

# **MINUTES OF THE Overview and Scrutiny Committee MEETING HELD ON Thursday, 1st February, 2024, 7:00PM – 10:20PM**

## **PRESENT:**

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

### **1. FILMING AT MEETINGS**

The Chair referred Members present to item one on the agenda in respect of filming at the meeting and Members noted the information contained therein.

### **2. APOLOGIES FOR ABSENCE**

Apologies for absence received from Lourdes Keever and Yvonne Denny.

### **3. URGENT BUSINESS**

None

### **4. DECLARATIONS OF INTEREST**

None

### **5. DEPUTATIONS/PETITIONS/PRESENTATIONS/QUESTIONS**

None

### **6. OUTSTANDING RESPONSES TO SCRUTINY QUERIES AND BUDGET RECCOMENDATIONS FROM THE 18TH JANUARY OSC MEETING**

The Committee was presented with a table outlining the Outstanding Requests for Information on the MTFs/ Budget Scrutiny Proposals.

The following was noted in discussion around the Overview & Scrutiny Committee (Corporate, CS&E and E&RE):

- In response to a question from the Committee in relation to the budget position regarding Community Safety, Waste & Enforcement, Officers advised that the underspend predominantly related to an underspend in maintenance and there was a small element of the underspend in staffing.
- The Committee sought assurances around possible impact on services by the underspend in CCTV. The Committee was advised that the service was prioritising the use of CCTV in areas that most require it. The suspension in the

maintenance programme would have minimal impact as the current coverage in CCTV would be enhanced to cover a wider area.

- In relation to the response provided for the Outturn Position & 2024/25 Budget Position regarding Culture, Strategy & Engagement, The Committee recommended that colleagues in Strategic Procurement, Finance and Digital services should meet with members to provide a more informed briefing as to how contracts were managed across the Council; of which digital services have approximately 300 contracts. This should be discussed during an Overview & Scrutiny meeting.
- In regard to the Management Actions (page 56 of agenda pack) table 7.2c, the Committee noted that under Environment & Resident Experience for 2025/26, there was an overspend of £35k predicted. Officers advised that it was not unusual to see minus figures in tables as sometimes you would see a financial benefit that were greater in year one than in year two and thus would not necessarily constitute as an overspend. However, in relation to the overspend of £35k, this was not substantiated and the Committee recommended that this would need to be clarified when presented to the Cabinet. The Committee also suggested that if this could not be substantiated, this line in the report must be removed from the pack.
- The Committee sought assurances around the events income increases. The Committee had requested further details on how these savings would be achieved and clarification on the reasons for the variation in the savings target in each of the years over the MTFS period, and whether these targets were realistic and achievable. The response on the table stated that the figure of £124k shown in column N does not appear to be correct and the Committee queried why this was continuing on the tracker and the Cabinet papers. Officers advised that they would be reviewing this to confirm if the figure of £124k was correct and if not, then this would need to be removed from the papers.
- The Committee noted that there was a growth of £946k for the delivery of the Leisure Management Service in-house and in response to a follow up question, Officers advised that the decision to insource two and a half leisure centres meant that the Council was able to join up the provision into a wellbeing strategy to improve the health of the residents in Haringey. As a result, there was a reduction in cost in the Adults Social Care Budget. Officers added that the leisure centres themselves should not be seen in isolation and the benefit gained by bringing the leisure services together within a leisure and wellbeing strategy across the borough would outweigh any additional cost. The aim was to look into preventative costs and methods that would reduce costs in the future.
- To follow up, the Committee queried about transparency on how the revenue impacts of decisions were being shown. The Committee was advised that the positive effects on people's health would be reflected in other areas of the Council and the Committee sought assurances on how the Council was accounting for that. The Committee asked that when budgets were scrutinised, would there be transparency of the revenue impacts of the decisions that were being made as the figures presented on the report suggest that there would be a cost of around £1 million a year. In response to this, Officers advised that the

cabinet report at the time reviewed the assessments of the ramifications of the decisions to insource and had also gone through the risks and benefits associated. At the time the decision was made, it was recognised that there would be additional costs that would be incurred and would need to be built into the budget, this was what gave the rise to the £900,000 being discussed. Officers advised the Committee that when constructing a budget, it can be difficult as officers can only include figures that they were confident about and data that can be quantified. In addition, the budget would also need to factor in pressures in growth within services and the authority would need to respond to the demand.

- The Committee noted the response on the table in regard to the enhanced enforcement on environmental crime. In response to a follow up question, the Committee noted that by law, Fixed Penalty Notices (FPNs) did not have an appeal or challenge system. If people felt they were unfairly fined, they could choose not to pay the fine, take the notice to court and then let the judge decide. It was also noted that although the Council being in partnership with a private contractor, all the appeals and challenges would be overseen by the Community Safety and Enforcement team within the Council.
- The Committee noted the response in terms of the self-financing for the New River Sports & Fitness. In response to a question from the Committee, Officers advised that there would be an investment of £533,000 into New River next year as part of the original assessment to take forward for maintaining assets. This would be a part of an overall investment in other assets at New River and not just in terms of achieving the additional revenue income savings and would be self-financing without incurring a cost to the Council.
- The Committee noted the update presented on the report on Tottenham Hale Green Space. The Committee sought assurance on if this scheme would be viable as the table highlighted £3.2 million as an unfunded amount. Officers advised that this would not be a case of assessing viability as when starting the Capital Programme, Officers included predicted totalities for what the scheme would cost and the budget would represent all its phases. It was noted that each phase would only progress once the funding solution was solved and that was when the project would go forward.
- The Committee noted that the term unfunded meant that the funding source was not identified, however, officers had to put totality of everything in the budget as it happens in phases once funding was identified. Most of the time the schemes would be waiting for funding from the GLA as they fund in tranches. The Council would need to bid or apply for the funding to progress with projects.
- The Committee was assured that the Capital Programme was a framework which enabled the delivery of all capital schemes that the Council would be engaging in the next 5 years. Officers explained that as it was a framework, it was difficult to predict exactly how the project would turn out in two or three years' time. As the phases were based on assumptions, Officers were only able report back to the Committee on how reality would be matching against the framework in real-time.

- The Committee noted the response received in regard to Future High Street Project.

The following was noted in discussion of the Adults & Health Scrutiny Panel:

- In relation to the proposal on funding for Connected Communities and Continuing Healthcare, the Panel noted the response provided and recommended for this to be referred back to the Adults Health Scrutiny Panel to be looked at as part of a wider agenda item.
- In relation to Strength Based Working MTFs proposal, the Committee had requested details of support groups available in each of the three locality areas in the Borough. It was noted that a piece of work was underway with Haricare and this would be integrated into the locality model. The Committee recommended that this information to be rolled out to all community groups and not just on Haricare site, as this may not be accessed by all residents in the borough.

The following was noted in discussion of the Housing, Planning and Development Scrutiny Panel:

- In response to a question regarding the saving on the tracker being double counted, officers assured the Committee that the MTFs had been adjusted to eliminate the double count. The main report now reflects the overall financial position that was being reported and the final budget had improved in totality.
- The Committee sought for further clarification on this as it was noted that the initial proposed saving was being considered as a written off savings and then the adjusted saving was being considered as a new saving. The Committee questioned this approach as the adjusted figures would not be a new saving and wanted clarity on why this was being presented as a new saving. In response to this, Officers advised that this would be reviewed to assess whether this was the best depiction of how to make the adjustments.
- In response to a follow up question on how this double count occurred, the Committee was advised that there had been discussions with Directors to evaluate how this error occurred. It was noted that a presentational fault could have led to some of the savings being misinterpreted and being double counted. The Committee was assured that there had also been engagement with colleges to review and tighten processes to prevent this from happening in the future.

## **RESOLVED**

That the responses to outstanding queries from 18<sup>th</sup> January OSC meeting were noted.

## **7. FINAL 2024-25 BUDGET AND 2024-29 MEDIUM TERM FINANCIAL STRATEGY**

The Committee was presented with the Final 2024-25 Budget and 2024-29 Medium Term Financial Strategy report. John Warlow, Director of Finance introduced the report as set out in the agenda pack.

The following was noted in discussion of this item:

- There was a £16.3m budget gap in the December Draft General Fund Budget. Considerable further work had been undertaken to identify additional savings and actions to close the gap. Consequently, the budget position had improved by c. £10.4m since December.
- The Council was required to draw-down £5.9m from the Strategic Budget Planning Reserves in order to set a balanced budget for 2024/25.
- Haringey had been a poorly funded local authority by the government for many years.
- It was noted that there had been updates on inflation and treasury assumptions.
- Extensive work had been done to further reduce the capital for the General Fund of just under £29m which was an overall reduction in the Capital Programme.
- Since considering the report previously, there was some improvement in the latter years of the forecast. The Housing Revenue Account had increased by around £1m in year four or five.
- The Committee noted that the figures may change again before this was submitted to the Full Council as there was a wait for the final local government settlement figures.
- In response to a question from the Committee regarding building reserves, Officers advised that in order to maintain and build reserves, the Council should ensure that funds were not drawn from these reserves. However, this would be challenging and there would be a need to have high level of financial improvement.
- In response to a question from the Committee, Officers clarified the Capital Programme had been revised and included reduction. These items included primary schools, repairs, maintenance, Pendarren house, borough roads, parks, asset management, active life in parks, parking, walk bridges, place making and housing, Tottenham Hale green space and Council building.
- Officers added that it was difficult exercise to identify areas on where and how the Capital Programme could be reduced.
- It was noted that the new build developments were assumed to be self-financing through extra income streams.
- The Budget/MTFS report in March 2023 forecasted a gap for 2024/25 of c. £6.3m. The draft Budget presented to Cabinet on 5 December 2023 had a gap of £16.3m. The December gap had reduced to £5.9m which was proposed to be met from the Strategic Budget Planning reserve. Further work had been carried out to ensure the reductions which included corporate changes along with corporate growth. The corporate changes included treasury income improvements, reduction in inflation, improvements in the Council tax position,

changes in grants, empty properties change and finally, the work done by each Directorate and portfolio holders in bringing forward savings.

- In terms of reserves, the Committee noted that there was a small number of usable reserves which would give the Council £23million worth of availability. This included the General Fund and the £7million annual contingency fund.
- The Committee recommended that the budget would need to be looked at as a whole by reviewing other elements that make up the budget and not primarily focusing on savings.
- To follow up, the Committee was advised that forward facing savings were a small proportion of the savings that the officers had worked on as management actions, reorganisations, and staffing changes. These savings were estimated to be around £4million since the December Cabinet report. Officers informed the Committee that this figure was a rough estimate and could change as an impact of corporate change factors that may come along, but currently these figures would be a working assumption.
- In response to a question, Officers advised that the Public Health Grant had been moved from corporate grant into Adults directories. The Committee noted that the tables in the report under Funding Assumptions had been amended to reflect this change.
- The Committee highlighted that the updated table on Table 7.1b – Total New Growth was missing £1million in the total figures and queried whether this was a presentational error or if there had been a £1million of new net growth that was proposed in December that was no longer being proposed. The Committee recommended that Officers provide a clear explanation for this at the Cabinet meeting.
- In response to a question regarding a reduction of £0.5m to the regeneration budgets, Officers advised that work had been done to ensure that there would be enough money to maintain the estates to keep it safe and operational. Whilst there was a reduction overall across the three years, there would be wider reviews on estates in general. Officers also advised that the service had sufficient funding for the programme of works that were scheduled for the next year.
- The Committee highlighted that there had been no changes in the figures presented on the tables for this report since the Cabinet in December, and why changes that had been discussed were not being reflected in the report. In response to this, Officers advised that revenue impact had been built into the MTFS and this included a reduction in the cost of debt and an improvement of around £1m and this is included in the report in table 7.3. Officers added that the treasury limits figures had not been altered as a result of timings and the figures were seemed as being reasonable and appropriate as it was not considered to have material impact.
- In response to a question regarding Parkland Walk Bridges, Officers advised that the changes included spreading the cost of investment over a longer period of time in order to reduce borrowing costs. It was also noted that there was no indication of final costs as the consultation is still ongoing.

- In terms of Equalities Impact Assessment (EQIA) for library services, the service was carrying out a detailed approach for each individual library as the needs of the residents in the East and West of the borough are very different. The Committee was assured that the libraries would be protected and was looking at ways to safeguard them for the future, examine ways to generate income and ensure that libraries are public assets.
- The Committee emphasised that the EQIA would need to happen in the libraries before any changes to the library service are proposed.
- In terms of hard copy newspapers and magazines in libraries, some of the feedback seen in the consultation response was very mixed. There were some residents who were very against this and some who thought this would be a reasonable thing to do in terms of environmental impact. The feedback was considered and there was a review in footfall and the number of hard copies in the libraries. Some would be retained, but there would be some savings made, this is why the continuing saving of £25k was in the budget.
- The Committee sought further clarification on Appendix 3A, Officers advised that the descriptors of the savings that were shown in Appendix 3A were unchanged from the version that went out in the original report and this was done for consistency. This was particularly useful when receiving feedback from the public about the savings and it was easier to reference the feedback against the narratives that were in the report.
- The Committee noted that the self-service volunteer or community led libraries proposal was not going ahead. The committee was informed that savings would still need to make and the service was looking to develop a library strategy which would focus on income generation and how those buildings could be used different. The Committee recommended that this new proposal would need to be included in the report and updated for Cabinet.
- The Committee was advised that the final budget report would not be presented at the Cabinet meeting but at the Council meeting. It was also noted that the changes made in the library proposal would be made clearer graphically in the report presented to the Council.
- In terms of the Council Tax Reduction Scheme, this would go out for consultation on any changes publicly. It was noted that at this stage the figures were indicative subject to consultation. The changes and benefits expected was due to people transferring over to Universal Credit. Officers added that pensions were protected by legislation and no changes could be made from the 100% that was already being given.

## **RESOLVED**

That the additional Budget Scrutiny recommendations to Cabinet were agreed. These are published in a separate table:

<https://www.minutes.haringey.gov.uk/documents/b30300/Budget%20Scrutiny%20Recommendations%20from%201st%20February%20meeting%2001st-Feb-2024%2019.00%20Overview%20and%20Scrutin.pdf?T=9>

**8. NEW ITEMS OF URGENT BUSINESS**

N/A

**9. FUTURE MEETINGS**

11 March 2024

CHAIR: Councillor Matt White

Signed by Chair .....

Date .....