the number of people in Council and Temporary accommodation who were working and not in receipt of benefits.</p> <p>Response to follow.</p> | | |

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| N/A | London Affordable Rent Model | None | <p>When producing reports in future, that Cabinet commit to the Council being clear, when it talked about different rent levels, about exactly what it was referring to.</p> <p>Rather than using terms like social rents or council rents seemingly interchangeably, the term formula rent should be used when formula rents were meant and similarly London Affordable Rent should be used when that was meant.</p> <p>The Council should also be clear that if a proposal was slightly vaguer on what model should be used, then it should also be clear about this.</p> | Yes |
| N/A | London Affordable Rent Model | None | <p>That the Housing, Planning and Development Scrutiny Panel be kept informed of which individual schemes used London Affordable Rent and Formula rent going forwards, and that this be reported regularly to the panel as an update.</p> | Yes |

Environment & Community Safety Scrutiny Panel – Environment & Neighbourhoods

| Ref | MTFS Proposal | Further info requested by the Panel (if appropriate) | Comments/Recommendation | Cabinet Response Req'd (Yes/No) |
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| PL20/9 | Full Cost Recovery of Services for Match Day Cleansing Costs. | None | That Cabinet give assurances that it intends to engage robustly with Tottenham Hotspur F.C. to ensure that THFC pays its fair share of the clean-up costs from match days and other event days. The cost should not be borne by local tax Council Taxpayers. | Yes |
| ENV_ SAV_00 4 | Not recruiting to existing vacancies within the Parks Service (Net £45k) | None | The Panel would like Cabinet to reconsider this saving. The Panel would like to see the weed control operative post within the Parks service retained and recruited to, and the net saving found from elsewhere. | Yes |

| Children and Young People's Panel – Children's Services | | | | |
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| Ref | MTFS Proposal | Further info requested by the Panel (if appropriate) | Comments/Recommendation | Cabinet Response Req'd (Yes/No) |
| N/A | | None | The Panel recommends that, in future years, consultation with residents and stakeholders on the MTFS should aim to be more meaningful, reach a wider range of people and provide a greater opportunity for them to influence proposals. | Yes |
| N/A | | None | <p>The Panel emphasised the importance of rigorous monitoring and reviewing of external risk and measures to mitigate it so that any changes can be responded to in a timely manner.</p> <p>It recommends that, in particular, the budgetary impact of the Safety Valve programme be closely monitored and requests that this be included in the regular quarterly finance updates to the Overview and Scrutiny Committee.</p> | Yes |
| N/A | | None | The Panel recommends that, in future years, the equalities impact of specific proposals in the MTFS be outlined more clearly in order to provide Members with a clearer understanding of them. | Yes |

| Adults and Health Scrutiny Panel – People Priority | | | | |
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| Ref | MTFS Proposal | Further info requested (if appropriate) | Comments/Recommendation | Cabinet Response Req'd (Yes/No) |
| <u>New Revenue Savings Proposals</u> | | | | |
| AHC_SAV_001 & AHC_SAV_005 | Improved processes & practices/Improved commissioning & efficiencies | None | <p>Officers explained to the Panel that much of the previously agreed savings proposals, based on demand management approaches had not been possible to achieve (proposals PA9 & C19 on the MTFS Savings Tracker) and so they had been scrapped in favour of alternative savings proposals based on commissioning efficiencies.</p> <p>The Panel observed that the bulk of the new revenue savings for 2023/24 were based on just two proposals and expressed concerns about the risk to the budget if these savings were also not achieved.</p> | Yes |
| N/A | Winter discharge funding | Breakdown to be provided on the distribution of the additional winter discharge funding across the 5 NCL Boroughs. | | |

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| | | Response: * See full breakdown at bottom of this document. | | |
| <u>New Revenue Growth Proposals</u> | | | | |
| AHC_GR_001 | Acuity/complexity in adult social care clients | None | <p>This proposal related to an additional £2m of funding over and above the £2.8m provided in the existing MTFS due to the increased level of acuity and complexity observed in adult social care clients since the pandemic.</p> <p>The Panel observed that this was an ongoing risk to the Budget in the medium/long term and requested further information which showed that a further £3.1m had already been allocated to the 2024/25 adult social care budget due to anticipated growth pressures.</p> <p>The Panel acknowledged the current challenging financial circumstances for adult social care services and sought reassurance from the Cabinet that further anticipated increases in demand on services had been adequately factored into the MTFS going forward.</p> | Yes |
| AHC_GR_002 | Inflationary Pressures | None | <p>This proposal related to an additional £4m of funding to meet additional costs to adult care purchasing budgets resulting from increased costs to providers. The Panel heard that an expected inflation rate of 5% had been used to calculate the additional funds</p> | Yes |

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| | | | <p>required. The Panel noted that other projected inflation figures were considerably higher than this. The Office for Budget Responsibility (OBR) for example had recently predicted the inflation rate for 2023 to be 7.4%.*</p> <p>The Panel expressed concerns about the risk of a budget shortfall in 2023/24 should the actual rate of inflation prove to be higher than 5%.</p> <p>(* Based on the Consumer Price Index – see p.19, Economic & Fiscal Outlook – November 2022, OBR https://obr.uk/efo/economic-and-fiscal-outlook-november-2022/)</p> | |
| N/A | Additional funding – 2024/25 | <p>Details to be provided on the additional funding that had already been allocated for 2024/25.</p> <p>Response: The net demographic / inflation growth allocation for Adults Social Care (above current MTFS) for 2024/25 is £3.1m.</p> | | |

| <u>Draft Capital Programme – 2023/24 to 2027/28</u> | | | | |
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| 201 | Aids & Adaptations | <p>It was agreed that further data would be provided to the Panel on what the DFG (Disabled Facilities Grant) was currently funding in Haringey and the revised grant position which would be available in early 2023.</p> <p>Response: As of 13th Jan 2023, the 2023/24 grant allocation is yet to be confirmed.</p> | | |
| 214 | Osborne Grove Nursing Home | The Panel discussed the inflationary pressures on capital projects | | |

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| | | <p>with a particular focus on Osborne Grove Nursing Home given the significant levels of investment in this project. The Panel was informed that there had been continuous business case reprofiling on Osborne Grove over the past 12 months and that the project remained financially viable.</p> <p>It was agreed that a more detailed update report would be brought to a meeting of the Panel in 2023. This has been added to the Panel's Work Programme.</p> | | |
| <p><u>General issues</u></p> | | | | |

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| N/A | Estimated Minimum Revenue Provision (MRP) | <p>The Panel queried whether capital expenditure was sustainable at the projected levels given the costs incurred by rising interest rates - noting that paragraph 8.35 (Table 8.4) of the Cabinet report on the Budget & MTFS (6th Dec 2022) illustrated a rise in the estimated MPR from £13.3m in 2022/23 to £37.9m by 2027/28.</p> <p>Response: The overall level of capital spending and resultant borrowing must be affordable and prudent, and the assessment of this forms part of the MTFS</p> | | |
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| | | <p>process and the report, including the Treasury Management Strategy. The capital programme schemes serve a number of purposes as is stated in the report and the inclusion of a scheme in the capital programme is not in itself permission to spend, as a variety of approvals are required before a scheme can proceed. The capital programme is also an enabling mechanism so that the Council can respond to</p> | | |
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| | | <p>changes in the environment whilst staying within the budget and policy framework.</p> <p>A significant number of schemes in the programme are assumed to be self-financing and the MTFS assumes that those schemes will produce savings and/or income that at least meets the cost of the borrowing. Whether they will proceed is dependent on their subsequent business case covering the cost of the investment and being approved, and it</p> | | |
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| | | <p>was noted in the Cabinet report that the current cost and interest rate environment is making it increasingly difficult for business cases to meet this hurdle. Nevertheless, the capital programme must facilitate the possible progression of these schemes and hence their inclusion.</p> <p>The estimated MRP charges (not interest charges) arising from the capital programme are expressed in that table as gross to ensure that there is clarity over the</p> | | |
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| | | <p>financial effect of the capital programme.</p> <p>Table 8.8 (of the Cabinet report on the budget – 6th Dec 2022) shows the effect of the compensatory savings that are assumed as arising from the self-financing programme that offset the costs set out in table 8.4.</p> | | |
| N/A | Council Tax | <p>The Panel asked for an estimate to be provided on the funds that would be raised by a 1% increase in Council Tax.</p> <p>Response: A 1% rise in Council Tax would raise an estimated sum of approximately £1.2m</p> | | |

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| N/A | Future reports on the Budget/MTFS to Scrutiny Panels | None | The Panel recommended that future savings proposals provided to Scrutiny should include some short bullet points on any risks that had been identified. | Yes |
| Culture, Strategy & Engagement | | | | |
| Ref | MTFS Proposal | Further info requested (if appropriate) | Comments/Recommendation | Cabinet Response Req'd (Yes/No) |
| <u>New Revenue Savings Proposals</u> | | | | |
| CSE_SAV_002 | Additional commercial advertising opportunities | Clarification to be provided on the definition of "carbon purifying technology". | | |
| CSE_SAV_002 | Additional commercial advertising opportunities | The Committee raised concerns about the commercialisation of the Council vehicle fleet, given their high profile. The Committee requested a briefing note which provided | | |

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| | | <p>assurances about how realistic the assumptions were, and a breakdown of how much income was expected to be raised through this proposal. The Committee also requested information about the oversight of fleet advertising and for example, how the Council could prevent its vehicles being used to advertise a company or organisation that it may not be comfortable with associating itself.</p> | | |
| <u>Draft Capital Programme – 2023/24 to 2027/28</u> | | | | |
| 330 & 464 | Civic Centre Works/Bruce Castle | The Committee requested further reassurances on | | |

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| | | <p>the impact on the revenue budget from the borrowing costs and the ability of the Council to meet those costs, given the economic climate and the significant sums involved. Further details were required on the self-financing nature of these schemes and what this meant in practice.</p> | | |
| <u>General issues</u> | | | | |
| N/A | Updated budget figures | <p>It was agreed that any updated figures for the overall proposed 2023/24 budget, given that new information may be now available that was not available at the time that the original finance reports were</p> | | |

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| | | provided to the Cabinet and Scrutiny Panels in Dec 2022, should be provided to the OSC ahead of its meeting on 19 th Jan 2023. | | |
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*** Adults & Health Panel - Breakdown on the distribution of the additional winter discharge funding across the 5 NCL Boroughs**

| North Central London | | | | | | |
|----------------------|---------------|------------------------------------|----------------------------------|-------|-------------------|--------------|
| Borough | LA Allocation | ICB Allocation | | TOTAL | % of London Total | % of England |
| | | Weighted ICB population Allocation | Discharge Performance Allocation | | | |
| Barnet | 1.21 | 2.02 | 4.46 | 11.87 | 18% | 2% |
| Camden | 1.07 | | | | | |
| Enfield | 1.08 | | | | | |
| Haringey | 0.96 | | | | | |
| Islington | 1.07 | | | | | |
| Total | 5.39 | 6.48 | | | | |