

Report for:	Overview & Scrutiny Committee	ltem Number:	7	
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Title:	Scrutiny of the Draft MTFS 2015/16-2017/18 (Budget Scrutiny Recommendations)
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	opa Connor, Vice Chair of Overview & Scrutiny Committee Id for Budget Scrutiny
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Ward(s) affected: ALL	Report for Key/Non Key Decisions:
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# 1. Describe the issue under consideration

- 1.1 As laid out in Part 4, Section G of the Haringey Constitution, the Overview and Scrutiny Committee shall undertake scrutiny of the Council's budget through a Budget Scrutiny process.
- 1.2 This report sets out how budget proposals detailed in the Draft Medium Term Financial Strategy (2015/16-2017/18) were scrutinised and the draft recommendations that have been reached by both the Overview & Scrutiny Committee and Scrutiny Review Panels.
- 1.3 Members of the Overview & Scrutiny Committee are requested to agree the recommendations contained within this report so that these can be considered by Cabinet at its meeting on 10<sup>th</sup> February 2015.

# 2. Cabinet Member introduction

2.1 Not applicable

# 3. Recommendations

- 3.1 That Overview & Scrutiny Committee approve:
  - (a) the draft budget scrutiny recommendations arising out of the budget scrutiny process as set out in Appendix A;
  - (b) any subsequent revision to the recommendations in Appendix A; and
  - (c) the recommendations be considered by Cabinet as part of the budget setting process.

# 4. Alternative options considered

4.1 Details of the deliberations are the Overview & Scrutiny Committee and its Scrutiny Review Panels are detailed in the draft minutes of budget scrutiny meetings which are presented elsewhere on this agenda (Items 13 and 14).

# 5. Background information

5.1 Under part 4, Section G (Paragraph 1.5) of the Constitution, Overview & Scrutiny Committee is required to scrutinise the Councils budget through a budget scrutiny process. The procedure by which this operates is set out in Paragraph 8 of the Overview & Scrutiny Protocol.

# Overview & Scrutiny Protocol – Budget Scrutiny Process

- 5.2 The Overview and Scrutiny Protocol lays out the process of Budget Scrutiny and includes the following points:
  - a. The budget shall be scrutinised by each Scrutiny Review Panel in their respective areas. Their reports shall go to Overview & Scrutiny Committee for approval. The areas of the budget which are not covered by the Scrutiny Review Panels shall be considered by Overview & Scrutiny Committee;
  - b. The lead Overview & Scrutiny Committee 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. Each Scrutiny Review Panel shall hold a meeting following the release of the December Cabinet report on the new 3-year Medium Term Financial Strategy. Each Panel shall consider the proposals in this report, for their respective areas. The Scrutiny Review Panels may request that the Cabinet Member for Finance and Sustainability 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.

# Budget Scrutiny Process to date

- 5.3 The Medium Term Financial Strategy (MTFS) was published on the 8th December 2014 which set out the councils saving and investment proposals for the three year period 2015/16-2017/18. The updated Corporate Plan and Workforce Strategy were also published alongside the MTFS.
- 5.4 All four budget Scrutiny Panels and Overview & Scrutiny Committee met in December 2014 to scrutinise budget proposals that fell within their portfolio areas. Cabinet Member's, senior officers and finance heads were in attendance at each meeting to present budget proposals and to respond to questions from scrutiny members. A summary of the budget

scrutiny meetings held, budget proposals scrutinised and officers in attendance is summarised below.

Date	Scrutiny body	Budget proposals	Cabinet Members and Officers in
		scrutinised	attendance
10/12/14	Housing and Regeneration Scrutiny Panel	Corporate Priority 4 Items: 46-48 and 53 Corporate Priority 5 Items: 56-66	<ul> <li>Cabinet Member for Housing and Regeneration</li> <li>Assistant Director Planning</li> <li>Programme Director for Tottenham</li> <li>Managing Director of Homes for Haringey</li> <li>Head of Housing Commissioning</li> <li>Head of Finance-Place &amp; Sustainability</li> </ul>
10/12/14	Environment & Community Safety	Corporate Priority 3 Items: 25-45	<ul> <li>Cabinet member for Environment</li> <li>Cabinet Member for Community Safety</li> <li>Assistant Director for Environmental Services and Community Safety</li> <li>Regulatory Services Manager</li> <li>Head of Traffic Management</li> <li>Neighbourhood Action Manager</li> <li>Head of Finance</li> </ul>
11/12/14	Adults & Health Scrutiny Panel	Corporate priority 2: Items: 11-23	<ul> <li>Cabinet Member for Health &amp; Well Being</li> <li>Director for Public Health</li> <li>Director for Adults Social Services</li> <li>Assistant Director for Commissioning</li> <li>Head of Finance</li> </ul>
15/12/14	Children & Young Peoples Scrutiny Panel	Corporate Priority 1 Items: 1-10	<ul> <li>Cabinet Member for children and families</li> <li>Director of Children's Services</li> <li>Assistant Director for Commissioning</li> <li>Head of Finance</li> </ul>
18/12/14	Overview & Scrutiny Committee	<u>Corporate Priority 4</u> Items: 49-52 and 54- 55 <u>Corporate Priority 6</u> Items: 67-74	<ul> <li>Cabinet Member for Resources and Culture</li> <li>Cabinet Member for Economic Development, Social Inclusion and Sustainability</li> <li>Chief Operating Officer</li> <li>Assistant Director for Finance</li> <li>Assistant Director for Regeneration</li> </ul>

5.5 A list of draft budget recommendations have been developed from the meetings detailed above (5.4) which are summarised in Appendix A. It should be noted that recommendations detailed are subject to confirmation at respective panel meetings being held on 22<sup>nd</sup> January 2015, where further information has been agreed to be provided.

The next steps

5.6 The table below sets out the remaining steps in the budget scrutiny process of the MTFS 2015/16-2017/18:

22 <sup>nd</sup>	Jan	,	Panels meet to confirm recommendations (where		
2105		Panels	subsequent information has been requested).		
<b>26</b> <sup>th</sup>	Jan	Overview &	Final budget scrutiny report and recommendations		
2015		Scrutiny	approved and formally referred to Cabinet.		
		Committee			
10 <sup>th</sup>	Feb	Cabinet	Overview & Scrutiny Committee budget		
2015			recommendations are considered. As part of the budget setting process, the Cabinet will clearly set out its response to the recommendations/ proposals made by the Overview & Scrutiny Committee.		
23 <sup>rd</sup> 2015	Feb	Full Council	Final budget setting.		

# 6. Comments of the Chief Finance Officer and financial implications

- 6.1 The Chief Finance Officer has been consulted on this report and acknowledges the importance of the budget scrutiny role in preparing and subsequently approving the Council's Medium Term Financial Strategy (MTFS).
- 6.2 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 in the Cabinet MTFS report.

# 7. Comments of the Assistant Director of Corporate Governance and legal implications

7.1 The Overview & Scrutiny Committee is exercising its budget scrutiny function. This is part of the constitutional arrangement for the setting of the Council's budget.

# 8. Equalities and Community Cohesion Comments

8.1 The Overview & Scrutiny Committee is advisory and not a decision making body, thus the recommendations arising from this report must be considered and agreed by Cabinet before implementation. It is expected that the equalities and community cohesion implications of individual proposals within the Medium Term Financial Strategy will be assessed as they are agreed and implemented.

# 9. Head of Procurement Comments

9.1 Not applicable.

# **10.** Policy Implications

10.1 The Overview & Scrutiny Committee is advisory and not a decision making body, thus the recommendations arising from this report must be considered and agreed by Cabinet before implementation. As a result there are no direct policy implications arising from this report at this stage.

#### 11. Reasons for Decision

11.1 The budget scrutiny deliberations of scrutiny bodies provides additional context to the recommendations reached in this report and these are published elsewhere on this agenda (items 13 and 14).

# 12. Use of Appendices

12.1 Appendix A contains a draft list of recommendations from the budget scrutiny process.

# 13. Local Government (Access to Information) Act 1985

# Appendix A: Overview & Scrutiny Committee - Draft Budget Scrutiny Recommendations

Line reference - Detail	Scrutiny Body	Recommendation	For Cabinet response / or Information request status
1. Enable every child and education (proposals 1-7		to have the best start in life, with high quality	
Item 1: Early Years	C&YP Scrutiny Panel	<ul> <li>(i) That the reassurances received regarding the potential for externalisation of in-house provision be noted; and</li> <li>(ii) That the Panel recommend that no final decisions be taken on this proposal until after the review of provision and full consultation has been completed.</li> </ul>	<ul><li>(i) For Cabinet response 10/2</li><li>(ii) For Cabinet response 10/2</li></ul>
Item 2: Services for Young People including Young Offenders	C&YP Scrutiny Panel	<ul> <li>(i) That the proposals be reassessed as a high risk and that a risk assessment of them be undertaken to ensure mitigation of any potential unintended impact on spend elsewhere in the system;</li> <li>(ii) That reassurance on the balance between targeted and universal provision be reviewed;</li> <li>(iii) That further input be obtained from young people on the proposals; and</li> <li>(iv) That clarity be provided on the breakdown of where the savings are intended to be made between the YOS and Youth Services, including detail on the specific functions which are statutory, and that concern be expressed at the proposal to reduce the budget by £1.7 million in the first year of the MTFS in the absence of this information.</li> </ul>	

Item 3: Public Health –	C&YP	That the concerns of Panel Members at the	For Cabinet response 10/2
5-19	Scrutiny	potential use of the pupil premium to address	
	Panel	public health issues be noted.	
Item 4: Impact of Early	C&YP	That concern be expressed regarding the	For Cabinet response 10/2
Help on Demand	Scrutiny	achievability of the savings included in the	
-	Panel	proposals.	
Item 5: New Delivery	C&YP	That concern be expressed regarding the	For Cabinet response 10/2
Model for Social Care	Scrutiny	potential risk of the savings arising	·
	Panel	from this proposal not being achieved.	
Item 7: Special	C&YP	That the proposal be noted with concern.	For Cabinet response 10/2
Educational Needs and	Scrutiny		·
Disabilities	Panel		
Item 10: Pendarren	C&YP	That the report outlining potential future options	Report to be presented at next
	Scrutiny	for the development of Pendarren be submitted	meeting of CYP Scrutiny Panel 22/1
	Panel	to the next meeting of the Children and Young	
		People's Scrutiny Panel.	
2. Empower all adults to	live healthy, lo	ng and fulfilling lives (proposals 11-24);	
Item 11: New pathways	Adults &	(i) that the proposal for the closure of the Haven	(i) Information has been provided in
for older people	Health	and the re-provision of the Haynes and the	a report for the panel for discussion
	Scrutiny	Grange Service be reconsidered pending a	on 22/1/15.
	Panel	detailed review by Adults Services, including;	
		<ul> <li>further financial data;</li> </ul>	
		• alternative options for the Haven Day Centre;	
		• the idea of expanding day care if it can be	
		shown to reduce the need for more	
		expensive residential care in the future (e.g.	
		as step down care);	
		• further evidence from the evaluation of the	
		Neighbourhood Connects project previously	
		piloted in Haringey;	
		<ul> <li>further evidence as to how Neighbourhood</li> </ul>	
		Connects service model would be	
		appropriate for those currently using day	
		appropriate for those currently using day	

		<ul> <li>care;</li> <li>evidence as to the viability of the Neighbourhood Connects as a <i>volunteer</i> <i>centred</i> model to support day care services for older people;</li> <li>how those with <i>high level</i> dementia care needs will be provided for in the community;</li> <li>(ii) that the proposal for the re-provision of the Haynes and the Grange Service be reconsidered pending a detailed review by Adults Services, including;</li> <li>further clarification on what is being proposed, particularly in relation to the future support provided to: <ul> <li>those clients with <i>high level</i> dementia care needs</li> <li>support to carers</li> </ul> </li> <li>Further details of the consultation process, who will be consulted and when;</li> <li>(iii) that details of the above-mentioned review be referred to Overview &amp; Scrutiny in early January;</li> <li>(iv) in respect of Osborne Grove, it is recommended that further negotiations are undertaken with the CCG to increase NHS contributions to support the maintenance and further development of this intermediate care centre.</li> </ul>	
Item 13: New pathways for people with learning disability – Day Opportunities	Adults & Health Scrutiny Panel	<ul> <li>(i) That concern be expressed at:</li> <li>how these closures will impact on the current users of these day care services;</li> </ul>	For Cabinet response 10/2

Item 16: New model of Social Work and Care Management Item 17 Care Purchasing Residential Care	Health Scrutiny Panel Adults & Health Scrutiny	(i) T (i) T (i) t (i) t (ii) t	as a social enterprise. That concern be expressed at the achievability of the savings proposed and that further evidence be provided that the proposed levels are realistic. that further feedback on the approach to Care Purchasing would be provided to a future meeting of Overview & Scrutiny; that further information be submitted to the Panel to confirm that quality, effectiveness	to answer any questions on such requests at the panel meeting on 22/1/15.
Item 14: New pathways for people with disabilities Item 15: New pathways for people with mental health needs	Health Scrutiny	• 1 (i) 1 (ii) 2 (ii) 2 (iii) 3 (iii) 3	that further information be submitted to the Panel confirming that these issues are being addressed. Further clarification of how Independent Living Funds will be used once these have been received; That concern be expressed at the potential detrimental effects on recruitment of staff to care for clients should levels of pay be offered by providers that fall below London Living Wage levels and that further information be provided regarding pay rates offered. That concern be expressed at the achievability of savings to be generated by the development of the Shared Lives services	For Cabinet response 10/2 Where further information has been requested this has not been provided for the following items, but officers have agreed with the Chair
		• ;	how these closures will impact on carers, and if there are any other alternative sources of community based support?; a loss of specialist staff and continuity of staff if the day care centres are shut; the potential for long-term additional costs to the Council should customers be less able to access community based activities;	(i) Information has been provided in a <u>report</u> for the panel for discussion on 22/1/15.

		at reduced levels of cost for contracts;	
Item 18: Care	Adults &	(iii) that the proposals be noted.	
	Health	(i) that concern be expressed regarding the	
Purchasing Packages		achievability of the necessary increases in the	
	Scrutiny	use of the personal, community, family and	
	Panel	voluntary sector resources required by the	
		proposal and that it therefore be reconsidered.	
Item 19: Voluntary	Adults &	(i) That confirmation be provided of how fairness	
Sector Savings	Health	and transparency will be addressed in the re-	
	Scrutiny	tendering of services.	
	Panel		
Item 20: Healthy Life	Adults &	(i) There were concerns as this proposal, as	For Cabinet response 10/2
Expectancy	Health	indicated outcomes would be lower uptake of	
Expectancy	Scrutiny	preventative services (e.g. smoking) which may	
	Panel	lead to increased risk of health problems at a	
		later date and more costly health care	
		interventions by health or social care services.	
Item 21: Substance	Adults &	(i) That the number of service users covered by	
misuse (drugs and	Health	the drugs and alcohol team and affected by	Information requests were
alcohol)	Scrutiny	these proposals be provided;	submitted to Public Health on
	Panel		15/1/15. To be provided before or
Item 22: Sexual Health	Adults &	(i) that further information is required in respect	at Adults and Health Panel meeting
	Health	of the efficacy and the nature of support available	(22/1/15).
	Scrutiny	for the introduction of home testing kits for	
	Panel	sexual health.	
Item 23: Other public	Adults &	(i) that further information and reassurance is	
health services	Health	provided in relation to planned service reductions	
	Scrutiny	and possible implications for health protection, in	
	Panel	particular the impact that such service reduction	
		may have on client groups (e.g. screening);	
3. A clean and safe boro	uah where peo	ple are proud to live (proposals 25-45);	
Item 31: Residential	E&CS	(i) That information regarding comparative level	Completed
Street Cleansing	Scrutiny	of cleanliness of different parts of the borough be	
	Panel	shared with Panel Members.	

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Item 36:	E&CS	(i) That statistics regarding the number of reports	Completed
Reorganisation of part	Scrutiny	of fly tipping that had been received would be	
of the Neighbourhood	Panel	shared with the Panel.	
Action Team			
Item 39: Future of	E&CS	That a report back on progress with the	A visit is planned for 21/1/15.
Wolves Lane Nursery	Scrutiny	implementation of the proposal be made to the	
Site	Panel	Panel in due course and that a visit for Panel	
		Members be arranged to the site.	
Item 43: Increase in	E&CS	That the Panel consider the issue of parking	For Overview & Scrutiny Committee
Parking Charges,	Scrutiny	charges as a potential future in-depth project.	
	Panel		
		which everyone can benefit (proposals 46-55)	
Item 49: Economic	Overview &	(i) That the Committee's comments, that services	(i) For Cabinet response 10/2/15
Development	Scrutiny	which were performing well should not be	
	Committee	outsourced, be noted.	
		(ii) The Committee requested a briefing note on	
		the proposals to outsource the Film Service	(ii) Completed
		(briefing circulated to OSC on 7/01/15).	
Item 50: Environmental	Overview &	That the Committee's comments of the	For Cabinet response 10/2/15
Resources	Scrutiny	importance of maintaining efforts to achieve	
	Committee	carbon reduction be maintained be noted.	
Item 51: Reduce	Overview &	That the following concerns be noted:	For Cabinet response 10/2/15
funding for Alexandra	Scrutiny	• Reduced funding could jeopardise the Palace	
Palace and Park Trust	Committee	Heritage Lottery Funding Project bid.	
		The Palace would continue to be subsidised	
		at the expense of other priorities such as	
		social care.	
Item 52: Heritage	Overview &	Noted that any options and implications for	For Cabinet response 10/2/15
Lottery Fund bid for	Scrutiny	Bruce Castle would be open to consultation and	
Bruce Castle Museum	Committee	presented to Cabinet.	
Item 54: Cultural	Overview &	That areas in the borough which were often	For Cabinet response 10/2/15
Strategy	Scrutiny	'forgotten' be targeted as part of the Cultural	
	Committee	Strategy.	

Item 55: Jackson's Lane	Overview & Scrutiny Committee	That the Committee's uneasiness about the proposal not to invest in Jackson's Lane beyond Year 1 be noted.	For Cabinet response 10/2/15
5. Create homes and co (proposals 56-66):			
Item 56: Implement selective licensing across the borough	Housing and Regeneration Scrutiny Panel	<ul> <li>(i) that further information on selective licensing scheme is distributed to the panel;</li> <li>(ii) that the panel is provided with further information of the impact of £400,000 investment in enforcement activity in respect of residential units in commercial designated areas;</li> <li>Further to the above information requests:</li> <li>(1) that the panel agree with this proposal, though wished to express concern that there should not be any delays to the implementation of this proposal as this may risk future income and subsequent investment in enforcement services.</li> </ul>	(i ) completed (ii) completed
Item 58: Early intervention/Prevention & Temporary Accommodation Management	Housing and Regeneration Scrutiny Panel	<ul> <li>(i) that further documentation is provided to the panel in respect of councils duty to re-home people who may have a property abroad (including existing tenants);</li> <li>Further to the above information requests:</li> <li>(1) that the proposal be noted.</li> </ul>	(i) completed
Item 59: Early intervention / Prevention (Housing Commissioning)	Housing and Regeneration Scrutiny Panel	<ul> <li>(i) Head of Housing Commissioning Manager should investigate further the provision of rented furniture within housing support contracts and if this presented an opportunity to reduce costs;</li> <li>(ii) Plans for the Supported Housing Review should come to Overview &amp; Scrutiny (Housing &amp; Regeneration Scrutiny Panel) the timing of which will be at a juncture where scrutiny can add most</li> </ul>	(i) For Cabinet response 10/2/15 (ii) For Cabinet response 10/2/15

		value and agreed with officers;	
Item 60 and 62 Housing Unification synergies	Housing and Regeneration Scrutiny Panel	<ul> <li>(i) That a further update of the unification process is provided to the Housing and Regeneration Scrutiny Panel at its March meeting;</li> </ul>	(i) For Cabinet response 10/2/15
Item 63 Repairs	Housing and Regeneration Scrutiny Panel	<ul> <li>(i) that further consideration is given to prior to the disposal of council owned stock, particularly the option to demolish and rebuild where the present condition is uneconomic to repair;</li> <li>(ii) that Homes for Haringey should reassess the age at which tenant responsibility for minor repairs is relinquished (this is currently lower than standard retirement age):</li> <li>(iii) that there should be no reduction in the minimum lettable standard;</li> <li>(iv) that Homes for Haringey should review the penalties and sanctions imposed on those tenants (and leaseholders) who wilfully damage their property:</li> <li>(v) that the proposals for Right to Buy receipts should be extended to the purchase of empty street properties;</li> </ul>	All For Cabinet response 10/2/15
Item 64 Garage Fee Review	Housing and Regeneration Scrutiny Panel	(i) that Homes for Haringey review parking fees on its housing estates, particularly where these occur within an existing Controlled Parking Zone.	(i) For Cabinet response 10/2/15
MTFS – HRA Revenue (page 122 section 14.2)	Housing and Regeneration Scrutiny Panel	<ul> <li>(i) Whilst accepting that the introduction of service charges for those in supported housing would be covered by commensurate rise in Housing benefit, further reassurance was sought on the affordability of such a charge to vulnerable people (e.g. will all those affected be fully compensated);</li> </ul>	(i) For Cabinet response 10/2/15
HRA Capital	Housing and	(i) That further clarification would be provided as	(i) Part completed

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Programme (p225)	Regeneration Scrutiny	to capital provision for redundancy costs would be met through the HRA or Council;	
	Panel		
6. Enabling (proposals 6		r	
Item 70: Customer	Overview &	(i) That the Committee would consider	(i) For Overview & Scrutiny
Service Transformation	Scrutiny	conducting a future scrutiny review of the Council	Committee
Programme	Committee	Telephone System.	
Item 71: Muswell Hill	Overview &	That (i) residents' concerns should be taken into	For Cabinet response 10/2/15
Library Relocation &	Scrutiny	account (in relation to relocation) and that (ii) the	
Item 72: Libraries Staff	Committee	libraries self-service system should be improved.	
Restructure		It was noted that proper consultation would take	
		place about the future of the library including	
		whether to improve existing facilities onsite or	
		move to another location.	
Item 73: BIP and Item	Overview &	That the Committee expressed that outsourcing	(i) For Cabinet response 10/2/15
74: BIP Commercial	Scrutiny	did not always achieve efficiencies be noted.	
Unit and Organisation	Committee		
Wide Supplier Savings			
Draft Capital Programme	2015/16 and 2	017/18	
Item 1: Technopark –	Overview &	(i) The Committee requested a briefing on the	(i) completed
to achieve vacant	Scrutiny	background of the Technopark and what the	
possession disposal	Committee	proposals entailed.	
Item 17: Marcus	Overview &	(i) That the Committee did not agree with placing	(i) For Cabinet response 10/2/15
Garvey CSC Remodel	Scrutiny	too many services into the library building be	
of Library to	Committee	noted, and, that there would not be adequate	
accommodate		parking.	
customer service			
centre			
Item 21: Compulsory	Overview &	(i) That a written briefing about compulsory	(i) outstanding
Purchase – empty	Scrutiny	purchases be requested, particularly in relation to	
properties	Committee	the Committee's concern that the market values	
		of properties may not be paid.	
Item 30: Outdoor Gyms	Overview &	(i) That a written briefing be requested on how	(i) outstanding
-	Scrutiny	the provision of outdoor gyms would be funded.	

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	Committee		
Item 33: Bruce Grove	Overview &	(i) That Network rail be encouraged to clean	(i) For Cabinet response 10/2/15
Station match funding	Scrutiny	Bruce grove Station.	
for Network Rail	Committee		
project to support			
improved commercial			
offer at Bruce Grove			
Station			