

**MINUTES OF THE MEETING OF THE OVERVIEW & SCRUTINY COMMITTEE  
HELD ON WEDNESDAY, 12 JANUARY 2022**

**COUNCILLORS**

**PRESENT** (Chair) Susan Erbil, Margaret Greer, Lee David-Sanders, Birsen Demirel, Mahmut Aksanoglu, James Hockney, Derek Levy and Hass Yusuf

**ABSENT** Elif Erbil

**STATUTORY CO-OPTees:** *1 vacancy (Church of England diocese representative), vacancy (other faiths/denominations representative), Mr Tony Murphy (Catholic diocese representative), Alicia Meniru & 1 vacancy (Parent Governor representative) - Italics Denotes absence*

**OFFICERS:** Melanie Dawson (Senior Solicitor), Matt Bowmer (Interim Director of Finance), Sarah Cary (Executive Director Place), Ian Davis (Chief Executive), Fay Hammond (Executive Director Resources), Bindi Nagra (People), Dudu Sher-Arami (Director of Public Health), Anne Stoker (Director of Children's Services) and Doug Wilkinson (Director of Environment & Operational Services) Clare Bryant (Secretary)

**Also Attending:** Councillor Nesil Caliskan (Leader of the Council)  
Councillor Mahtab Uddin (Cabinet Member for Children's Services)  
Chris Ferrary (on behalf of Lead Petitioner)  
Mustafa Berk-Ak (Enfield Deputy Young Mayor)

**1**

**WELCOME & APOLOGIES**

The Chair of the Overview & Scrutiny Committee welcomed members and officers to the Committee.

Apologies for absence were received from Councillor Erbil for whom Councillor Yusuf substituted.

**2**

**DECLARATIONS OF INTEREST**

No declarations of interest were received.

**3**

**MEDIUM TERM FINANCIAL PLAN 2022/23 TO 2026/27**

## OVERVIEW & SCRUTINY COMMITTEE - 12.1.2022

The Chair thanked officers and members for attending to present the item on the Medium Term Financial Plan (MTFP) for 2022/23 to 2026/27.

Councillor Maguire, Cabinet Member for Finance and Procurement, introduced the item highlighting that they will cover the MTFP and the budget for next year (22/23). Councillor Maguire stated that the overall aim is to balance the Council's budget during a period of uncertainty regarding Government support and funding. She thanked officers for their hard work on this.

Matt Bowmer, Director of Finance, delivered a presentation on the MTFP which covered the below points:

- Key Messages
- Settlement
- Options to close the £3.732m gap
- Budget Engagement
- Next Steps

During his presentation he made the following key points:

- Budget resilience for the longer is a priority.
- The continued investment in Children's and Adult Social Care will create a net savings of £7.8m. The focus throughout setting the budget has been ensuring that vulnerable residents are protected.
- Costs relating to Covid are still ongoing. There is no expected further Government support after April 2022.
- Gap of £3.732m before the decision on Council Tax is taken by the full Council meeting.

### Settlement

- There is potential for earlier implementation of Fair Funding/Business Rates Reset than was previously thought.
- 1.5bn allocated through: SFA £72m, Services Grant £637m and Social Care £822m
- There will be £162m for social care reforms
- There is an expected change in the method of distribution for service grants in future years which will benefit Enfield.

### Spending

- Pressure come from the welcomed increased to national insurances and increases to minimum wage.
- The Council's ambitious capital programme needs to be funded which will increase over the next five years.
- There will be investment of £1.7m in services such as bulky waste, social worker apprentices and an Adult Social Care Regulatory Team.

### Pressures

- There are £7m worth of pressures for the Council. These come from areas such as Homelessness & Emergency Accommodation, reforecast post Covid-19, and SEN Transport

### Savings & Income

- There is a total of the new savings/income generation proposals of £8.614m in 2022/23 and £14.869m over the five year MTFP period.

## OVERVIEW & SCRUTINY COMMITTEE - 12.1.2022

- £4.87m of the 2022/23 total will come from Efficiencies, Demand Management or Service Reduction.
- £3.740m of the 2022/23 total is from income generation initiatives.

### 2022/23 Budget by department

- There will be a continued approach of protecting services supporting the most vulnerable in the Borough
- Existing pressures in these Demand Led Services plus Housing will be met.
- Net increase of £4.2m for Adult Social Care will be achieved.
- Net increase of £3.6m for Children's and Education will be achieved.

### Budget Consultation

- The budget consultation started on the 5<sup>th</sup> January 2022 and will run until 11<sup>th</sup> February 2022.
- The feedback from the consultation will be fed into the budget submitted to full Council on 24<sup>th</sup> February 2022, as will the feedback received from this Committee.

### Next steps

- The consultation on the budget will continue until early February 2022.
- The Local Government Finance Settlement will be received later in January 2022.
- At the Council meeting on the 26<sup>th</sup> January 2022 the Council will make a decision on Council Tax/Business Rates Base
- The final MTFP Budget will go to Cabinet on 16<sup>th</sup> February 2022, from there it will go to Council on the 24<sup>th</sup> February 2022.

The Committee then asked questions of the Leader, Cabinet Members and Officers. A summary of the questions and answers are set out below:

Q: What grant is most helpful to the Council?

A: All are helpful to the Council, without the funding the Council currently receives the gap would be bigger. The Council has lost 60% of its funding over the last 10years making it difficult to close the budget gap without sufficient funding.

Q: Can clarity be provided on the £3.8m saving figure?

A: This figure is taking into account all savings. The new savings figure is in Appendix 2 of the report. There will still be a budget gap. Of the saving proposals, almost half come from income. The budget recognises the Council can generate income.

Q: What is the response rate for the budget consultation?

A: During the first week of consultation 70 responses were received.

Q: The Council is looking to double its debt which has to be repaid. How much is currently taken out for the frontline budget, and what about going forward?

A: there is £1b of borrowing. Currently, £240 is HRA being used to build houses, and supported renter payments. £300m is for Meridian Water which will pay back itself. The rest is for services and roads,etc. The five year plan ensures the Council can afford the borrowing.

## OVERVIEW & SCRUTINY COMMITTEE - 12.1.2022

Q: What is the year on year, and end, of the MTFP?

A: £10m by the end.

Q: Lenders look at assets prior to lending. What will happen as the Council approaches its asset level?

A: The above was considered when setting the cap on borrowing. The borrowing cap is very important as it considers current and future assets of the Council. Currently borrowing is an investment in the borough which will produce affordable homes and generate jobs and additional skills in the borough. The Government and the Mayor of London support the Council's projects and have made funding available. Scrutiny will continue to robustly monitor the Council's spending and borrowing.

Q: The report provides confidence that the Government will fund Covid expenditure, however, it also states that Covid costs are a concern

A: For the current year Covid grants will fully support the Council. Past April 2022, there is no further funding.

Q: For the Council tax options, is this an area where consultation feedback will be considered? Concern was raised that as it is an election year there may be pressures to go for the zero-increase option.

A: the report is transparent and clearly sets out the options for Council Tax going forward. A decision will be made that is right for the whole borough and its residents.

Q: The consultation indicates that this will influence the final decision, how will this work?

A: The consultation is a statutory requirement, but the Council would consult on the budget regardless of this. A small number of residents respond to the actual budget consultation, but resident feedback is received throughout the year in other ways, such as public meetings, petitions, letters, etc. A balanced assessment will take place.

Q: How is slippage managed and what reprofiling takes place mid-year & its criteria?

A: Over the last few years there has been slippage within Council projects due to Covid. Projects are always reviewed and monitored which creates assurance. For the 10-year Capital Strategy, any borrowing will be a key decision and this will only happen once a project is ready, so there is no borrowing in advance of need. Officers and members are keen to ensure projects are delivered in good time. Work has taken place over the last two to four years to ensure all savings are deliverable. Each budget is set once reflecting on the previous years spend. Capital receipts are used for one of costs that are transformational to the borough.

Q: Pressure was reduced for SEN transport and emergency accommodation demand. How was this done?

A: During the last two years, work has been done to reduce the need for SEN transport by creating travel training and direct payments to careers for transport. The demand is still there. There is an increase in people with health

## OVERVIEW & SCRUTINY COMMITTEE - 12.1.2022

care plans and this will continue to increase as better assessments take place. Cabinet reviews proposals for savings. For special educational needs it is beneficial for the Council to bring these services in house.

Q: As pressures continue, will the budget eventually say the Council will only be able to provide statutory services?

A: The Council would not want to see this happen. The budget is sustainable and resilient. If Covid had not happened, the Council would be in a better position. There will be difficult times ahead.

Q: What are the risks relating to climate change policies such as home insulation?

A: The aim is for the Council to be carbon neutral by 2030. Reprofiling of capital expenditure will support this. Energetik is leading the way across the country to meet objectives. The Climate Action Plan needs support and funding from the Government. Work is taking place to improve the Council's fleet vehicles. There is a national pilot taking place to retrofit Council homes although this will cost a substantial amount of money.

Q: Are there savings to be made from working from home arrangements which have occurred during the pandemic to close the budget gap?

A: There is no government funding for Covid past this financial year. The Council is required to produce a balanced budget and is very careful when using its reserves and capital receipts. There is no option not to close the budget gap. The challenge with staff working from home is the potential disconnect from frontline and face to face services. The Council aims to ensure there is a healthy and harmonious culture for staff. The build the change programme will seek to see council buildings used more effectively.

Q: Will the Council lose staff and what consultation takes place with the trade unions regarding this?

A: Impact on staff will aim to be minimal. Redundancies have been stabilised and ongoing agency spend is being reduced. It is expected that there will be a net increase in staff, and there are no plans to cut staff to save the budget. The Leader meets with trade unions every two months to ensure they are engaged in the Council's arrangements. The Council supports bringing services in house where possible as it is better for employment standards and services.

Q: Historically there have been Government funding cuts to local government funding. Could the Council Tax Support Scheme mean that the budget gap is an additional £5m?

A: The Council is proud of its Council Tax Support Scheme. During the pandemic the need for this has increased and will hopefully stabilise although it is unpredictable what the situation will be once the pandemic ends. The MTFP expects some recovery in 2022/23.

Q: Can an update on funding for integrated care system (ICS) be provided?

A: This falls under the NHS reorganisation and does not directly impact the Council budget. Discussions are taking place on equalising the funding of the

## OVERVIEW & SCRUTINY COMMITTEE - 12.1.2022

ICS which going forward will happen yearly. The fundamental issue is funding for the NHS and Enfield will fight for funding for Enfield's residents. The underfunding of Enfield is not sustainable.

Q: What is the saving for using LED street lighting?

A: Using LED lighting was a significant change for the borough with over 22,000 lamps being changed in borough.

Q: What other services are likely to be moved inhouse?

A: Over the last 18 months, many services have been insourced which has provided greater resilience for the Council. Services are continuously being looked at to see whether they can benefit from being brought in house, and the revenue implications associated with this. The Council is proud of the number of services it has brought in house so far. This year debt recovery services will be insourced which will increase savings in fees and gives the Council greater control about how these happen.

Q: How can traffic and transport loose income when Low Traffic Neighbourhoods (LTNs) bring in income?

A: The pandemic caused parking incomes to plummet. The budgets for grant funding & Transport for London funding has been drip fed to the Council over the last year which has an impact?

Q: Why is it expected that sexual health pressures will increase post pandemic?

A: There are three sexual health services in the borough and an online service. The pandemic has changed the way these services are used and operate. Due to lockdowns and people not being able to attend investigation appointments there will be a hidden level of demand from previous years.

Q: Given the number of residents currently in temporary accommodation, where in the budget is there capacity to accommodate refugee families? Will there be a ringfenced budget?

A: Grant funding is received from the Government for initial resettling for refugees. The Council will continue to accommodate refugees from its own budget as this is the right thing to do. The Council is not accommodating more refugees than it can support.

Q: What are the future plans for social worker apprenticeships past 2023?

A: The Council will be investing on increasing the numbers. By the third year of the scheme there will be funding in the budget for these.

Q: Are the cost of funerals and grave digging is expected to increase further?

A: These costs are in line with inflation. Enfield's chargers are cheaper than the private sector.

Q: Prior to Covid the Council was going to a have £1.2m of debt which would then go into a surplus. Since there changes within the administration there will be a £2m debt. How was this decided?

## OVERVIEW & SCRUTINY COMMITTEE - 12.1.2022

A: The Leader became the Leader as she wanted to provide decent homes which will benefit Enfield residents. The housing crisis was a key feature in making the decision. The Cabinet share a collective vision to improve life within the borough.

Q: Are there targeted groups to promote equality at every opportunity?

A: Full equalities assessments are undertaken and considered for all savings and investments.

Q: What are the staff investments in Human Resources?

A: The Council currently has recruitment challenges and the investment will reduce these. On a per person ratio for Council staff HR are significantly under resourced.

Q: What is done to ensure Council owned land is used to the best of its ability?

A: The build the change programme is reviewing buildings to be more efficient which in turn will create better services for residents. Council buildings not being used have “meanwhile uses” such as Meridian Water.

The Chair thanked officers and members for their participation in this discussion and informed everyone that the minutes of this meeting will come to the 10<sup>th</sup> February 2022 business meeting and will then feed into the February Council meeting.

### 4

#### **CALL IN: MERIDIAN WATER RESIDENTIAL DELIVERY PROGRAMME**

Due to an administrative error it was agreed this item would be heard at the Overview & Scrutiny Committee on 20<sup>th</sup> January 2022.

### 5

#### **DATES OF FUTURE MEETINGS**

It was noted that the next meeting of the Overview & Scrutiny Committee would be the call-in meeting on the 20<sup>th</sup> January 2022.