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13 January 2009

To: All Members of the Full Council

Dear Member,

Full Council - Monday, 19th January, 2009

Please find attached an additional report for the above meeting, which the Mayor will be asked to consider as urgent business. The report was not notified until after the despatch of the Summons.

Owing to the need to admit this matter, it will also be necessary for Members to consider whether they need to make a declaration under Section 106 of the Local Government Finance Act 1992 in relation to unpaid community charge or council tax liability which is two months or more outstanding.

Further to the Summons which was despatched on Friday last, I have attached a revised running order for the meeting which now includes both the report below (which will be taken at item 6) and an item making provision for Members to declare any liability under Section 106 of the Local Government Finance Act 1992 (item 3a).

Item 6 To propose the Council's tax base for 2009/10

Yours sincerely

Ken Pryor
Deputy Head of Local Democracy and Member Services

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Full Council – Revised running order

Please note: this meeting may be filmed for live or subsequent broadcast via the Council's internet site - at the start of the meeting the Mayor will confirm if all or part of the meeting is being filmed. The images and sound recording may be used for training purposes within the Council.

Generally the public seating areas are not filmed. However by entering the meeting room and using the public seating area, you are consenting to being filmed and to the possible use of those images and sound recordings for webcasting and/or training purposes.

If you have any queries regarding this, please contact the Principal Support Officer (Committee Clerk) at the meeting.

AGENDA

- 1. TO RECEIVE APOLOGIES FOR ABSENCE**
- 2. TO ASK THE MAYOR TO CONSIDER THE ADMISSION OF ANY LATE ITEMS OF BUSINESS IN ACCORDANCE WITH SECTION 100B OF THE LOCAL GOVERNMENT ACT 1972**
- 3. DECLARATIONS OF INTEREST**

A member with a personal interest in a matter who attends a meeting of the authority at which the matter is considered must disclose to that meeting the existence and nature of that interest at the commencement of that consideration, or when the interest becomes apparent.

A member with a personal interest in a matter also has a prejudicial interest in that matter if the interest is one which a member of the public with knowledge of the relevant facts would reasonably regard as so significant that it is likely to prejudice the member's judgment of the public interest and if this interest affects their financial position or the financial position of a person or body as described in paragraph 8 of the Code of Conduct and/or if it relates to the determining of any approval, consent,

licence, permission or registration in relation to them or any person or body described in paragraph 8 of the Code of Conduct.

3A TO ASK MEMBERS WHETHER THEY NEED TO MAKE A DECLARATION IN ACCORDANCE WITH SECTION 106 OF THE LOCAL GOVERNMENT FINANCE ACT 1992 IN RELATION TO UNPAID COMMUNITY CHARGE OR COUNCIL TAX LIABILITY WHICH IS TWO MONTHS OR MORE OUTSTANDING.

Members to whom this applies must make a declaration if they are present at any part of the meeting and must not vote on any matter relating to the budget. It is not sufficient for such members to refrain from voting or to absent themselves from the chamber for particular parts of the meeting. Failure to make a relevant declaration constitutes a criminal offence.

- 4. TO APPROVE AS A CORRECT RECORD THE MINUTES OF THE MEETING OF THE COUNCIL HELD ON 24 NOVEMBER AND THE EXTRAORDINARY MEETINGS HELD ON 9 & 17 DECEMBER 2008. (PAGES 1 - 16)**
- 5. TO RECEIVE SUCH COMMUNICATIONS AS THE MAYOR MAY LAY BEFORE THE COUNCIL**
- 6. TO RECEIVE THE REPORTS OF THE CHIEF EXECUTIVE
(A) – TO PROPOSE THE COUNCIL’S TAX BASE FOR 2009/10
(B) – TO REPORT THE ELECTION OF A MEMBER FOR THE SEVEN SISTERS WARD AND ANY CHANGES TO COMMITTEE MEMBERSHIPS**
- 7. TO RECEIVE THE REPORT OF THE MONITORING OFFICER AND HEAD OF LEGAL SERVICES TO INCREASE THE INDEPENDENT MEMBERSHIP FOR THE STANDARDS COMMITTEE (PAGES 17 - 20)**
- 8. TO MAKE APPOINTMENTS TO OUTSIDE BODIES**
- 9. TO CONSIDER REQUESTS TO RECEIVE DEPUTATIONS AND/OR PETITIONS AND, IF APPROVED, TO RECEIVE THEM**
- 10. TO CONSIDER OPPOSITION BUSINESS SUBMITTED IN ACCORDANCE WITH COUNCIL PROCEDURE RULE NO.12**
- 11. TO ANSWER QUESTIONS, IF ANY, IN ACCORDANCE WITH COUNCIL RULES OF PROCEDURE NOS. 9 & 10**

Oral Question 1 - To the Leader of the Council from Councillor Gorrie:

Which of the major decisions, or decisions on individual cases, taken by the now discredited previous senior management of Children's Services, are going to be reviewed in the light of the JAR and Ofsted report on the poor quality of that decision making?

Oral Question 2 – To the Cabinet Member for Housing Services from Councillor Bull:

Can the cabinet member update us on the implementation of Introductory Tenancies and; what impact they feel this will have on antisocial behaviour?

Oral Question 3 - To the Cabinet Member for Resources from Councillor Williams:

With regard to the published summary of Standards Board for England case SBE21513.08, can he explain in what circumstances he feels it is appropriate to obtain independent legal advice while discharging his duties a Haringey Cabinet member?

Oral Question 4 - To the Cabinet Member for Community Cohesion and Involvement from Councillor Jones:

Will the cabinet member let us know what actions he has taken, or will be taking to improve the service provided by the council's customer service centres following his visits to them in late December?

Oral Question 5 –To the Leader of the Council from Councillor Winskill:

In response to a question I posed to the Leader at December's OSC about the press and PR arrangements during the baby P case, the names of three PR and media companies were declared exempt because one did not want to have its identity revealed for fear of the negative impact of being associated with Haringey. Are there any other suppliers, contractors, consultants or others, who do or wish to do business with Haringey, that have made the same or similar conditions about revealing their name(s)? If so, how many and what areas of the council services do they represent?

Oral Question 6 - To the Cabinet Member for Environment and Conservation from Councillor Dodds:

Will the cabinet member provide some detail about the proposed action plan to address non-compliant lines and signs?

Oral Question 7 - To the Cabinet member for Environment and Conservation from Councillor Weber:

Will the Cabinet Member for Environment please explain for public accountability purposes why residents CPZ petitions, requesting inclusion or exclusion of the slow CPZ process or the Fast Track CPZ process are not placed in the public domain for all to see?

Oral Question 8 – To the Cabinet Member for Environment and Conservation from Councillor Demirci:

Can the cabinet member outline what improvements will be made to public footpaths following the announcement of the Council's rights of way improvement plan?

12. TO RECEIVE REPORTS FROM THE FOLLOWING BODIES (PAGES 21 - 78)

a) Cabinet – Report 8 & 9 – 2008/9

13. TO CONSIDER THE FOLLOWING MOTIONS IN ACCORDANCE WITH COUNCIL RULES OF PROCEDURE NO. 13

Motion M (2008/09)

Councillor Alexander has given notice that she will move in the following terms:

“This Council notes:

- that 16 and 17 year olds can leave school, get married, have a full-time job, must pay taxes on their income, and can join the armed forces, but are not allowed to vote in public elections;
- that 16 and 17 year olds have been calling for the right to vote for many years through the Votes at 16 coalition;
- that disconnection between young people and the political establishment is growing.
- the continuing good work by Haringey’s Youth Council and its members

This Council believes:

- that young people are interested in politics and have valid views on issues that affect them;
- that 16 and 17 year olds are old enough to have the right to vote in public elections;
- that refusing to allow 16 and 17 year olds to vote is likely to further depress turnout and encourage young people to give up on formal political structures.

This Council resolves:

- to support the moves to lower the voting age for all public elections to 16;
- to call on the Government to establish the Youth Citizenship Commission with a clear remit to develop the necessary framework for reducing the voting age to 16.
- that the leader of the Council write to Bridget Prentice MP, minister in charge of reform in electoral administration, to show the Council’s commitment to pushing for votes for 16 and 17 year old and requesting that the government seriously considers decreasing the voting age”.

Motion N (2008/09)

Councillor Scott has given notice that he will move in the following terms:

“This Council:

1. Welcomes the introduction of the Sustainable Communities Act, which became law in October 2007. It also welcomes the establishment of the principle that ‘local people know best what needs to be done’.
2. Notes the cross party support in the House of Commons that the Act received.
3. Notes that the Act gives local authorities the power to make proposals to government on the action government must take to reverse community decline and promote sustainable communities.
4. Notes that the Act also gives local authorities the power to argue for a transfer of public money and function from central to local control.
5. Notes that the Act also requires central government to produce "spending reports" detailing the expenditure of all government bodies in each local area. The Act requires that the first arrangements for the spending reports should be taken by April 2009.
6. Views the Act as an opportunity to further the empowerment of local communities in seeking local reforms regarding Economic, Social and Environmental issues.
7. Appreciates the need to be fully committed to the process to ensure that the residents of Haringey have a chance to have their say on local services.

This Council therefore:

1. Resolves, when invited to by central government in autumn 2008, to use the Act by preparing and submitting proposals on how central government can help promote sustainable communities in Haringey.
2. Seeks to establish a representative panel of residents to consult with the Council in deciding on which local issues will be submitted to the Communities and Local Government Minister.
3. Petitions the government to release the planned information regarding local funding for services as soon as possible.
4. Advertises the Act as widely as possible using all forms of media to inform residents of the acts existence and how they can get involved.

5. Looks for other authorities and stakeholders (including the Voluntary and Community Sectors) who can assist/support the development of the local panels and formulate these ideas into practical submissions to the government.
6. Looks at replacing the current community engagement (through citizen panels etc) with these proposed representative panels”.

Motion O (2008/09)

Councillor Peacock has given notice that she will move in the following terms:

Mobility Benefits for Blind Residents

“This Council Notes:

1. That blind people experience significant barriers to independent mobility
2. That blind people are often isolated and find it difficult to access basic services without mobility assistance
3. That blind residents face additional costs as a result of their impairment, such as using taxis or private hire vehicles

This Council Further Notes:

1. That blind people are not entitled to the higher rate mobility component of disability living allowance
2. Loss of usable sight clearly causes significant independent mobility problems and incurs significant additional and unmet costs

This Council resolves:

1. To ask the Chief Executive and Leader of the Council to write to the Secretary of State for Work & Pensions, the Rt Hon. James Purnell MP, expressing these concerns
2. To ask the Chief Executive and Leader of the Council to write to our local MPs asking that they sign up to EDM number 1982 and write to the Secretary of State expressing these concerns
3. To support the Royal National Institute of Blind People’s (RNIB) campaign on securing the higher rate mobility component of DLA for blind people”.

Motion P (2008/09)

Councillor Mughal has given notice that he will move in the following terms:

“This Council:

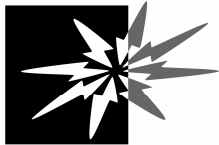
Fully understands that the growing and significant crisis in the Middle East is having impacts in the Borough of Haringey. Residents have links, family and ancestral roots in Palestine, Israel and other countries in the region and there are concerns around the conflict spilling over into other regions of the Middle East. Significant anger is also building up on events in the Middle East and this Council acknowledges the passions that this conflict inflames.

This Council also notes the inaction of the international community in immediately asking for and working towards a ceasefire when the invasion of Gaza took place and that politicians have finally been roused into action only after mass protests in countries across the world. This Council further notes the fact that Gordon Brown, like Tony Blair, has made British foreign policy effectively subservient to Washington and waiting for a change of heart in Washington is intolerable given the continuing human cost in Gaza.

This Council unambiguously condemns Israel's invasion of Gaza and tactics which have led to over 40% of Palestinian casualties being civilians and this Council also calls for an end to the blockade of Gaza and to the firing of rockets into Israel by Hamas and the deaths that these have caused. This Council calls on the Prime Minister to lead the EU into using its economic and diplomatic leverage in the region to broker peace and it must immediately suspend the proposed new co-operation agreement in Israel until things change in Gaza.

This Council also asks the Prime Minister to halt Britain's arms export to Israel and persuade our EU counterparts to do the same. The Government's own figures show Britain is selling more and more weapons to Israel, despite the questions about the country's use of force. In 2007, our government approved £6m of arms exports. In 2008, it licensed sales 12 times as fast: £20m in the first three months alone”.

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Haringey Council

Agenda item:

Council		On 19 January 2009
Report Title: To propose the Council's tax base for 2009/10		
Report of Chief Executive		
Signed :		
Contact Officer : Gerald Almeroth, Chief Financial Officer		
Wards(s) affected: All	Report for: Decision by full Council	
<p>1. Purpose of the report</p> <p>1.1. To agree the calculation of the Council's tax base in accordance with the statutory provisions.</p> <p>1.2. To agree a revision to the policy for locally defined discount for second homes.</p>		
<p>2. Background</p> <p>2.1. The Council is required under the provisions of the Local Government Finance Act 1992 and subsequent statutory instruments to agree the 2009/10 tax base by 31 January 2009. The tax base is not only required for the Council's purposes but also to enable the precepting bodies to set their budgets and precepts for 2009/10.</p> <p>2.2. The Council tax base is calculated in accordance with a nationally prescribed formula and represents the equivalent number of Band D properties within the area. The formula takes account of the number of properties in each band, the number of discounts given for single occupiers, empty dwellings, second homes and other eligible criteria, the prescribed proportions to convert numbers to Band D equivalents, and the estimated collection rate which has been set at 96%.</p>		

2.3. The Local Government Act 2003 allowed for the delegation of the setting of the tax base to the Chief Financial Officer. This was granted by the Council on 3 October 2005. This report is proposing a change in the policy for the discount on second homes and this cannot be taken as a delegated decision therefore this report is provided for full Council to approve.

3. Recommendations

3.1. That in accordance with the Local Authorities (calculation of tax base) Regulations 1992, the amount calculated by the Council of the London Borough of Haringey as its tax base for the year 2009/10 shall be 85,060.

3.2. That the level of discount for second homes (class A and B) is set at 10%.

4. Reason for recommendations

4.1. It is a legal requirement under the provisions of the Local Government Finance Act 1992 and subsequent statutory instruments that the council tax base is to be agreed. This report sets out the details and assumptions in the calculation proposed for 2009/10.

4.2. The proposal to set the level of discount for second homes at 10%, a reduction from the current 50%, is in accordance with the Council's housing policy on encouraging empty properties being brought back into use in the borough.

5. Council Tax Discounts

5.1. The Local Government Act 2003 inserted Sections 11A and 13A into the Local Government Finance Act 1992. Section 11A set out 3 classes of dwelling;

- Class A (Second homes - holiday homes – furnished properties that are not the main residence of any individual and where occupation is prohibited for at least 28 days in a year)
- Class B (Second homes – furnished dwellings which are not the main residence of any individual)
- Class C (long term empty dwellings – dwellings which are unoccupied and substantially unfurnished)

5.2. Section 11A gives Local Authorities the discretion to reduce the discount on Class A and Class B dwellings to a minimum of 10%.

Second Homes

- 5.3. This report proposes that properties classed as second homes, which are empty and furnished are granted a 10% council tax discount. This is a reduction from the current discount of 50%. There are an estimated 1065 second homes currently in Haringey that fall within this category. They are primarily landlord furnished lets.
- 5.4. The reason for this change in policy is to encourage the sale or renting of these empty properties. This will support the Council's housing policy and strategy of returning empty properties into use.
- 5.5. In the (CTB1) statutory return to government, such properties are shown at the former statutory discount level of 50%. The extra income generated, from reducing discount levels on second homes will be retained by the council. The resultant change has been taken into account when calculating the tax base and equates to approximately 406 band D equivalents.
- 5.6. The potential extra income that can be collected by reducing the discount to 10% is a maximum of £595k as shown in appendix 2.
- 5.7. An analysis of discounts on second homes offered by other London Authorities is shown in appendix 3.

Long Term Empty Properties

- 5.8. A property which becomes empty (unoccupied and substantially unfurnished) is entitled to a Council Tax exemption (i.e. no charge) for a period of up to 6 months with a discount of 50% after that period. The Local Government Act 2003 provided the Council with discretion to reduce this discount from 50% to 0%. The Council agreed to set the discount at 0% in 2004 and it is proposed that there is no change to this policy.

Tax Base Calculation

- 5.9. The factors that determine the tax base are:
- Number of properties in each valuation band
 - An estimate of relevant changes to discounts, exemptions, new properties and reductions in each band; and
 - A provision for non-collection
 - The impact of retrospective changes to discounts / exemptions affecting the collectable debit.
 - The impact of revaluations and other changes to property valuations;

5.10. The formula for calculating the tax base is set out in The Local Authorities (Calculation of Council Tax Base) (Amendment) (England) Regulations 2003 (No.3012) and is outlined in Appendix 1. The following table sets out the number of band D equivalents for each band having applied the formula.

Band	
A (disabled)	1.38
A	3,242.49
B	11,091.13
C	24,158.94
D	22,617.96
E	11,846.76
F	7,134.66
G	7,376.84
H	1,135.22
Total	88,605.38

5.11. The tax base calculation is based on the assumption that the recommendations in relation to the level of council tax discount for second homes and long-term empty properties are adopted.

5.12. A recent review has identified that the collectable debit reduces due to retrospective discounts, exemptions, new properties and band changes. Given the transience of the population, the high level of change is understandable, and as many of these changes have a retrospective effect, their overall impact tends to result in a downward pressure on the tax base. However an extensive review of our single occupancy discount is likely to minimise the effect of this downward trend by increasing debit raised through this process.

5.13. Further analysis has identified the reduction in collectable debit due to retrospective awards of discounts and exemptions, new properties, changes in occupation equates to approximately 0.48% of the collectable debit taking into account the expected adjustment for the Single Occupancy Discount Review.

5.14. The Council, in declaring its tax base, must take into account a provision for non-collection. Factors, which need to be taken into account, are:

- the expected level of empty properties for 2009/10;
- the mobility of the local population, particularly in the private rented sector;
- the level of timely information available when properties are sold or let, and;
- experience of operating the Council Tax and the validity of information held on the Council Tax database.

5.15. The review of the overall collection rate identifies Haringey as having a transient population, with a high number of short-term lettings. This transience creates difficulties in obtaining prompt and reliable information on the movement of taxpayers and in the ability to recover any monies outstanding.

5.16. The Council is required to take into account the monies it will ultimately receive when determining its tax base. Current collection forecasts and collection profiles to date indicate that it will take up to 8 years to collect the full amounts deemed collectable for each financial year since the introduction of Council Tax in 1993.

5.17. The level of provision for non-collection of Council Tax for 2009/10 should be considered based on the advice above. The resultant tax base at the following non-collection levels would be:

Provision for Non-Collection	3%	4%	5%	6%	7%
Resultant Council tax base	85,946	85,060	84,174	83,288	82,402

5.18. The Council is expecting to sustain the improvements implemented in the collection of council tax. It is therefore recommended that the provision for non-collection of Council Tax for 2009/10 should therefore remain at 4%.

6. Chief Financial Officer Comments

6.1. The revised tax base will be used for the purposes of setting the budget and level of council tax in accordance with the statutory process. The additional income arising from the reduction in the discount will be partially offset by the estimated retrospective discounts and exemptions.

7. Head of Legal Services Comments

7.1. Because of the provisions of the Local Government Finance Act 1992 the decision on changing the level of discount for second homes is one that must be taken by the full Council and cannot be delegated. The other legal implications are set out in the report. The decisions recommended to Members are within the Council's powers.

8. Use of appendices /Tables and photographs

8.1. Appendix 1 – Formula for calculation of tax base

8.2. Appendix 2 – Potential extra income from reducing the discount on second homes to 10%.

8.3. Appendix 3 – Analysis of Second Home Discounts offered by London Authorities.

9. Local Government (Access to Information) Act 1985

- 9.1. The Local Authorities (Calculation of Council Tax Base) (Amendment) (England) Regulations 2003 (No.3012
- Local Government Act 2003
- Local Government Finance Act 1992

Formula for calculating the Council Tax base (on or after 1 April 2004)

The relevant amount for each band for the 2009/10 financial year is calculated by applying the following formula:

$$(H - Q + J) \times F / G$$

Where:

H is the number of chargeable dwellings less any exempt dwellings listed in the band on the relevant day.

Q is a factor to take account of discounts on the relevant day multiplied by the relevant discount percentages.

J is the amount of any adjustments (positive or negative) in respect of changes in the number of chargeable dwellings or discounts during the period from the relevant day to the end of the relevant financial year calculated as the difference between:

- (a) an estimate of the number of chargeable dwellings not listed on the relevant day but will be listed in the band for whole or part of the year;
- (b) an estimate of the number of dwellings which were in receipt of a discount on the relevant day but will not be applicable for the whole or part of the year, multiplied by the relevant discount percentages;
- (c) an estimate of the aggregate of the number of chargeable dwellings listed on the relevant day but will not be listed for the whole or part of the year, and the number of chargeable dwellings which will be exempt for the whole or part of the year, and;
- (d) an estimate of the number of dwellings which will be in receipt of a discount (other than those in the formula above) for the whole or part of the year multiplied by the relevant discount percentage.

Appendix 2

Analysis of potential extra income on second homes

2nd Home Discounts	No of Properties	Charge		Total charge at 50% discount	Band D Equivalents	Total charge at 25% Discount		Total charge at 10% Discount	Band D Equivalents
Band A	78	981		£ 38,259	26	£ 57,389		£ 68,866	46
Band B	237	1144.49		£ 135,622	92	£ 203,433		£ 244,120	165
Band C	356	1307.99		£ 232,822	158	£ 349,233		£ 419,080	285
Band D	222	1471.48		£ 163,334	111	£ 245,001		£ 294,002	200
Band E	102	1793.37		£ 91,462	62	£ 137,192		£ 164,631	112
Band F	38	2125.49		£ 40,384	27	£ 60,576		£ 72,692	51
Band G	18	2452.47		£ 22,072	15	£ 33,108		£ 39,730	27
Band H	14	2942.97		£ 20,601	14	£ 30,900		£ 37,081	25
Total	1065			£ 744,556	505	£ 1,116,832		£ 1,340,202	911
Potential extra income						£ 372,276		£ 595,645	406

Appendix 3

Second home discounts awarded by other London boroughs

London Borough	% reduction
City of London	10
Barking & Dagenham	10
Barnet	10
Bexley	10
Brent	10
Bromley	10
Camden	10
Croydon	10
Ealing	10
Enfield	10
Greenwich	10
Hackney	50
Hammersmith & Fulham	10
Harrow	Unclear
Havering	10
Hillingdon	25
Hounslow	10
Islington	10
Kensington & Chelsea	10
Kingston upon Thames	10
Lambeth	10
Lewisham	10
Merton	10
Newham	10
Redbridge	10
Richmond upon Thames	10
Southwark	10
Sutton	10
Tower Hamlets	10
Waltham Forest	10
Wandsworth	25
City of Westminster	10

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