

Budget Scrutiny Recommendations – 2025-26

Adults & Health Scrutiny Panel			
MTFS Proposal	Further info requested (if appropriate)	Comments/Recommendation	Cabinet Response Req'd (Yes/No)
<u>General comments on Budget & MTFS</u>			
General (Budget Gap)		The Panel noted with concern the risks associated with the cumulative projected budget gap of £192.5m between 2026/27 to 2030/31 as illustrated in Table 6 on page 45 of the agenda pack. The Panel also noted that, as stated in paragraph 13.6 of the Cabinet report, due to the Council's limited financial resources, this may mean spending more in some areas of greatest need and priority and more significant reductions in other areas. It would therefore be necessary to understand further what this would entail for the future of adult social care services.	Yes
General (Exceptional Financial Support)	The Panel referred to the significant annual levels of interest charges incurred by the Exceptional Financial Support (EFS) as illustrated in Chart 3 on page 43 of the agenda pack. The Panel requested that further details be provided on how the capital repayments were factored into future budgets in the MTFS period.	The Panel recommended that information about the interest payments and the capital repayments for EFS be included in Budget papers in future years.	No

	<p>Response: An extract from the Treasury Management Strategy Statement is provided at the bottom of this document which includes this information.</p>		
General (Better Care Fund)	<p>Further clarification required on the details of the anticipated reductions to the Better Care Fund (BCF) in Haringey.</p> <p>Response (Corporate Director of Adults, Housing & Health) - Jan 2026: Only minimal changes to the BCF for 26/27 are now expected. Therefore, the risk for next year has not materialised. However, as previously highlighted, we are expecting significant policy changes in 27/28 as the BCF guidance is likely to fall under the remit of the Neighbourhood Health Planning Framework. Whilst this picture is still emerging, we are anticipating that it will bring significant financial risks across partners in both health and social care.</p> <p>There has also been some good news in that we have been selected to receive support through</p>	<p>The Panel expressed concern about the cuts to the Better Care Fund and the risk of the knock-on impact on adult social care services. It was recommended that this be monitored further by the Panel going forward.</p>	No

	the BCF Support Programme for Neighbourhood Health Planning, following the submission of an expression of interest and we are expecting to receive further details on this over the coming weeks.		
General (Improvements to Digital Solutions)		The Panel welcomed the approach to invest to save through improvements to digital solutions but noted that similar proposals had been seen by Scrutiny in previous years that had not fully come to fruition. The Panel therefore noted a potential risk in the delivery of these improvements. The Panel challenged the Cabinet to explain how previous proposals to improve digital solutions to make savings had been delivered by the Council and why the Panel should have confidence that the current proposals would be successful.	Yes
General		<p>The Panel felt that there was a particular ongoing risk over the rising costs from service providers within the adult social care sector and the potential impact of this on the modelling of anticipated expenditure over the MTFS period. The Panel made reference to the risk highlighted in the recent KPMG Value for Money Risk Assessment to the Audit Committee which stated that:</p> <ul style="list-style-type: none"> ○ <i>“The Council does not have adequate procurement processes in place to enable it to achieve value for money in respect of contracts entered into for services received.”</i> ○ <i>“The Council does not have adequate processes in place to ensure that Adult Social</i> 	Yes

		<p><i>Care spend is sufficiently forecast and managed” (page 43, agenda papers for Audit Committee, 10th Nov 2025).</i></p> <p>It was recommended that the strengthening of procurement processes be monitored further by the Panel going forward and that this should include the sharing of an Action Plan with the Panel.</p>	
<u>Pressures & Savings – Previously Agreed</u>			
Supported Living Contracts		<p>The Panel emphasised the importance of ensuring that the housing capital projects would align with social care commissioning needs and anticipated levels of demand. It was acknowledged as part of the discussion that this was a complex area as different residents required different levels of support.</p> <p>The Panel recommended that the Cabinet should explain what oversight is in place to ensure that residents received appropriate levels of support.</p>	Yes
Transitions		<p>The Panel recommended that further scrutiny was required on transitions, in partnership with the Children and Young People’s Scrutiny Panel, in order to understand the reasons for the reduced numbers despite the national trends appearing to indicate greater demand.</p> <p>The Panel has previously been provided with details of service user numbers with a care package between the ages of 18-64 as this is the format of data collected. The Panel recommended that details of care packages by more specific age cohorts will be</p>	Yes

		required in order to scrutinise this area effectively (e.g. the 18-25 age group when considering transitions).	
<u>New pressures</u>			
Adult Social Care Staffing cost pressure		<p>The Panel welcomed the additional investment in staffing. However, historic challenges with staff retention were acknowledged as part of the discussion and the Panel highlighted this as a substantial potential risk as this could impact on the Council's ability to fulfil its statutory duties.</p> <p>It was recommended that workforce issues be monitored further by the Panel going forward, particularly in relation to improvements to Care Act assessments.</p> <p>The Panel also recommended that the Cabinet set out how the risks associated with staff retention would be mitigated.</p>	Yes
<u>New savings</u>			
Adult Social Care Charging Policy		<p>The Panel concluded that this was a necessary piece of work and the income generation was welcomed by the Panel. The Panel sought assurances that residents on low incomes would not be put in circumstances where they did not have access to care services and the Panel felt that this point had been answered to their satisfaction.</p> <p>However, the Panel expressed concerns that this policy change had not been carried out in the past as this could have achieved savings at an earlier stage.</p>	Yes

		The Panel queried whether there were any other similar areas where practice was out of step with other comparable Boroughs and opportunities for income generation may be being missed and recommended that assurances be sought from the Cabinet that all possible such areas had been considered.	
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Culture, Community Safety & Environment Scrutiny Panel			
MTFS Proposal	Further info requested (if appropriate)	Comments/Recommendation	Cabinet Response Req'd (Yes/No)
<u>General comments on Budget & MTFS</u>			
General		RECOMMENDATION: The Panel would like to recommend that business cases related to savings should also be included in budget papers being considered by Scrutiny Panels.	Yes
<u>New savings</u>			
Leisure Commercialisation	The Panel asked for more details and information to be provided to the Overview and Scrutiny Committee to be confident about the figures presented on Leisure Commercialisation. Details of social	The Panel noted that the Leisure provision was brought in house last year and so the Council now had full control so there is potentially more opportunity to generate income by utilising assets and improving the Council offer to be competitive with other comparable service providers. It was noted that the Council was now in a good position	Not yet as OSC to consider in Jan.

	<p>value would also be welcomed by the panel.</p> <p>Response: The Leisure Commercialisation Plan was formed using intelligence from third party independent leisure experts, who helped cost the in-house service in readiness for insourcing. This was later developed including ideas from within the service and was presented to 31ten as part of their work on financial assurance for the council. 31ten verified the commercialisation plan and suggested it could continue to generate further income in future years, leading to the MTFS submission.</p> <p>The commercialisation plan includes indicative income figures for a wide range of activities and is considered to be commercially sensitive due to the active competition in this market. However, the plan is designed to flex and grow as new ideas come onboard, and services are tested and grown. In addition, we have recently appointed three new</p>	<p>to carry out an options appraisal to analyse this properly.</p> <p>RECOMMENDATION: That the Overview and Scrutiny Committee consider and comment on the figures and details in relation to the savings presented for Leisure Commercialisation as further confidence was needed.</p>	
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	officers to the Leisure Management Team who all bring a wealth of experience in leisure and income generation and will all add their expertise to the commercialisation plan as it develops.		
<u>Capital Programme</u>			
Moselle Brook		<p>The Panel recognised that repairing the culvert was a necessity and the budget cited that the £1.1 million allocation could potentially increase following the initial repairs.</p> <p>RECOMMENDATION: The Scrutiny Panel recommended that following the initial repairs, a policy paper on the condition of the culvert and a survey regarding maintenance plans going forward with set timelines should be developed which could be reviewed on a 10-year basis. The Panel recommended robust systems for monitoring the state of the culvert be put in place.</p>	Yes
Waste Management – Fleet Purchase & Infrastructure Works		<p>The Panel wanted further details regarding the financial options of buying or leasing the vehicles for the contract provision of recycling and waste collection, street cleansing and ancillary services from April 2027. The Panel were advised that a report to Cabinet in October 2024 on the Waste Services Review had noted that a high-level review of fleet purchasing considered 3 options which were hire, purchase, contractor purchase and authority purchasing.</p>	Yes

		<p>Authority purchase was the cheapest and preferred option, as the council could get better interest rates and contractor purchase was the most expensive due to addition of the contractor margin and less favourable interest rates.</p> <p>The report outlined that previously it has been common within waste contracts for contractors to purchase vehicles as part of requirements. A benchmarking of recent waste contracts awarded showed the trend has been more to authority purchase for these reasons.</p> <p>The Panel noted the above information and were advised that further financial details on these options could not be provided as this was commercially sensitive and would be part of the considerations for Cabinet when making a final decision on the service provider to deliver recycling and waste collection, street cleansing and ancillary services in March 2026. The Panel were disappointed that they were not provided with the business case in order to scrutinise this financial detail and recommended that the value for money considerations for fleet purchase be explicitly set out in the final Cabinet report in March 2026.</p>	
Tree Planting		<p>The Panel considered the information on tree planting budget allocation and were not clear on the tree planting budget of £1.1m and wanted clarity on how this figure had been compiled. They queried whether this figure had changed from previous years. The Panel recommended that it</p>	No

		would be prudent for them to consider the tree planting plan at a future meeting. The Panel specified that the funding allocations should be included to understand this figure and ensure that a correct, robust and consistent allocation was being agreed.	
Clean Air Schools Zones (Deletion)	<p>The Panel considered the budget papers and noted that for the Clean Air School Zones that the budget each year for this initiative was £400,000. The report noted that given the Council's financial position, this was not considered essential and therefore it is proposed to delay any new zones in 2026/27 as a one off and review this initiative again in 2027/28.</p> <p>The Panel asked if the schemes that were not being delivered in 2026/27 were being delivered through any other means. (Response awaited)</p>		Not yet as OSC to consider in Jan.

Housing, Planning & Development Scrutiny Panel			
MTFS Proposal	Further info requested (if appropriate)	Comments/Recommendation	Cabinet Response Req'd (Yes/No)
Housing General Fund <u>General comments on Budget & MTFS</u>			
General	<p>That further information be provided around how the Council plans to improve performance on turning around void properties and reach the 1% target.</p> <p>Response: Improvements to the service have been made, where changes to the management and teams across the Housing Repairs Service have assisted in the oversight and resource allocation in this area. This has been supported by an increased budget and new contracts being implemented to ensure appropriate resources are allocated.</p> <p>Progress against the pipeline of current void properties has been lower than initially projected, due to the previous ongoing union negotiations and procurement</p>		

	<p>timescales, both of which have since been resolved. There has been sustained demand from the Neighbourhood Moves scheme through our new build programme, representing 18% (60) of the 330 new voids since April 2025. During the same period, 276 properties have been made ready for let. This therefore indicates that the 1% target will be challenging to achieve, however we are reviewing the end-to-end process in full, including analysis of the varying processes across all types of voids and teams involved in the process across Housing Services. This will enable focus on improvements at key stages to reduce turn-around times.</p>		
<u>New savings</u>			
Reduction in Floating support Contracts (£257K)		<p>That Cabinet provide further assurances around the proposed £257k saving in floating support contracts. The Panel is concerned that this may be a false saving and would like further assurance that there is a genuine financial benefit arising from this saving. The Panel is concerned that the short term saving from a reduction in tenancy sustainment may result in additional costs to the Council in the long run.</p>	Yes

Housing Revenue Account

Sustainability of Long Term Borrowing Costs

That further assurances are provided in relation to the sustainability of long-term borrowing costs and the burden this places on the HRA. The Panel would like to understand how a sustainable level of debt is calculated and would like some further information around the ratio of debt, and interest markers, and how these are factored into an assessment that a particular level of debt is affordable. What red lines does the Council use in assessing that a certain level of debt would be unsustainable?

Response: The HRA 30-year business plan is the strategic financial framework used to demonstrate and ensure HRA's long-term sustainability. In ascertaining the sustainable debt level within the HRA, the HRA model tracks the ability of the HRA year on year to generate enough net income to cover the cost of borrowings. This ratio is set at minimum of 1.10 (interest cover). This means the HRA should

	<p>generate enough surplus to cover the borrowing cost plus additional 10%. Over a long term this metric appears is forecast to increase above the 1.10 mark.</p> <p>In addition, the model tracks the loan to property values (LTV) and this has been set at 50% maximum. Where the LTV exceeds the 50%, we would consider loan repayment strategy such as setting aside sums yearly for repayment of loan at the end of maturity as done in GF.</p> <p>The HRA is supported by a Minimum HRA Reserve of £20m, which exceeds the benchmark of 10% of turnover.</p> <p>The HRA model is structured in line with CIPFA's Prudential Indicators (PI). All incoming projects are appraised using Discounted Cash Flow (DCF) methods to ensure viability and the HM Treasury 5 Case Model to demonstrate value for money.</p>		
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	<p>Other important indicators aligned with HRA Prudential Indicators include:</p> <ul style="list-style-type: none"> • Interest Headroom – measures capacity to absorb additional interest costs and take on further borrowing within ICR limits • Loan-to-Value (LTV) - ensures long-term debt does not exceed 50% of the asset base • Operating Margin – maintained at 20%+, in line with sector benchmarks <p>Regarding debt management, there is no statutory requirement for Minimum Revenue Provision (MRP) within the HRA. Instead, we transfer excess surpluses to reserves which is where we have to maintain robust controls to ensure future debt obligations can be met as they mature.</p>		
Sustainability of Long Term Borrowing Costs.		That Cabinet gives consideration to the publication of an HRA Debt Management Plan alongside the HRA budget-setting process. The Panel recognises the necessity of significant long-term investment in the HRA to address the condition of council housing and meet acute housing need. However, it is concerned	Yes

		about the cumulative impact of high borrowing levels on residents. The Panel recommends that the Debt Management Plan should clearly set out the Council's long-term approach to reducing, as well as managing debt in order to provide transparency and assurance around the sustainability of the HRA.	
Tenant Affordability Assessment		That Cabinet give consideration to undertaking an assessment of tenant affordability, as it undertakes assumed year-on-year rent increases to its tenants as part of the planned investment programme. The Panel is concerned that that year-on-year rent increases would cross an affordability threshold at some stage and that the Council should be reviewing and modelling this.	Yes
Neighbourhood Moves Scheme		That a review is undertaken of the Neighbourhood Moves Scheme to assess its financial and strategic impact on the Housing Register. The Panel is concerned that offering properties to households where there is no net improvement in housing need - such as cases where there is no overcrowding or priority change - should be reconsidered alongside the known additional costs to the HRA, including void costs and reletting expenses. The Panel recommends that the review considers whether amendments are required to ensure that limited housing resources more effectively to reduce the impact of the housing crisis.	Yes

Overview & Scrutiny Committee			
MTFS Proposal	Further info requested (if appropriate)	Comments/Recommendation	Cabinet Response Req'd (Yes/No)
<u>General comments on Budget & MTFS</u>			
General		The Committee suggested that it would useful to receive more details about the savings proposals in the written report in order to reduce the number of clarification questions at the meeting.	No
Independent Sounding Board		The Committee noted plans to establish an 'independent sounding board' to oversee the delivery of the new Financial Sustainability Plan. The Committee acknowledged that these plans were at an early stage but requested that further details be provided when available, including who would be appointed to it, whether the meetings would be held in public and whether the Committee would be able to see the agendas and minutes from the meetings.	Yes (when information available)
Debt Levels	The Committee noted that the Council's interest payments for EFS were illustrated in the Budget report but that it did not set out the Council's overall position on existing borrowing. It was agreed that a chart on the Council's debt levels in relation to the CIPFA benchmark would be circulated. Response (Finance team): This information is available in the		No

	<p>Treasury Management Update Report Q1 2025/26 that was provided to the Audit Committee in Nov 2025.</p> <p>The Treasury Management Summary is provided in Table 2 on page 4 (Audit Committee, 10th November 2025): Q1 Treasury Report</p>		
Monitoring Processes (KPMG report)		<p>The Committee expressed concerns about the weaknesses in the monitoring processes that were highlighted in the KPMG report and recommended that reassurances were sought that more robust processes were being established.</p> <p>KPMG report (see Item 7):</p> <p>Agenda for Audit Committee on Monday, 10th November, 2025, 7.00 pm Haringey Council</p>	Yes
Strategic Property Services		<p>The Committee welcomed the ongoing work on lease and rent reviews within the Council's commercial portfolio. The Committee noted that this was an area where the government had encouraged local authorities to look at investment in digital technology and AI to improve the process of updating old leases and suggested that this possibility should be examined further by officers.</p>	Yes

		The Committee also proposed to monitor this programme further as part of the budget scrutiny process next year.	
<u>New pressures</u>			
Increase in Bad Debt Provision against shortfall in court cost recovery (E&RE)		The Committee emphasised the importance of maintaining an approach that would not worsen the circumstances of residents experiencing financial difficulties.	Yes
Ongoing pressures relating to Housing Benefit overpayments (E&RE)		The Committee expressed frustration that local authorities had to bear these additional costs through no fault of their own and suggested that the DWP should be lobbied to cover costs in full.	Yes
Election costs (CS&C)	<p>The Committee requested a breakdown of the additional costs.</p> <p>A response from the Corporate Director for Culture, Strategy & Communities is provided at the bottom of this document.</p>	The Committee recommended that the feasibility and potential cost savings of venue sharing with other Boroughs for future election counts should be considered.	Yes
Removal of unachievable advertising income targets (CS&C)		The Committee acknowledged that the targets were challenging and suggested that the advertising income should be included in the tracker for the Committee during the Budget scrutiny next year so that the Committee could track this.	No
Implementation of Corporate Landlord Model (Finance & Resources)		The Committee recommended that this issue be added to a future Overview & Scrutiny Committee work programme to be monitored further after there had been further implementation of the corporate	No

		landlord model and there was greater clarity over the business rates issue.	
North London Waste Authority (NWLA) levies (Corporate Budgets)		Noting that the forecasts for levy contributions did not take into account any increase associated with the new North London Heat and Power facility, the Committee highlighted this potential additional cost as a possible future risk.	Yes
<u>New Invest to Save proposals</u>			
Digital on-boarding push (E&RE)		Noting that this proposal was part of an ongoing process, the Committee proposed to monitor progress in this area during the budget scrutiny process next year.	No
<u>New savings</u>			
Reduce Business Saving Support (CS&C)	<p>The Committee was informed that the focus would be on large strategic sectors within the business community and the Haringey Growth Plan would help to develop this approach. The Committee requested a summary of this approach including the sectors that would be included.</p> <p>A response from the Corporate Director for Culture, Strategy & Communities is provided at the bottom of this document.</p>		No
<u>Capital Programme</u>			

Reduction in Digital Schemes (Finance & Resources)		Noting that digital was a significant area of spend, elements of which had been considered across the Scrutiny Panels as part of the budget process, it was recommended that this issue be added to the Committee's future work programme to be monitored further.	No
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EFS Capital Repayments:

Table from Treasury Management Strategy Statement:

	31.3.25	31.3.26	31.3.27	31.3.28	31.3.29	31.3.30	31.3.31
	Actual	Estimate	Forecast	Forecast	Forecast	Forecast	Forecast
	£m	£m	£m	£m	£m	£m	£m
Borrowing - EFS	10	54	100	100	100	100	100
EFS Interest		3	8	14	19	24	30
MRP EFS		0.3	2	5	8	11	14

Election Costs:

Whilst £550k was put into the MTFs, this is not sufficient to deliver the 2026 elections. The latest cost model for the Returning Officer and Electoral Registration Officer puts the total at about £1.23m for the May 2026 elections. The model is based on experience from the 2024 GLA and UK Parliamentary elections and current prices, including Royal Mail rates from March 2025.

Main cost areas are:

- polling stations: £308k
- postal voting: £138k
- poll cards: £168k
- the count (venue, staff and security): £435k
- other staffing and overheads: £145k.

The main changes compared to 2022 are significantly higher Royal Mail charges for poll cards and postal votes (data previously supplied), increased staffing costs (pay rates) and numbers due to voter ID, and moving the count to Alexandra Palace which is more suitable but more expensive.

The figures are based on the detailed model and current supplier quotes. From 2026, support services will recharge agreed extra hours and non-staff costs to the election cost centre (last bullet point above). This does not increase the overall cost to the Council but does increase the election budget so that the full cost is visible.

Mitigations:

Training costs and the number of poll clerks have already been reduced in the forecast. Negotiations with suppliers on logistics and venue extras are ongoing and have already resulted in securing a reduced rate for the venue hire (30% discount rather than standard 20%).

The delivery of the election is a statutory function that must be funded by the local authority and there are significant reputational risks due to its high profile. In terms of the venue choice, the reputational and operational disbenefits associated with using Spurs are significant:

The only option for us at Spurs was in the bit that is the perimeter of the pitch, the circular corridor at the base of the stands.

This meant:

1. It was not possible to have visual oversight of the entire count.
2. Some activities had to take place in areas set back from the perimeter – in places like a Chicken shack etc. Part of the count (checking the unused ballot papers) had to take place in a brewery and there was a heavy smell of beer.

3. The political parties didn't think it was great, especially those who were managing the campaign because it made it difficult for them to have oversight and ensure their counting agents were in the correct place.

There was also a risk of a home game being scheduled that week due to a cup competition which would have meant our booking would have been cancelled. In which case we would have been looking around for a venue at short notice which brought considerable risk and potential extra cost.

Business Support

The review that has been commissioned is intended to identify the core sectors that we will prioritise so in advance of that work being done there isn't further information. Cllr Gordon's answer spelt out that general channels of communication will still exist as means of reaching all businesses, such as the Bulletin and the Business Forum. The existing Inclusive Growth Strategy, [Opportunity Haringey](#), sets out current priority sectors for the borough, and the review will test whether these are still the right ones, in the light of the [London Growth Plan](#) in particular which uses more recent data to identify [priority sectors for London](#).