

MINUTES OF MEETING Overview and Scrutiny Committee HELD ON Thursday, 18th January, 2024, 7.00 - 10.30 pm

PRESENT:

Councillors: Pippa Connor (Vice-Chair), Makbule Gunes, Matt White (Chair) and Alexandra Worrell

ATTENDING ONLINE: Lourdes Keever

12. 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'.

13. APOLOGIES FOR ABSENCE

Apologies for Absence were received from Cllr Simmons-Safo and Yvonne Denny.

14. URGENT BUSINESS

There were no items of Urgent Business

15. DECLARATIONS OF INTEREST

There were no Declarations of Interest

16. DEPUTATIONS/PETITIONS/PRESENTATIONS/QUESTIONS

None.

17. TREASURY MANAGEMENT STRATEGY STATEMENT 2024/25

The Committee received the draft Treasury Management Strategy Statement for 2024/25 for comments, before it was presented to Full Council for final approval. The report was introduced by Tim Mpofo, Head of Pensions and Treasury, as set out in the agenda pack at pages 1-24. The following arose during the discussion of this item:

- a. The Committee sought clarification about the approval process for the Strategy Statement and whether it should have in fact been considered by Audit Committee first. In response, officers clarified that the CIPFA code set out that it had to be monitored by a body that oversaw treasury activities. It was the Council's constitution that set out that it should also be considered by Scrutiny

- and that its comments be put forward to Audit Committee. The Strategy would be considered by Audit Committee at its meeting later that evening.
- b. The Committee sought clarification over what the key changes in the strategy were for next year. In response, officers advised that the strategy assumed that the cost of borrowing would increase significantly from 4.5% to 5.5%. The strategy also increased the limits of funds invested with counterparties from £5m to £10m. The short-term borrowing limits had reduced from £30m to £20m, in recognition that short-term borrowing had higher borrowing costs.
 - c. The Committee sought assurances about the forecast bank rate at 5.25% and the degree to which these forecasts had been accurate in the past. In response, officers advised that the Council's treasury management advisors provided the forecasts within an upper and lower limit and that the rates had stayed within those ranges in the past. The fact that the banking rate had peaked was widely agreed within the sector, but officers acknowledged that higher than expected inflation was still an issue.
 - d. In response to a question, officers acknowledged that the levels of existing borrowing reduced year-on-year as a result of some of that borrowing maturing.
 - e. In response to a question, the Members were advised that internal borrowing was the use of existing resources and cash balances that was used as part of the CFR but did not come from external sources of borrowing.
 - f. The Committee sought assurances about the audit process. In response, officers advised that the strategy was audited in line with the Council's annual external audit exercise, and that the Council also carried out internal audit exercises. Officers set out that the strategy made provision for what would happen if borrowing costs were reduced. In essence, the relative impact of cheaper borrowing would have to be considered against lower returns on investment.
 - g. In response to a question about the affordability of significantly increasing borrowing rates, the Director of Finance advised that this was something that was best addressed as part of the wider MTFS report. The Director of Finance advised that borrowing in the General Fund Capital Programme had been scaled down by around £400m in recognition that the authority wanted to do all it could to reduce its debt exposure.
 - h. In response to a question about short-term loans, officers advised that the authority had been actively reducing the amount of short-term borrowing and that the risk exposure from this was lower than it might have been as a result. Officers agreed to confirm in writing what the percentage of borrowing made up by short-term loan was. **(Action: Tim Mpofu).**
 - i. The Committee queried why there was a negative balance in the liability benchmark table in the 2025 column. Officers clarified that this was an error and would be corrected for the final report.
 - j. The Committee sought further assurances about what would happen in the eventuality of the borrowing costs increasing by more than the predicted range. It was suggested that even a relatively small change could have a significant impact on the affordability of such a large capital programme. In response, officers advised that borrowing rates were considered as an average over the life of the MTFS, which provided some mitigation against short term borrowing increases. Officers also outlined that any increase in rates would only impact on new borrowing decisions as the Council did not hold any variable rate loans on its existing borrowing. The Director of Finance advised

- that the final budget report to Council would include a high-level assessment of risks and the Council's ability to deal with them.
- k. The Committee recommended that future Treasury Management Strategy Statement reports include an assessment of the probabilities of unforeseen risks occurring and the likelihood of certain scenarios playing out, such as a 1% above expected increase in borrowing costs. It was suggested that something similar to this was done when reporting on the pension fund and Members would like that to be replicated for future TMSS reports.

RESOLVED

- I. That the Overview and Scrutiny Committee was requested to scrutinise and provide any comments on the proposed updated Treasury Management Strategy Statement (TMSS) for 2024/25 prior to its presentation full Council for approval.
- II. To note that Audit Committee would be considering the draft TMSS at its meeting on 18 January.

18. SCRUTINY OF THE 2024/25 DRAFT BUDGET / 5 YEAR MEDIUM TERM FINANCIAL STRATEGY (2024/25 - 2028/29)

Clerk's Note – As per Paragraph 9.2 of the Overview & Scrutiny Protocol – Cllr Connor chaired the Budget/MTFS item, as a member of the largest opposition group

The Committee received a report which set out the Council's 2024/25 Draft Budget and 5 Year Medium Term Financial Strategy (MTFS) 2024/2029 proposals, for the Committee to consider and to make recommendations on the budget to Cabinet, for its meeting on 6th February. The report was introduced by John Warlow, Director of Finance as set out in the agenda pack at pages 25 – 100 and in the additional report pack at pages 3-58. Cllr Carlin, Cabinet Member for Finance and Local Investment and Josephine Lyseight, Assistant Director of Finance, were also present. Frances Palopoli, Head of Corporate Financial Strategy and Monitoring was present online.

The Director of Finance provided an introduction to the Committee. The key points are summarised below:

- a. The Committee was advised that it was a time of financial duress for local governments of all sizes and political compositions. The number of local authorities finding themselves either having to issue a Section 114 notice, or under pressure to do so, had increased markedly. The Director of Finance stressed that not being able to set a legal balanced budget was not a position that Haringey found itself in.
- b. The Director of Finance acknowledged the exceptional nature of the draft budget, given that there was a circa £16.3M gap and that the Council needed to effectively hold a second round of budget proposals in order to meet that budget gap.
- c. Since the publication of the draft MTFS report in December, Finance had been waiting for a number of developments that would influence the final budget position. One of which was the Autumn Statement. It was hoped that it might recognise the common challenges faced by local government in relation to adult social care demand and sector costs. However, the pressures faced in

this area were not reflected in the Autumn Statement. The second development was identified as the Provisional Local Government Finance Settlement. The Director of Finance advised that after initially reviewing this, there were concerns that the corporate resources position could be £3.7m worse off than had been budgeted for, however after further analysis it is hoped that the impact would be less. The final settlement figure will be incorporated into the final MTFS report in February.

- d. The Director Finance advised that ultimately any budget gap in the final MTFS would have to be addressed through use of reserves, and that work was underway to try and ensure that the gap was as narrow as possible. The Director Finance cautioned that use of reserves was a legitimate mechanism to balance the budget if you had them, but that they could only be used once.
- e. The key pressures within the budget were identified as care services, temporary accommodation and the paucity of supply, and an increase in the costs of the capital budget, particularly in relation to rising borrowing costs.
- f. The Director of Finance also advised members that it was important to address the legacy problems that existed in the 2023/24 budget, with a projected in-year overspend of around £20m. A number of areas of growth finding had been put into the draft budget in order to ensure that these pressures were mitigated going forwards. The Director of Finance advised that in addressing these issues, it was believed that the Council would not have the same in-year budget pressures next year. There had been £25.5M put into the budget for demand-led pressures.
- g. There were still a number of outstanding figures that the authority was waiting on for its final budget report. The examples given were the Final Local Government Finance Settlement, the Public Health grant and the Temporary Accommodation figures.
- h. The Committee was advised that there were discussions taking place nationally about the government reversing some of the decisions it had taken as part of the draft settlement, such as the ending of the household support fund, which Haringey was a recipient of funding from to the tune of £4.8m. However, the government had not agreed to reverse any of these measures at present.
- i. The Committee was advised that in relation to the capital budget that Members would see that a significant amount of effort had gone into reducing the spend and scale of the capital programme, which equated to around a reduction of around £400m. Part of this involved taking a much tighter approach to enabling budgets and it also reflected an acknowledgement that there was an affordability challenge in delivering the capital programme as previously agreed. The Director of Finance advised that it was difficult to see how further reductions in the capital programme could be made if the Council was still going to meet its policy objectives.
- j. In relation to the HRA, the budget placed a strong emphasis on the management and investment of existing properties as well as clarity on how the authority would deliver its new build programme. The Director of Finance advised that these two areas were not in competition with one another, given external grant funding from the GLA and that the additional rental income arising from new homes was enough to meet the costs associated with it.
- k. The Director of Finance advised that in years 4 and 5 of the HRA the annual operating surplus was below the ideal figure of £8m but that this surplus would

pick up again after year 5, once additional rents were generated from completion of new build homes.

- I. The Committee was advised that in relation to the schools funding, that the Council was 18 months into the Safety Valve programme and was on target for delivery.

The following arose during the discussion of this agenda item:

- a. The Chair sought clarification about where the additional £25.5m growth funding for demand services had come from. The Chair also sought clarification about what the impact would be on future savings from increasing the base budget position in these demand-led areas. In response, officers advised that in effect, the budget was the composite of all of the expenditure forecasts set against the income forecasts, and that the difference between the two gave either the budget gap or a budget surplus. Officers gave assurances that in setting the budget, they had to ensure that the figures for the expenditure forecasts were credible and that they reflected the reality of cost pressures that the authority faced. The Director of Finance advised that the reality was that their expectation was that the Adults budget would need to be dramatically increased from the position set out in the previous MTFS, due to demand pressures and because of inflation. However, the income forecasts would not go up at anywhere near the same level. The authority had decided to put in £25.5M of demand led growth funding in response to these pressures and this was the main cause of the gap. The Director of Finance advised that any gap in the final MTFS report would need to be closed using reserves. It was commented that this was the first year that the government had specifically called on local authorities to use reserves to close their budget gaps.
- b. In response to a follow up question about how the £25.5m came from, the Committee was advised that the income the Council received had a number of contingent parts and that all of these were increasing, such as an increase in Council Tax rates. The sum total of these increases combined with the savings that have been implemented would offset the growth funding that had been put in to a degree. The budget gap was effectively the difference between the two.
- c. A member of the Committee commented that the additional growth budgets were demand-led and not discretionary and that whether or not the Council put it in the budget now or whether it was dealt with as future overspend, the money would be spent as the Council had no choice. In response, the Director of Finance acknowledged that this spend was dictated by circumstances but emphasised the fact that by recognising this pressure, the authority could better understand the consequences and consider how best to respond to it.
- d. The Committee sought assurances about use of reserves to fill the budget gap and the extent to which this was a sustainable approach. In response, the Director of Finance advised that the authority had a level of useable reserves that were adequate, in junction with other contingencies built into the budget, such as the £7m contingency reserve in the General Fund. The final MTFS report would set out the reserve position in more detail. The Director of Finance advised that he was confident that the authority had adequate reserves to meet the in-year overspend pressures and the budget gap for 2024/25. The reserve position would be significantly reduced as a result, and the extent to which it was reduced would be determined by how well the authority was able to implement its savings programme. It was suggested that 2025/26 would be a

- difficult year for local government and that Haringey position was no different to many other authorities.
- e. The Committee sought assurances around waste and inefficiencies within the service and the extent to which ameliorating any inefficiencies would be prioritised before cuts to services. In response, Cllr Carlin commented that the administration was looking to ensure that Haringey was a really lean and efficient authority. The Committee noted a number of examples of work taking place across the authority, these included; a much tighter control of procurement for contracts over £25k, work to remove duplication in IT contracts, and aggressively reducing spend on agency staff. The Cabinet Member highlighted that the authority also need to ensure that it did not implement changes that would ultimately cost the Council more in the long-run. The Council was trying to reorganise and look at how it delivered services, rather than just make cuts. The Cabinet Member set out that Haringey had seen £143m in real term cuts since 2010 and that the government had offered no assistance in the Autumn Statement.
 - f. In response to a question, the Cabinet Member clarified that the Council's housebuilding programme was funded through the HRA Capital budget rather than the General Fund Capital budget and consequently was not Impacted by the circa £400m reduction in the General Fund Capital programme. The Cabinet Member elaborated that the Council received significant external grant funding from the GLA for its Housebuilding programme and that the costs were also partially off-set by future rental income from those new homes.
 - g. The Committee sought assurances about how the reduction in the capital programme would impact the Council's overall priorities. In response, Cllr Carlin set out that the purpose of the MTFs was to support the priorities set out in the corporate plan. It was acknowledged that the scale of the capital programme had been reduced. Some of these schemes were front-loaded and the spend had been re-profiled so that they could be rolled-out later in the 5-year MTFs timeframe, when borrowing rates were hopefully lower. Other schemes had been removed completely. In response, to a follow-up, the Cabinet Member gave assurances that the impact would be reduced as much as possible, within finance that the Council could afford. The Committee enquired where in the MTFs papers, details of the capital schemes that had been scaled back or cancelled could be found. In response, the Director of Finance advised that this information was embedded in the report in a number of different ways. Members were directed to paragraph 8.5 of the report and the explanation of reduced spend in relation to Wards Corner and Gourlay Triangle and that these examples of land assembly and regeneration projects were typical of where reductions had been made. The Director of Finance advised Members that the narratives on the Capital programmes set out in each of the reports to the different scrutiny bodies should be read in conjunction with the figures set out in the capital programme appendix. The Director of Finance advised that the Capital programme contained a number of enabling budgets which created capacity to spend money on a particular area, in advance of when it was actually needed. Some of the reductions in the capital programme involved a reassessment of these schemes in light of external financial considerations. The Committee recommended that future budget scrutiny reports have a table which clearly sets out all of the schemes within the capital programme that

- have be paused, removed or re-profiled, so that these can be reviewed in one place. **(Action: Finance)**.
- h. The Committee sought clarification in relation to recent press coverage of the Osbourne Grove scheme being cancelled. Members queried why it was still in the capital scheme. In response, the Cabinet Member advised that there was considerable ambition to provide nursing care onsite when the scheme was agreed in 2019, however the scheme was no longer viable under current economic conditions. The scheme was being paused for a couple of years to see if the circumstances improved, but in the meantime, it was being used as meanwhile housing for single adults. The scheme was still in the programme whilst it's future viability was being explored. Members clarified that there was £1.7m spend profiled in the next two years and questioned whether that was the cost of its temporary provision as housing. In response, the Cabinet Member advised that just because it was in the budget didn't necessarily mean that the Council would spend all of it. Members highlighted that this would have revenue implications arising from the allocation of £1.7m capital spend.
 - i. The Director of Finance advised Members that there were two types of spend associated with Osbourne Grove. In the short to medium term, it was performing a useful function as short-term housing space and that those meanwhile capital ramifications were set out in years 1 and 2 of the capital programme. In the longer term, the assumption was that the scheme's revenue benefits will offset the capital costs, so it would not worsen the overall gaps being forecast in the programme.
 - j. In response to a question, officers advised that the recommendations from the independent governance review were being considered by the constitutional working group and that the non-governance aspects of the review would likely go through to Standards Committee and Full Council in March.

The Committee then considered the recommendations and responses to requests for further information from the five previous budget meetings held by the Committee and the four Scrutiny Panels.

Overview & Scrutiny Committee (Corporate, CS&E and E&RE)

Community Safety, Waste & Enforcement – Further details had been requested by the Committee on the underspend relating to “curtailing uncommitted maintenance and improvement works”. It was noted that the response to this request was outstanding and so this was referred to the meeting of the Overview & Scrutiny Committee on 1st February.

Culture, Strategy and Engagement – After considering the budget pressures relating to digital and IT services the Committee had made a recommendation at its previous meeting on the knock-on costs associated with insourcing. This recommendation was approved for referral to Cabinet with no amendments:

RECOMMENDATION 1: Noting the particular budget pressures relating to Digital and IT services and that this was exacerbated by the higher levels of insourced services in recent years, the Panel recommended that all knock-on costs associated with insourcing should be budgeted for over the longer-term at the time when that decision is made.

Further information about the specific budget pressures relating to digital and IT services had since been provided to the Committee. This was considered by the Committee and a further recommendation made for referral to Cabinet:

RECOMMENDATION 2: The Committee noted the response to this but considered that this was a high spend area of the council and continued to request that the Overview and Scrutiny Committee receive a report on the causes of increasing contract costs in a consolidated report.

Management actions (Table 7.2c) - Further details had been requested by the Committee on a projected overspend of £35k on this item. It was noted that the response to this request was outstanding and so this was referred to the meeting of the Overview & Scrutiny Committee on 1st February.

MTFS Savings Tracker - PL 20/9 (Full cost recovery of match day cleansing services) - The Committee had made a recommendation at its previous meeting on the costs to the Council of matchday cleansing services near Tottenham Hotspur Stadium. This recommendation was approved for referral to Cabinet with no amendments:

RECOMMENDATION 3: The Committee considered the use of Council taxpayers funds to meet the costs of matchday cleansing services to be unacceptable and recommended that the Council continues to urgent pursue negotiations with Tottenham Hotspur Football Club to secure full cost recovery of all matchday cleansing service, including recovery of funds retrospectively for costs incurred in previous years since the opening of the new stadium.

MTFS Savings Tracker (Digital Together) - The Committee had made a recommendation at its previous meeting on the significant amount of savings required on a cross-departmental basis. This recommendation was approved for referral to Cabinet with no amendments:

RECOMMENDATION 4: The Committee noted that this proposal involved a substantive sum of money but that over 90% of the savings in 2023/24 had not yet been achieved. The Committee further noted that the savings needed to be achieved on a cross-cutting basis with all service departments adopting more efficient systems and processes. The Committee recommended that the Cabinet explain how each service department will be engaging with this proposal in order to achieve the savings over the MTFS period.

MTFS Savings Tracker – EN_SAV_004 (Events income increases) - Further details had been requested by the Committee on how these savings would be achieved. It was noted that the response to this request was outstanding and so this was referred to the meeting of the Overview & Scrutiny Committee on 1st February.

New Revenue Growth Proposals (Delivery of the Leisure Management Service in-house) – The Committee had requested a breakdown of the expected extra costs of this proposal. It was noted that the response to this request was outstanding and so

this was referred to the meeting of the Overview & Scrutiny Committee on 1st February.

New Revenue Savings Proposals – EN24_SAV_003 (Enhance enforcement on environmental crime) – Further details had been provided to the Committee on the estimated cost of hiring more permanent staff to enhance enforcement action compared to the proposed approach of entering into a partnership with a private contractor. Cllr White queried the details of the response which appeared to show that the income generated from fines under the in-house option would be outweighed by operational costs to the Council whereas a private contractor could generate far more income. Cllr Connor and Cllr Gunes requested further details on how the appeals process would work. It was agreed that a further response on these two points would be provided ahead of the meeting of the Overview & Scrutiny Committee on 1st February.

Capital proposal 336 (New River Sports & Fitness) – Further details had been requested by the Committee on the self-financing of this scheme. It was noted that the response to this request was outstanding and so this was referred to the meeting of the Overview & Scrutiny Committee on 1st February.

Capital proposal 401 (Tottenham Hale Green Space) – Further details had been requested by the Committee on the S106 funding for this scheme. It was noted that the response to this request was outstanding and so this was referred to the meeting of the Overview & Scrutiny Committee on 1st February.

Capital proposal 457 (Future High Street Project) – Further details had been requested by the Committee on the S106 funding for this scheme. It was noted that the response to this request was outstanding and so this was referred to the meeting of the Overview & Scrutiny Committee on 1st February.

Capital proposal 657 (Corporate Laptop Refresh) – Further details had been provided to the Committee as requested on the costs of the corporate laptop refresh scheme. The Committee was satisfied with this explanation and therefore no further action was required.

Children & Young People’s Scrutiny Panel

Cllr Gunes set out the Children & Young People Scrutiny Panel’s broader discussion on the proposed budget for children and young people’s services in context of the financial challenges faced by the Council and that, while statutory services were protected, it had sought assurances that key non-statutory services (such as Youth Space and youth centres) would be protected from further reductions. The Panel’s recommendation on this was approved by the Committee for referral to Cabinet:

RECOMMENDATION 5: The Panel was concerned about the budget gap of £16.4M reported in the draft MTFS and the fact that no further information is available at this stage on where further savings will be coming from. The Panel seeks assurances from Cabinet that it will seek to protect key non statutory services within Children’s Services from any further cuts.

Adults & Health Scrutiny Panel

Cllr Connor explained that the Adult & Health Scrutiny Panel had discussed new service contracts that were being negotiated and that, given the financial pressures to make savings, the Panel had sought assurances that the new contract would not negatively impact on the quality of care. Further information on the way that inflation had been factored into these projected costs had also now been provided as requested. The Panel's recommendation on this issue was approved by the Committee for referral to Cabinet:

RECOMMENDATION 6: The Panel seeks assurances from Cabinet that the pressures on the Adult Social Care budget would not impact negatively on the quality of care as new contracts were negotiated.

Service Growth – Existing (Connected Communities) - Cllr Connor noted that a response had been provided on the request for further information about this item but felt that it had not explained what the £1m budget growth for Connected Communities in 2024/25 would specifically be funding. The Committee requested that further details on this be provided ahead of the meeting of the Overview & Scrutiny Committee on 1st February.

New Revenue Savings Proposal – AHC24_SAV_008 (0-19 years Public Nursing Services) - Cllr Connor noted that a response had been provided on this item which explained that outcomes would be monitored from the service and said that it would be useful to understand more about how this monitoring would be carried out.

New Revenue Savings Proposal – AHC24_SAV_010 (Continuing Healthcare) – Cllr Connor noted that a response had been provided on this item which explained that a project team had been set up to achieve savings in this area. Cllr Connor requested that, ahead of the meeting of the Overview & Scrutiny Committee on 1st February, further information be provided on how people could access continued healthcare funding for a loved one and how staff would carry out reviews.

New Revenue Savings Proposal – AHC24_SAV_012 (Strength Based Working) - Further details had been requested by the Committee on data to show how strength-based approaches would reduce costs and on the support groups available in each of the three locality areas in the Borough. It was noted that the response to this request was outstanding and so this was referred to the meeting of the Overview & Scrutiny Committee on 1st February.

New Revenue Savings Proposal – AHC24_SAV_015 (Service Audit) - Further details had been requested by the Committee on how these savings would be achieved. It was noted that the response to this request was outstanding and so this was referred to the meeting of the Overview & Scrutiny Committee on 1st February.

New Revenue Savings Proposal – AHC24_SAV_016 (Mental Health Service Review) – Cllr Connor commented that a detailed response had been provided on this item and proposed that, when the review had been finalised, that the recommendations be provided to the Adults & Health Scrutiny Panel for further consideration.

New Revenue Savings Proposal – AHC24_SAV_017 (Grant Review BCF/S75) – Cllr Connor commented that the response on this item set out details of the review of the Better Care Fund and proposed that further details on this be provided to the Adults & Health Scrutiny Panel for further consideration.

Format of budget scrutiny papers – Cllr Connor welcomed the updated format of the budget scrutiny papers for this year and noted that the Adults & Health Scrutiny Panel had suggested a couple of further minor amendments for future years. Cllr Worrell commented that the entire Cabinet report was provided in the Panel agenda papers as an appendix and that, in the Housing Planning & Development Scrutiny Panel meeting, this required referring to this for some information while referring to the main report to the Panel for other information. Josephine Lyseight, Assistant Director for Finance, responded that the papers for all Panels had been approached in the same way with the aim of including the main information relevant to the Panel in the main report. It was agreed that this would be explored further in a discussion outside of the meeting.

Housing, Planning & Development Scrutiny Panel

Cllr Worrell informed the Committee that the Housing, Planning & Development Scrutiny Panel had discussed the implications of high capital costs balanced against the need for more social housing and an explanation on how some costs to tenants through service charges were covered by benefits.

A number of areas of clarification had also been explored:

Council Tax Uplift – It was noted that a response had been provided to the Panel's query about the maximum uplift in Council Tax from 2025/26 onwards. Frances Palopoli, Head of Finance, clarified that the assumptions on the uplift rates were prudent at this stage but would depend on future government policy.

Cllr Connor then moved to invoke Committee Standing Order 63 to allow Committee Standing Order 18 to be suspended and allow the meeting to continue after 10pm. This was to complete the business on the agenda. The Committee agreed this motion without dissent.

New Revenue Savings Proposals – AHC24_SAV_002 (Increasing the supply of Lodge accommodation), AHC24_SAV_003 (Use of social housing as temporary accommodation), AHC24_SAV_006 (Moving on from temporary accommodation) and AHC24_SAV_007 (Charging full LHA subsidy rates) – Following queries from the Panel it was established that the first of these (AHC_SAV_002) was a revision of last year's savings proposal AHC_SAV_006 which had not previously been achieved, while the other three were repeats of last year's savings proposals AHC_SAV_007, AHC_SAV_009 and AHC_SAV_010 and were not new savings. Cllr White requested clarification on why the Committee was being asked to approve these savings again and whether these savings were now being double-counted – both on the existing savings tracker (agreed the previous year) and as new proposed savings (proposed for this year). It was agreed that further explanation on this issue be provided at the meeting of the Overview & Scrutiny Committee on 1st February.

New Revenue Savings Proposal – ENV24_SAV_003 (Income generation from CPNs) – Cllr Worrell explained that the Panel had queried the low assumptions of the additional revenue achieved from this saving and said that, while she was satisfied with the response that had been provided, she would still like to see more revenue raised from these fines. She also noted that this issue had been well covered by the Panel’s recent scrutiny review on this issue. No further action was therefore required.

Additional Investment (Landscaping and green space maintenance) – Cllr Worrell explained that a recommendation had been made by the Panel following a discussion on the maintenance works provided by the Parks Service on the communal areas of new housing developments. Cllr Connor queried whether CIL (Community Investment Levy) contributions could be used for this but it was clarified that the recommendation applied to new housing developments built on Council-owned land rather than private developments. Cllr Carlin said that a report had previously been produced on what CIL could be used for and suggested that the Committee could refer to this for further clarification.

The Panel’s recommendation on this issue was approved by the Committee for referral to Cabinet:

RECOMMENDATION 7: The Panel welcomes the standard of landscaping and green space provision that has been put in place for our new build housing developments.

The Panel would like to see additional investment put into maintaining the high standard of landscaping, so that it does not fall into disrepair or become overgrown. Given the amount of investment the Council has put into its housebuilding programme, maintaining the surrounding green spaces is an important part of their upkeep and ensuring those sites are attractive.

Consideration should be given to securing additional resources to undertake additional maintenance of communal green spaces on new developments, including cutting back overgrown foliage, weeding and maintaining flower beds.

Climate, Community Safety & Culture Scrutiny Panel

As the Chair of this Panel, Cllr Simmons-Safo, had given apologies for the meeting, Cllr Connor described each item as set out in the agenda pack.

New Revenue Savings Proposal – CSE24_SAV_003 (Newspapers & magazines in libraries) – Cllr Connor noted that a recommendation had been proposed by the Panel opposing the proposed saving of stopping the provision of hard copy newspapers and magazines and libraries. The Panel’s recommendation was approved by the Committee for referral to Cabinet:

RECOMMENDATION 8: Given the impact the proposed savings would have on elderly citizens and citizens accessing papers in community languages together with the social benefits that this provision of hard copy newspapers provided, the Panel recommended that this saving not be taken forward.

New Revenue Savings Proposal – CSE24_SAV_001 (Library opening hours) –

Cllr Connor noted that a recommendation had been proposed by the Panel opposing the proposed review and reduction of library opening hours and to engage with the local community to explore options to keep library buildings at appropriate times for the users of the service.

Cllr White suggested that, if hours were reduced, then this could be coordinated with other libraries in a way that ensured that library services were always available within reasonable reach wherever one lived in the Borough. Cllr Connor commented that libraries were one of the last free public spaces and that it was a valuable resource for many residents so she would prefer this saving not to have been put forward. She added that this proposal had not gone out to full consultation which was also a concern. Cllr White added that this was a savings proposal that had a substantial impact on service delivery and so it was necessary to consider the impact of this against the need for the Council to use reserves to close the budget gap and the size of the savings expected from this proposal. He suggested that this should therefore be considered further at the Overview & Scrutiny Committee meeting on Feb 1st when there would be further information available on the final budget figures.

Cllr Carlin responded that the Council valued the Library service and that she agreed on how important libraries are. She added that the Council had invested considerable amounts of capital in the service, would be keeping all library buildings open and that Haringey had some of the longest library opening hours in London. The proposal was to work intensively with user groups and to look at each library individually and consider when footfall was particularly low in order to make the best use of that space in the context of the Council's current financial position and the difficult decisions that were necessary.

The Panel's recommendations on this issue was approved by the Committee for referral to Cabinet:

RECOMMENDATION 9: The Panel would like Cabinet to reconsider this saving. The Panel would not like to see any reduction in Library opening hours and the net saving found from elsewhere.

RECOMMENDATION 10: If library opening hours were reduced, the Cabinet should give assurance that it intended to engage robustly with schools, early years users, and local groups to explore options on how to keep Library buildings open at the appropriate times for these users. Also, to provide more information on 'wrap around' services that could be provided in Library buildings from other council services outside of the Library opening times. The Cabinet response should also indicate if the service had considered other ways to generate income into libraries by potentially looking at hiring out spaces before putting this saving forward.

RECOMMENDATION 11: The Committee recognises the need to make savings to balance the budget and that there are not easy savings to make and not making this associated saving will have an impact on other areas of the budget. Assurance is sought from Cabinet on measures to mitigate impact of reduced library hours on service users including that, individually, the libraries remain

open at times of the highest usage and each library is assessed, on a case by case basis, to understand what this peak user time is. Also ensuring that the library opening times are compiled in a way that allows a user to use a library that is in reasonable close reach, if one local library is not open when they need to use it.

New Revenue Savings Proposal – CSE24_SAV_002 (Self-service technology in libraries) – Cllr Connor noted that a response had been provided to the Panel on the commitment to explore the feasibility of these proposals, including the capital investment required, and to engage and consult fully before any final decision was taken. It was noted that this was not a saving that was going to be realised in the coming year. Cllr Connor suggested that the additional future information on this item should be provided to the Climate, Community Safety & Culture Scrutiny Panel for further consideration.

Capital proposals 4014 (LTN delivery), 4015 (Strategic cycle route delivery) & 4016 (Cycle parking delivery) – Cllr Connor noted that the response to the query on these items had clarified that the schemes were wholly funded through external sources and so no further action was required.

Capital proposal 630 (Libraries IT & Buildings upgrade) – The Committee noted the response provided to the query on this item and determined that no further action was required.

Format of budget scrutiny papers – It was noted that the Panel had made a minor proposal on annotating items on the capital expenditure programme. When added to the other suggestions made throughout the budget scrutiny process on the format of the budget scrutiny papers, the Committee approved the following recommendation for referral to Cabinet:

RECOMMENDATION 12: The Committee welcomed the updated format of the budget scrutiny papers and requested the following updates for future years:

a) A short piece of introductory text for each table (in the main report) to explain how they related to one another.

b) Additional explanatory text on the capital budget appendix, including the impact on the revenue budget in terms of interest incurred.

c) Additional discussions between the Assistant Director for Finance and the Chair of the Housing, Planning & Development Scrutiny Panel on the format of appendices and reports for this Panel.

d) Concerning the agreed capital expenditure programme, where there are mixed sources of funding supporting a scheme, this should be set out more fully and in more detail.

e) Reductions in the Capital Programme should be set out separately in a tabular format, rather than being embedded in the MTFs report. The table should include brief information on the individual scheme and the impact it has

on the Council's aims and ambitions. The table should further indicate whether the decision involves a reduction in the scope of a particular program with figures included or whether this is a capital scheme that has been discontinued; making clear whether it was a particular line that was in the capital budget in the previous year and has now been deleted.

RESOLVED:

That the Committee considered the recommendations from each of the Panel and Committee budget scrutiny meetings held between 12 December 2023 and 9 January 2024 and compiled a set of final recommendations, to be shared with Cabinet, on the Council's 2024/25 Draft Budget and 5 Year Medium Term Financial Strategy (MTFS) 2024/2029 proposals considered by Cabinet on 5th December 2023.

19. NEW ITEMS OF URGENT BUSINESS

N/A

20. WORK PROGRAMME UPDATE

The Committee agreed to defer this item to a subsequent meeting.

21. FUTURE MEETINGS

1st Feb 2024 (7pm)
11th Mar 2024 (7pm)

CHAIR: Councillor Matt White

Signed by Chair

Date