

2026/27 BUDGET AND MEDIUM TERM - FINANCIAL STRATEGY 2026/31

Liberal Democrat Group Budget Amendments in accordance with CSO 15.8b.

AMENDMENT 1

Proposer: Councillor Luke Cawley-Harrison

Seconder: Councillor Pippa Connor

The Leader of the Opposition Introduction

That consideration of the national and local context for setting this budget is made, and that:

- a. The Liberal Democrat Group notes, and welcomes, that recommendations put forward by the Liberal Democrat Group as budget amendments to the 2025/26 Budget and Medium-Term Financial Strategy 2025/30 have since been adopted, in-part adopted, or are in the process of being adopted, by the Council having been rejected at the time, including:
 - a. The establishment of a Voluntary Improvement Board
 - b. The establishment of a Contract Management Board (known as the Commissioning Board)
 - c. To provide quarterly financial updates to the Council's Scrutiny Panels
 - d. The pilot of a new 'invest to save' Private Sector Leasing (PSL) Incentive Scheme

- b. However, we further note:
 - a. The Section 151 Officer's statement that the increasing use of borrowing to balance the council's budget "is not sustainable, or an effective use of public money"
 - b. That Haringey's EFS requirement for 2026/27 is the fourth highest in England.
 - c. Haringey's debt is now 223% of income, the third highest in London, which the report describes as indicating a high level of risk to financial sustainability.
 - d. The level of reserves as a percentage of income is 11%, the lowest percentage across statistical neighbours.
 - e. That the Council still has several areas of financial weakness that could be improved to significantly help strengthen the overall budget position were performance improvements made, or additional resources allocated to revenue collection/raising exercises
 - f. That the council's independent auditors ("the auditors") repeated concerns about four "Significant Value For Money Risks" which have been identified in previous years but not resolved, in their most recent "Auditors Annual Report for Haringey London Borough Council", namely that:
 - i. "There remains a significant weakness in arrangements relating to the cost setting and budgetary processes to achieve financial sustainability

- over the short to medium term.” (“The Council does not have in place adequate arrangements in respect of cost setting and budgetary processes to achieve financial sustainability. This is key to the short to medium term plan to reduce reliance on Exceptional Financial Support.”)
- ii. “There remains a significant weakness in arrangements relating to the identification and monitoring of cost saving schemes.” (“The Council does not have adequate processes in place to identify or monitor sufficient cost savings schemes to achieve the necessary reduction in expenditure to achieve a sustainable financial position.”)
 - iii. “There remains a significant weakness in arrangements relating to procurement” (“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”)
 - iv. “There is a significant weakness in arrangements relating to Commercial Property” (“There is a lack of oversight and processes in place for the effective management of the commercial property portfolio across areas such as leases, repairs and health & safety, which could impact the Council’s return on investment.”)
- g. That the auditors have also made a new recommendation about significant weaknesses in value for money in Haringey Council: “That there is a significant weakness in arrangements relating to Social Care (“The Council does not have adequate processes in place to ensure that Social Care spend is sufficiently forecast and managed, or that financial contributions from patients are assessed and recovered in a timely manner”)
 - h. The significant concern raised by the auditors regarding the Council’s financial position, as referenced in their statement that “we expect that we will consider it necessary to raise a statutory recommendation, should the budget for 2026/27 be approved without an appropriate level of planned savings to address the Council’s challenging financial position”
 - i. That despite repeated warnings over a number of years by opposition members regarding the administration’s fiscal decision-making, the current Leader of the Council has overseen a deterioration in the council’s financial position, from one of a balanced budget with reserves of £28m in 2021 to now requiring £84m of Extraordinary Financial Support with reserves “unsustainably low at £5.4m”
- c. And, that the projected financial position as set out in the MTFS is now so completely unsustainable, and gives rise to such significant concern, that the only option left to Council to strengthen the council’s future financial position from the 2026/27 financial year onwards is through complete root-and-branch reform of council operations and financial oversight, and through a change of leadership to a Liberal Democrat administration, delivering a fiscally sound council going forwards.

That the 2026/27 Budget and Medium-Term Financial Strategy 2026/31 be amended as follows.

To amend recommendation 3.1.(a) to read:

3.1.(a) To approve the proposed 2026/27 Budget and Medium-Term Financial Strategy (2026/31) agreed by Cabinet on 10th February 2026 as set out in Annex 1, with the exceptions as set out in Annex 7;

Annex 7

1. The establishment of a new Council Board to immediately commence the work of complete root-and-branch reform of council operations and financial oversight Chaired by a Member of the Liberal Democrat Group.
2. The establishment a new Contract Oversight and Review Board Chaired by the Section 151 Officer which will monitor the performance of the council's existing contracts, meeting bi-monthly to scrutinise all ongoing contracts with a value of over £100,000, to have oversight of, and ensure that, the intended delivery of the contract is on track financially against the original business case, that the contract is still a corporate priority, and to review each contract post completion for a period of 24 months, to ensure rectification of any issues with delivery, defects, poor performance, and that any overspends/budget increases are thoroughly investigated with findings informing future procurement;
3. That all Heads of Service submit a departmental review to produce a business case for opportunities where additional staffing resource would result in a net revenue gain for the Council, including:
 - a. The addition of 2 Recovery Officers (SC6 grade) (£50,103): Finance Department prudential forecasted additional income of £400,000
 - b. The addition of 2 Managers (SO1 grade) (£53,843) to manage complaints, Member Enquiries and technical casework, who would free up Council's Billing Managers to focus on improving collections: Finance Department prudential forecasted additional income of £960,000
4. That the administration leads by example in terms of its financial priorities by taking the following immediate action to reduce the use of EFS such as:
 - a. Discontinue Haringey People Magazine
 - b. Significantly trimming the internal print budget
 - c. Reduce the PR and Social Media budget
 - d. Reduce the number of Cabinet Members
 - e. Remove the Mayor's car
 - f. Cut catering spend at council meetings, functions, and training

- g. Reduce the number of staff within the Leaders Office budget
 - h. Remove any excessive spending beyond functional requirements on the new Council Offices, that the current administration has resolved to build
5. That for future budget decisions and in-year financial monitoring, Council asks Cabinet to be led by the following Strategic Priorities, which will help shape Haringey into a better borough for all:
- a. A council that listens, and a borough that works, with residents considered partners, not customers
 - b. Help through the Cost of Living crisis; plugging the gap residents are experiencing through the Labour Government's continuation of the Conservatives austerity agenda with public service cuts, tax hikes, and failure to support the economic benefits of a new UK-EU Customs Union
 - c. A "can do" council that gives power back to local communities and an end to the attitude of 'computer says no', and 'council knows best'.
 - d. Fix Haringey's finances. The council's financial foundations need completely rebuilding and the reliance on government pay-day loans removed.
 - e. Neighbourhoods that feel safe with residents confident that crime and ASB will be investigated every time.
 - f. Invest in our environment, with cleaner streets, more trees, protected parks, and greener, vibrant town centres.
 - g. Homes that are safe and healthy to live in for every single resident, ending the damp and mould scandal, carrying out repairs without delay, and building new homes fit for the future, and accessible to every resident.