

Report for: Overview and Scrutiny Committee – 20 January 2025

Title: Scrutiny of the 2025/26 Draft Budget/5 Year Medium Term Financial Strategy (2025/26-2029/30) - Recommendations

Report authorised by: Ayshe Simsek, Democratic Services and Scrutiny Manager

Lead Officer: Dominic O'Brien, Principal Scrutiny Officer
Tel: 020 8489 5896 or Email: dominic.obrien@haringey.gov.uk

Ward(s) affected: All

**Report for Key/
Non-Key Decision:** N/A

1. Describe the issue under consideration

- 1.1 This report sets out how budget proposals detailed in the draft 5-year Medium Term Financial Strategy (2025/26-2029/30) have been scrutinised and the draft recommendations that have been reached by the Overview and Scrutiny Committee (OSC) and Scrutiny Review Panels.
- 1.2 Members of the Committee are asked to consider and agree recommendations contained within this report so that these can be considered by Cabinet on 11th February 2025, when they will also agree the final MTFS proposals that will be put to Council on 3rd March 2024.

2. Recommendations

- 2.1 That the Overview and Scrutiny Committee:
 - (a) Approves the final budget recommendations to be put to Cabinet on 11th February 2025, as outlined in **Appendix 5**.
 - (b) Notes the 2025/26 Draft Budget & 2025/30 Medium Term Financial Strategy Report, as presented to Cabinet on 12th November 2024 (**Appendix 4**) and the proposals therein, as considered by the Scrutiny Panels and the Overview and Scrutiny Committee in November 2024.

3. Reasons for Decision

- 3.1 As laid out in the Council's Overview and Scrutiny Procedure Rules (Constitution, Part 4, Section G) the Overview and Scrutiny Committee is required to undertake scrutiny of the Council's budget through a Budget Scrutiny process. The procedure by which this operates is detailed in the Protocol covering the Overview and Scrutiny Committee.

4. Alternative Options Considered

4.1 N/A

5. Budget Scrutiny Process

5.1 The Overview and Scrutiny Protocol lays out the process for Budget Scrutiny. This includes the following points:

- a. The budget shall be scrutinised by each Scrutiny Review Panel, in their respective areas. Their reports shall go to the OSC for approval. The areas of the budget which are not covered by the Scrutiny Review Panels shall be considered by the main OSC.
- b. A lead OSC member from the largest opposition group shall be responsible for the co-ordination of the Budget Scrutiny process and recommendations made by respective Scrutiny Review Panels relating to the budget.
- c. Overseen by the lead member referred to above, each Scrutiny Review Panel shall hold a meeting following the release of the December Cabinet report on the new Medium Term Financial Strategy. Each Panel shall consider the proposals in this report, for their respective areas. The Scrutiny Review Panels may request that Cabinet Members and/or Senior Officers attend these meetings to answer questions.
- d. Each Scrutiny Review Panel shall submit their final budget scrutiny report to the OSC meeting in January containing their recommendations/proposal in respect of the budget for ratification by the OSC.
- e. The recommendations from the Budget Scrutiny process, ratified by the OSC, shall be fed back to Cabinet. As part of the budget setting process, the Cabinet will clearly set out its response to the recommendations/ proposals made by the OSC in relation to the budget.

6. Budget Scrutiny to Date

6.1 Following consideration by Cabinet, the four Scrutiny Panels met in November 2024 to scrutinise the draft budget proposals that fall within their portfolio areas. In addition, the Overview and Scrutiny Committee also met in November 2024 to consider proposals relating to Corporate Services, parts of Culture, Strategy & Engagement and parts of Environment & Resident Experience.

6.2 Cabinet Members, senior service officers and finance leads were in attendance at each meeting to present proposals and to respond to questions from members. A list of draft recommendations arising from the meetings referred to above, is provided at **Appendix 5**.

6.3 The finance reports to Scrutiny in November 2024 made clear that, even if all the savings proposals were agreed, a budget gap of £32m would remain. Further proposals are therefore being developed and we anticipate that details of these, along with details of other developments including the Provisional Local

Government Finance Settlement for 2025/26, will be provided to the meeting of the Overview & Scrutiny Committee on 30th January 2025.

7. Next Steps

7.1 The table below sets out the remaining steps in the budget scrutiny process:

| Date | Meeting | Comments |
|------------------|---------------------------------|---|
| 20 January 2024 | Overview and Scrutiny Committee | Recommendations agreed and formally referred to Cabinet. |
| 30 January 2025 | Overview and Scrutiny Committee | To consider any additional budget proposals and formally refer any new recommendations to Cabinet. |
| 11 February 2025 | Cabinet | Cabinet will set out its response to all recommendations made by the Overview and Scrutiny Committee. |
| 3 March 2025 | Full Council | Final budget setting. |

8. Statutory Officers Comments

Finance

8.1 There are no specific financial implications as a result of the scrutiny process but there may be an impact on the overall Council budget if recommendations are made for change. Any such implications would be considered as part of February's Cabinet MTFS report.

Legal

8.2 There are no immediate legal implications arising from this report. The Overview and Scrutiny Committee is exercising its budget scrutiny function. This is part of the constitutional arrangements for setting the Council's budget, as laid out in Part 4, Section G of the Haringey Constitution.

Equality

8.3 The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advance equality of opportunity between people who share those protected characteristics and people who do not;

- Foster good relations between people who share those characteristics and people who do not.
- 8.4 The three parts of the duty applies to the following protected characteristics: age; disability; gender reassignment; pregnancy/maternity; race; religion/faith; sex and sexual orientation. In addition, marriage and civil partnership status applies to the first part of the duty.
- 8.5 The proposals in the draft Medium Term Financial Strategy are currently at a high level and will be developed further as service changes and policy changes are progressed. Equality impact assessments will be developed as part of this process.
- 8.6 The Committee should ensure it addresses these equality duties by considering them within its work. This should include considering and clearly stating;
- How specific savings / policy issues impact on different groups within the community, particularly those that share the nine protected characteristics;
 - Whether the impact on particular groups is fair and proportionate;
 - Whether there is equality of access to services and fair representation of all groups within Haringey;
 - Whether any positive opportunities to advance equality of opportunity and/or good relations between people, are being realised.

9. Use of Appendices

Please note that Appendices 1 to 4 were previously published in November 2024 and are provided for reference. Appendix 5 was unavailable at the time of publication on 10th January 2025 and will be published shortly afterwards as part of a supplementary agenda pack.

Appendix 1 – Forecast Budget Pressures

Appendix 2 – Summary of new proposed savings and management actions

Appendix 3 – Summary of proposed changes to the Capital Programme

Appendix 4 – Report to Nov 2024 Cabinet – Draft 2025-26 Budget and 2025/30 Medium Term Financial Strategy

Appendix 5 – List of Comments and Recommendations from Budget Scrutiny Process

Document A – Scrutiny Role

10. Local Government (Access to Information) Act 1985

- 10.1 N/A