

**MINUTES OF THE MEETING OF THE OVERVIEW & SCRUTINY COMMITTEE
HELD ON MONDAY, 15 JANUARY 2024**

COUNCILLORS

PRESENT Margaret Greer (Chair), Mahmut Aksanoglu (Vice-Chair), Maria Alexandrou, Nawshad Ali, Kate Anolue, Hivran Dalkaya, James Hockney and Michael Rye OBE.

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

OFFICERS: Ian Davis (Chief Executive), Fay Hammond (Executive Director of Resources), Tony Theodoulou (Executive Director of People), Joanne Drew (Director of Housing and Regeneration), Perry Scott (Executive Director of Environment & Communities), Terry Osborne (Director of Law & Governance), Doug Wilson (Director of Health & Adult Social Care), Dudu Sheri-Arami (Director of Public Health), Kevin Bartle (Interim Director of Finance), Annette Trigg (Strategic Head of Corporate Finance), Stacey Gilmour (Governance & Scrutiny Officer)

Also Attending: Cllr Ergin Erbil (Deputy Leader of the Council) and Cllr Tim Leaver (Cabinet Member for Finance & Procurement Local Press Officer
1 Member of the Public

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WELCOME & APOLOGIES

The Chair welcomed everyone to the meeting and introductions were made.

In view of the in-depth discussions anticipated at item 4 of the agenda: Medium Term Financial Plan 2024/25 to 2028/29 the Chair proposed to defer agenda item 5: ICB Clinical Commissioning update to the meeting of the Overview & Scrutiny Committee scheduled to take place on 4 March 2024. Members of the Committee **AGREED** to this proposal.

2 DECLARATIONS OF INTEREST

In respect of item 5, Cllr Nawshad Ali advised that he worked for Barnet, Enfield & Haringey NHS Trust.

It was noted however that this item had now been deferred to the March meeting of the Overview & Scrutiny Committee.

3 MINUTES OF THE PREVIOUS MEETINGS

The minutes of the previous meetings held on 6 November 2023, 14 November 2023 and 11 December 2023 were **AGREED**.

4 MEDIUM TERM FINANCIAL PLAN 2024/25 TO 2028/29

Councillor Ergin Erbil, Deputy Leader introduced the item highlighting the pressures currently faced by the Council which were as a result of continued reduction to Local Authority Funding from Central Government, inflationary pressures, and the continuing cost of living crisis. Government settlement for Local Authorities is bleak and all Council's across the country were facing the same financial situation as Enfield Council. It was confirmed that despite this, the budget has been balanced for 2024/25, dependent on proposed savings, Council Tax increase, review of the Council Tax Support Scheme and grant to Adult Social Care.

Cllr Tim Leaver (Cabinet Member for Finance and Procurement) provided further information in relation to the Council's budget and the economic context and government funding decisions were further highlighted. He advised that the January Medium Term Financial Plan (MTFP) Update Report demonstrates how the Council has set a provisionally balanced budget. It contains details of funding changes announced at the Chancellor's Autumn Statement and subsequently content of the 2024/25 Provisional Local Government Finance Settlement on 18 December. The report also provides an update on the funding and spending assumptions set out in the 2024/25 to 2028/29 MTFP Update Report which was considered by Cabinet in November (KD5681) and it brings forward a further tranche of savings and income proposals. The report also provides further detail around the budget position in terms of Funding, Pressures, Savings and the proposed fees and charges across service departments for 2024/25.

The Council is committed to delivering a resilient and sustainable budget and has made significant progress over the past four years. A key element of the approach to deliver this commitment is the effective scrutiny of the savings and income generation proposals and also the underlying assumptions on funding and spending. The Council is operating in an increasingly challenging and uncertain financial environment and this scrutiny is more important than ever.

The Committee received further information from Fay Hammond, Executive Director of Resources which provided context and background to the financial strategy, savings, investment, budgets by departments and budget risks.

At the invitation of the Chair, Members put a series of detailed questions to the Cabinet Member for Finance and Procurement, the Deputy Leader, and Officers, who provided the following responses.

The Deputy Leader Cllr Erbil said he believed insourcing was 'good practice' and where local authorities had adequate funding more services should be

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insourced as it was felt that when you insource you prioritise staff and health and safety over profit. Cllr Leaver, the Cabinet Member for Finance & Procurement said that where certain services have been insourced this had saved money and he clarified that it wasn't the Council's intention to stop insourcing but added there may be an opportunity to review it in terms of 'best practice'.

With regards to debt levels, Cllr Erbil advised that important steps have always been taken to ensure that the Council's Capital Financing is affordable and the Capital Strategy, which was signed off in November, is a good strategy. He added that it was important to note that Enfield Council are in debt to invest in the Borough and this debt goes towards key services such as road maintenance, delivering decent homes, decarbonising council buildings, and investing in parks and green spaces. Cllr Leaver advised that the majority of this debt is locked in at low interest rates and therefore the issue is not about the council's financing or investment in the borough but is about the lack of fair funding.

In response to Members' queries, further details were confirmed regarding the provisional Local Government Finance Settlement and that Enfield was not fairly funded, and it was advised that the Government had only provided 8% of the overall budget, with Enfield being the second worst funded local authority across London and seventh worst in the country according to recent studies, and this demonstrates the unfair funding formula.

In response to a question regarding the impact of cutting the Council Tax Support Scheme (CTS) , which helps over 30,000 low income households in the borough, the Deputy Leader said it is fully recognised how hard residents have been hit by the cost of living crisis, especially in the most deprived wards, which is why £1.4m has been set aside in hardship funds to help struggling families as well as £1m in council tax hardship funds as part of the new Council Tax Support Scheme. Enfield Council had maintained for a very long time one of the most generous CTSS in London giving the discount to more households than any other London Borough. However, due to the budget pressures caused by inflation and the other financial challenges faced, such a generous scheme can no longer be sustained, and has therefore been brought in line with the London average. The new scheme will still give a discount on the council tax bill for around one-third of the borough's households and is therefore still a very strong scheme.

The Executive Director of Resources provided information on the process for the changes to Council Tax charges and advised that whilst developing these options an EQIA was undertaken to understand what the impact to residents would be, along with significant, extensive consultation on the proposals which is ongoing until the end of this months and to date 282 residents have completed this. Letters have been sent to all 29,000 residents directly affected by the changes to the Council Tax Support Scheme and offered them a one-to-one meeting, of which sixty-three residents made contact and have had this meeting. Engagement has taken place with specific client groups to offer guidance and advice on what the changes might mean for them and following

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feedback from this an easy-read version of the consultation has been added to the Council's website and residents have been made aware that this is now available. Adverts have been placed on social media, in Greek and Turkish newspapers as well as in other communities in the borough. A proactive approach has been taken by undertaking a mailshot to all residents who might be eligible for disregard but haven't yet applied for it. The £1.5m exceptional hardship scheme is being set up to ensure this is available and also a single specialised team, separate from the usual collection point team, is being set up to provide additional support and one route into the council. So as much as possible has been done to publicise the event and offer support where possible in preparation for this proposal, should it be agreed.

As part of the budget setting process for 2024/25, the Council's traded services fees and charges have been reviewed. The review assesses the Council's current fees and charges to establish whether the service delivery costs are being covered by the charges set, considers whether income generation opportunities are being maximised and benchmarks the proposals with other councils. There is a continued focus on strengthening income streams in order to support the MTFP and the strategy has been to increase charges by 9% based on the July 2023 RPI, subject to case by case conditions. The majority of services are adopting this increase where the charges are locally controlled, with some exceptions where services look to build market share or hold position within the market.

With regards to HR and Workforce Implications, any proposal that is likely to impact on posts or changes and potential closure of services, will require the Council to conduct meaningful and timely consultation with trade unions and staff. This will include consideration of alternative proposals put forward as part of the consultation process.

The Director of Housing & Regeneration explained that homelessness is the single most significant pressure and risk faced by the Council which has been predominantly caused by a lack of available temporary accommodation at affordable rates, and hence a sustained use of expensive hotel accommodation. Mitigations are in place to reduce the reliance on hotel usage, and this will reduce costs. Part of Enfield's strategy is to bring accommodation under its own ownership and direct control which will mean that we aren't so exposed to this volatility and increased market costs, and in that time the strategy is to reduce the numbers of people in temporary accommodation significantly. However, significant risk remains here and notification of Enfield's allocation from the government's increase in homelessness prevention grant of £120m nationally, is awaited. Enfield's share of the grant will be used to help off-set these costs.

The Director of Health & Adult Social Care explained that this service had been hit particularly hard by the Pandemic as what impacts on the NHS impacts on Social Care. During Covid there were a number of challenges and for a short period of time the numbers of people accessing services decreased, but it was recognised that this was only a temporary situation and the demand on health and adult social care services is now rapidly increasing.

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Unlike the NHS, adult social care is not free at the point of contact, it is means tested and there are certain things that can be done to try and manage the demand and part of these discussions is about how to meet peoples' needs in the most cost-effective way. So, it is about working with partners across the NHS to manage things differently. However, this is likely to mean that decisions will be made based on more cost effectiveness than what would normally be expected. Other significant challenges are deprivation levels, NHS pressures and age profiles within the borough as these all have a huge impact on the service.

The Executive Director of People responded to a question regarding Social Worker Apprenticeship recruitment and explained that the Adult Social Worker Apprenticeship scheme has been paused on the basis that vacant posts can be filled without the need for apprenticeships. However, the Children's Social Worker Apprenticeship scheme has been deferred so there are currently greater pressures on children's social workers. Whilst the Council's contribution to the apprenticeship scheme has been deferred it has been replaced by a government grant as the tremendous pressures on recruiting children's social workers has been recognised by the government and therefore grants in the region of £180k have been made available to Local Authorities to fund apprenticeships.

The Executive Director of Environment & Communities explained that there are a lot of high demand services that are important to residents, so work is ongoing with the teams to understand these and there is a large list of projects and initiatives within the budget paper, so it is about monitoring these and ensuring officers have the right resources to deliver on these.

The Executive Director of Resources advised that there is no generic freeze in recruitment, however, any vacant post that comes up for recruitment, the Executive Director of that service area has to demonstrate that any recruitment to the role is necessary and essential.

In regards to the Green Waste subscription the Deputy Leader explained that in line with other fees and charges going up, this is increasing to cover the inflationary increase and cost pressures in maintaining the service. Residents can also use Barrowell Green Recycling Centre and the North London Waste Authority Eco Park. Flytipping and Littering remains a Council priority, but adequate funding is essential for improving street scenes and recycling rates.

The Executive Director of Finance concluded by saying that the next step of the process is to wait for the final Local Government Finance Settlement figure for 2024/25 which should be known by 31st January 2024, but in the meantime ongoing due diligence of the cost pressures, savings and income proposals will continue.

The Chair thanked the Cabinet Member, Finance & Procurement and Officers for their hard work in producing this budget and for providing detailed responses and explanations to the questions posed.

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AGREED that having considered the savings and income proposals and funding and spending assumptions contained in the January Medium Term Financial Plan 2024/25 to 2028/29 to update Cabinet and report the outcome of their deliberations to Council on 22 February 2024.

5 ICB CLINICAL COMMISSIONING - UPDATE

AGREED that the ICB Clinical Commissioning Update report be deferred to the business meeting of the Overview & Scrutiny Committee, scheduled to take place on Monday 4 March 2024.

6 WORK PROGRAMME 2023/24

NOTED the Overview & Scrutiny Committee Work Programme for 2023/24.

7 DATES OF FUTURE MEETINGS

NOTED that the next business meeting of the Overview & Scrutiny Committee would be on Tuesday 6 February 2024 at 7:00pm in the Conference Room, Civic Centre.