
Full Council

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To: The Mayor and Councillors of Haringey Council.

Dear Sir/Madam,

A meeting of the Council of the London Borough of Haringey will be held at the Civic Centre, High Road, Wood Green, N22 8LE on MONDAY, 18TH JULY, 2011 at 19:30 HRS, to transact the following business:

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.

- 4. TO APPROVE AS A CORRECT RECORD THE MINUTES OF THE MEETING OF THE COUNCIL HELD ON 23 MAY 2011 (PAGES 1 - 6)**
- 5. TO RECEIVE SUCH COMMUNICATIONS AS THE MAYOR MAY LAY BEFORE THE COUNCIL**
- 6. TO RECEIVE THE REPORT OF THE CHIEF EXECUTIVE**
- 7. TO RECEIVE THE REPORT OF THE MONITORING OFFICER AND HEAD OF LEGAL SERVICES**
- 8. TO MAKE APPOINTMENTS TO OUTSIDE BODIES**
- 9. TO CONSIDER REQUESTS TO RECEIVE DEPUTATIONS AND/OR PETITIONS AND, IF APPROVED, TO RECEIVE THEM**
- 10. HARINGEY DEBATE - "HEALTH INEQUALITIES"**

To consider how and what the Council can do to tackle health inequalities whilst seeking to embed public health work generally in all aspects of the Council's work.

- 11. TO ANSWER QUESTIONS, IF ANY, IN ACCORDANCE WITH COUNCIL RULES OF PROCEDURE NOS. 9 & 10**

ORAL QUESTION 1 - TO THE CABINET MEMBER FOR THE ENVIRONMENT FROM COUNCILLOR BRABAZON:

With the continued proliferation of betting shops on our local streets, does the cabinet member welcome the recent Select Committee inquiry into the 2005 gambling act, particularly around it looking into how children and vulnerable people are protected from the adverse affects of gambling?

ORAL QUESTION 2 – TO THE CABINET MEMBER FOR HEALTH AND ADULT SERVICES FROM COUNCILLOR WINSKILL:

In light of the planned savings and possible closure of day centres planned by the administration, what discussions has the Council had with the voluntary and independent third sector to create capacity to ensure a seamless transition on day centres to best ensure continuity of provision?

ORAL QUESTION 3 - TO THE CABINET MEMBER FOR HEALTH AND ADULT SERVICES FROM COUNCILLOR GIBSON:

Can the cabinet member update us on the work being done by the council to provide more support for carers based in the borough?

ORAL QUESTION 4 - TO THE CABINET MEMBER FOR COMMUNITIES FROM COUNCILLOR NEWTON:

What role will local residents and the Council have in the decision on which areas of the borough will be affected by the planned reductions of five sergeants for Haringey's Safer Neighbourhood Teams?

ORAL QUESTION 5 – TO THE DEPUTY LEADER AND CABINET MEMBER FOR CHILDREN FROM COUNCILLOR RICE:

Would the Deputy Leader join me in congratulating Living Under One Sun on their recent win in the Jubilee People's millions big lottery awards?

ORAL QUESTION 6 – TO THE CABINET MEMBER FOR COMMUNITIES FROM COUNCILLOR SCHMITZ:

How will the Council continue to support the Youth Council now that funding has been withdrawn?

ORAL QUESTION 7 - TO THE CABINET MEMBER FOR HEALTH AND ADULT SERVICES FROM COUNCILLOR BULL:

Does the Cabinet member agree with me that, with the confusion and anxiety the Secretary of State for Health has brought to our local health service with his dithering on the BEH Clinical Strategy and the NHS White paper, he is not fit to be Health Secretary and the Tories still can not be trusted with our NHS?

ORAL QUESTION 8 - TO THE CABINET MEMBER FOR FINANCE AND CARBON REDUCTION FROM COUNCILLOR ENGERT:

What is the carbon footprint of the printing, ink, paper, delivery and plastic packaging of the six issues per year of Haringey People?

12. TO RECEIVE REPORTS FROM THE FOLLOWING BODIES (PAGES 7 - 24)

- a) Governance Review Delivery Group – Report No.1 – 2011/12
- b) Corporate Committee – Report No.1 – 2011/12
- c) Constitution Review Working Group – Report No.1 – 2011/12

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

Motion A (2011/12)

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

“This Council is opposed:

- To the use of the Pinkham Way site as an industrial scale waste plant
and
- To the proposed relocation of Barnet Council’s waste lorry depot (which provides no advantages to Haringey’s residents)

This Council notes:

- That there needs to be a long-term solution to the waste problem
- The motion passed by the Muswell Hill, Fortis Green, Alexandra and Highgate Area Committee on 16th June 2011 against the proposals at Pinkham Way which said “That this Area Committee opposes the North London Waste Authority (NLWA) plans for a waste facility at Pinkham Way, and calls on the NLWA to drop the plans.”
- Lynne Featherstone MP and local residents’ and residents’ groups campaigns against the plans for Pinkham Way

This Council deplures:

- The secrecy with which the plan, proposal and change in land-use designations has been developed over the last two years
- The lack of communication with residents and members by Haringey Council’s Labour representatives on the North London Waste Authority (NLWA)
- Labour’s change of the land designation in November 2010, without wide consultation of local residents, which facilitated the progress of the Pinkham Way plans
- The failure of Labour members on the NLWA to object to the Pinkham Way plans and represent the interests of our community

This Council is alarmed:

- At the scale of the proposed development at Pinkham Way and likely impact on local residents and schools

This Council resolves:

- That the Leader of the Council should write to the Chief Executive of the NLWA to express councillors' concerns over the consultation and the lack of information provided to residents and to request the application be withdrawn
- To ask current and past Haringey Council members of the NLWA to detail their role in the decision-making process on the Pinkham Way development
- To reaffirm the ecological designation of Pinkham Way and provide the maximum protection
- That contrary to the process involved with the waste plan and this proposal that the interests of residents become central to decision-making”.

Motion B (2011/12)

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

Local Government Pension Scheme

“This Council Believes:

- The arbitrary 3.2% increase in employee contributions to the Local Government Pension Scheme (LGPS) announced by George Osborne will force many current members of the scheme to leave. This will have damaging consequences for them as individuals and for the future viability of the scheme itself.
- The characterisation of local government pensions as ‘gold plated’ is unjustified and in 2009/2010 the average LGPS annual pension was just £4052.
- The LGPS, being a funded scheme, can be sustainable and affordable.

This Council Resolves:

- To write to the chancellor asking he looks again at his proposals and demand the government enters into substantial dialogue with Local authorities and the trade unions to secure the future of the LGPS”.

Kevin Crompton
 Chief Executive
 River Park House
 225 High Road
 Wood Green
 London N22 8HQ

Friday, 8 July 2011

**MINUTES OF THE FULL COUNCIL
MONDAY, 23 MAY 2011**

Councillors Adamou (Mayor), Allison, Amin, Basu, Beacham, Bevan, Bloch, Brabazon, Browne, Bull, Butcher, Canver, Christophides, Cooke, Davies, Demirci, Diakides, Dogus, Egan, Ejiofor, Engert, Erskine, Gibson, Goldberg, Gorrie, Griffith, Hare, Jenks, Khan, Kober, Mallett, McNamara, Meehan, Newton, Peacock, Reece, Reid, Reith, Rice, Schmitz, Scott, Solomon, Stanton, Stennett, Stewart, Strickland, Vanier, Waters, Watson, Weber, Whyte, Williams, Wilson and Winskill

Apologies Councillor Alexander and Strang

MINUTE NO.	SUBJECT/DECISION	ACTION BY
CNCL01.	<p>TO ELECT THE MAYOR FOR THE ENSUING YEAR 2011/12</p> <p>The Mayor called for Nominations for the Office of Mayor for the Municipal Year 2011/12.</p> <p>Councillor Kober moved and Councillor Meehan seconded that Councillor Gina Adamou be elected Mayor.</p> <p>RESOLVED:</p> <ol style="list-style-type: none"> 1. That Councillor Gina Adamou be elected Mayor for the Municipal Year 2011/12. 2. The Mayor made and signed the Declaration of Acceptance of Office, which was witnessed by Councillors Kober and Meehan. 3. The Mayor then addressed the Council, gave thanks for her election and outlined her objectives for her year of office. 4. The Mayor's consort, Mr Andreas Adamides was then invested with his Badge of Office. 	
CNCL02.	<p>TO RECEIVE APOLOGIES FOR ABSENCE</p> <p>Apologies for absence were received from Councillors Alexander and Strang.</p>	
CNCL03.	<p>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</p> <p>See Minutes 9,10, 11, 12, 14 and 15.</p>	
CNCL04.	DECLARATIONS OF INTEREST	

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	<p>Members were asked by the Mayor to declare any personal interest in respect of items on the agenda. In accordance with Part 2 of the Members Code of Conduct set out in the Council Constitution, any Member disclosing a personal interest which was also prejudicial would be asked to withdraw from the Chamber during consideration of the item and neither were they to seek to improperly influence a decision on the said item.</p> <p>No declarations were made.</p>	
<p>CNCL05.</p>	<p>TO APPROVE AS A CORRECT RECORD THE MINUTES OF THE MEETING OF THE COUNCIL HELD ON 4 APRIL 2011</p> <p>Copies of the Minutes of the last meeting having been circulated were taken as read.</p> <p>RESOLVED:</p> <p>That the minutes of the meeting of the Council held on 4 April 2011 be signed as a true record.</p>	
<p>CNCL06.</p>	<p>TO RECEIVE WRITTEN NOTIFICATION OF THE APPOINTMENT OF DEPUTY MAYOR</p> <p>The Chief Executive reported that the Mayor had signified in writing the appointment of Councillor David Browne as Deputy Mayor for the ensuing year.</p> <p>Councillor Browne was invested with his Badge of Office. The Deputy Mayoress Ana Lecic was then invested with her badge of office.</p>	
<p>CNCL07.</p>	<p>TO PASS A VOTE OF THANKS TO THE RETIRING MAYOR AND MAYORESS AND THE RETIRING DEPUTY MAYOR AND DEPUTY MAYOR' S CONSORT.</p> <p>A vote of thanks to the retiring Mayor and Mayoress and the retiring Deputy Mayor and Deputy Mayor's Consort was moved by Councillor Claire Kober and seconded by Councillor Robert Gorrie.</p> <p>The retiring Mayor was presented with a badge marking his year of office. The Leader also presented the retiring Mayor with a montage of photographs of his year in office.</p> <p>RESOLVED:</p> <p>That the Council extend to the retiring Mayor, Councillor Eddie Griffith, the retiring Mayoress Mrs Hazel Griffith, Deputy Mayor, Councillor Gina Adamou, the retiring Deputy Mayor's Consort Andreas Adamides, its sincere thanks and appreciation for the services they had rendered to the Borough during the past year.</p> <p>The retiring Mayor addressed the Council and presented ex-councillor</p>	

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	Basil Lewis with a certificate commemorating his service to the Borough.	
CNCL08.	<p>TO RECEIVE SUCH COMMUNICATIONS AS THE MAYOR MAY LAY BEFORE THE COUNCIL</p> <p>The Mayor announced that she had chosen to support a number of organisations who work with carers in Haringey and in particular to fundraise for the Haringey Carers Centre and the BME Carers Groups. The Mayor advised that she would be giving further details on the charity and fundraising events on her Mayor's webpage, and making further announcements about fundraising events at a later date.</p>	
CNCL09.	<p>TO AGREE THE APPOINTMENTS PROCEDURE AND TO APPOINT COMMITTEES, SUB-COMMITTEES AND OTHER BODIES FOR THE MUNICIPAL YEAR 2011/12 INCLUDING THE SELECTION OF THE CHAIRS AND VICE CHAIRS AND TO CONFIRM THE NON EXECUTIVE SCHEME OF DELEGATION.</p> <p>The Mayor agreed to the admission of this report as urgent business. Appointments had only recently been finalised at Party Group Meetings and needed approval to permit committees to be convened.</p> <p>Councillor Williams moved an amendment that Councillor Hare be appointed Chair of the Alexandra Palace and park Board. Councillor Whyte seconded.</p> <p>On a vote there being 20 for and 32 against, the amendment was LOST.</p> <p>Councillor Reece moved a further amendment that Councillor Schmitz be appointed Chair of the Regulatory Committee. Councillor Whyte seconded.</p> <p>On a vote there being 20 for and 32 against, the amendment was LOST.</p> <p>Councillor Wilson moved a further amendment that Councillor Winskill be appointed Chair of the Overview and Scrutiny Committee. Councillor Whyte seconded.</p> <p>On a vote there being 21 for and 32 against, the amendment was LOST.</p> <p>In moving the recommendations, Councillor Egan proposed that Councillor Peacock replace Councillor Basu as a member of the Planning Sub-Committee.</p> <p>RESOLVED:</p> <ol style="list-style-type: none"> 1. That the process for appointing to Committees, Sub-Committees and Chairs/Vice Chairs be approved on the "slate" basis prescribed. 2. That the membership of committees, sub-committees and 	

**MINUTES OF THE FULL COUNCIL
MONDAY, 23 MAY 2011**

	<p>appointment of Chairs be agreed as detailed in Appendix 1 of the report subject to an amendment that Councillor Peacock replace Councillor Basu as member of the Planning Sub-Committee.</p> <p>3. That the Scheme of Delegation to Officers, as detailed in the Council's Constitution at Appendix E, be confirmed with respect to non-executive functions.</p>													
<p>CNCL10.</p>	<p>TO MAKE APPOINTMENTS TO OUTSIDE BODIES</p> <p>The Mayor agreed to the admission of this report as urgent business. Appointments had only recently been finalised at Party Group Meetings and needed approval to permit appointments to outside organisations to be made.</p> <p>RESOLVED:</p> <p>That the appointments to outside bodies be approved, as detailed in the Appendix to the report.</p>													
<p>CNCL11.</p>	<p>TO RECEIVE THE REPORT OF THE CHIEF EXECUTIVE, NOTING THE APPOINTMENTS MADE BY THE POLITICAL GROUPS, AND TO TAKE SUCH ACTION AS MAY BE APPROPRIATE</p> <p>The Mayor agreed to the admission of this report as urgent business as it dealt with matters considered at Party Group meetings within the last few days.</p> <p>RESOLVED:</p> <p>That the composition of the following political groups be noted:</p> <p><u>The Labour Group</u></p> <p>Leader: Councillor Claire Kober Deputy Leader: Councillor Lorna Reith Chief Whip: Councillor Pat Egan Chair: Councillor Reg Rice Vice Chair: Councillor George Meehan</p> <p>Secretary: Councillor Gmmh Rahman Khan Assistant Whips: Councillors Sheila Peacock & Councillor Kaushika Amin Group Treasurer Councillor Sheila Peacock Non-Executive Members Councillors Bull, Mallett and Stewart.</p> <p><u>Councillors:</u></p> <table data-bbox="284 1957 1002 2098"> <tr> <td>Adamou</td> <td>Demirci</td> <td>Stennett</td> </tr> <tr> <td>Adje</td> <td>Diakides</td> <td>Strickland</td> </tr> <tr> <td>Basu</td> <td>Dogus</td> <td>Vanier</td> </tr> <tr> <td>Bevan</td> <td>Ejiofor</td> <td>Waters</td> </tr> </table>	Adamou	Demirci	Stennett	Adje	Diakides	Strickland	Basu	Dogus	Vanier	Bevan	Ejiofor	Waters	
Adamou	Demirci	Stennett												
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**MINUTES OF THE FULL COUNCIL
MONDAY, 23 MAY 2011**

	<p>Brabazon Gibson Watson Browne Goldberg Canver Griffith Christophides McNamara Cooke Stanton</p> <p><u>The Liberal Democrat Group</u></p> <p>Leader: Councillor Richard Wilson Deputy Leader: Councillor Jim Jenks Chief Whip: Councillor Monica Whyte Deputy Whip Councillor Katherine Reece Group Chair Councillor David Beacham</p> <p><u>Councillors:</u></p> <p>Alexander Reid Alison Schmitz Bloch Scott Butcher Solomon Engert Strang Erskine Weber Gorrie Williams Hare Winskill Newton</p>	
<p>CNCL12.</p>	<p>TO APPROVE THE COUNCIL CALENDAR FOR THE 2011/12 MUNICIPAL YEAR</p> <p>The Mayor agreed to the admission of this report as urgent business. The draft calendar for the Municipal Year 2011/12 was not available at the time of despatch as it required changes proposed following party group meetings.</p> <p>RESOLVED</p> <p>That the schedule of meetings for 2011/12 be agreed.</p>	
<p>CNCL13.</p>	<p>TO RECEIVE THE REPORT OF THE MONITORING OFFICER AND HEAD OF LEGAL SERVICES</p> <p>RESOLVED</p> <p>That the Acting Head of Legal Services be appointed as the Council's Monitoring Officer with effect from 24 May 2011 until permanent recruitment to the post of Head of Legal Services.</p>	
<p>CNCL14.</p>	<p>TO RECEIVE A STATEMENT OF COUNCILLORS' ATTENDANCE AT MEETINGS OF THE COUNCIL, COMMITTEES AND SUB-COMMITTEES IN ACCORDANCE WITH COUNCIL PROCEDURE RULES.</p> <p>The Mayor agreed to the admission of this report as urgent business.</p>	

**MINUTES OF THE FULL COUNCIL
MONDAY, 23 MAY 2011**

	<p>The statement of attendance was not available at the time of despatch due to the receipt and checking of data for attendances during the Municipal Year 2010/11.</p> <p>RESOLVED:</p> <p>That the statement of members' attendance for 2010/11 be noted.</p>	
<p>CNCL15.</p>	<p>TO NOTE THE END OF MUNICIPAL YEAR FINANCIAL STATEMENT FOR 2010/11.</p> <p>The Mayor agreed to the admission of this report as urgent business. The financial statement was not available at the time of despatch due to the verification of information contained therein.</p> <p>RESOLVED:</p> <p>That the allowances paid to each Member for 2010/11 be noted.</p>	
<p>CNCL16.</p>	<p>TO RECEIVE REPORTS FROM THE FOLLOWING BODIES</p> <p><u>Governance Review Delivery Group Report No 2 – 2010/11</u></p> <p>Councillor Kober moved the recommendations contained in the report subject to amendments at page 55 of the circulated report 8.1 – the time 9.30pm to change to 10.00pm, and page 88 – point 5.1- 1st paragraph – 2nd line , the word agreement be changed to 'consultation'.</p> <p>RESOLVED</p> <ol style="list-style-type: none"> 1. That approval be given to the detailed text changes to the Constitution for implementation of the Governance Review from 23 May 2011 subject to amendments at page 55 of the circulated report paragraph 8.1 – the time 9.30pm to change back to 10.00pm, and page 87/8 paragraph 5.1 - the word "agreement" be changed to "consultation". 2. That approval be given to the established informal Delivery Group of Members to monitor the implementation of the Governance Review throughout 2011/12. 	

COUNCILLOR GINA ADAMOU

Mayor



Haringey Council

**Report of the Governance Review Delivery Group
Council 19 July 2011**

Chair: Councillor Claire Kober

1. Introduction

- 1.1 This report outlines the proposed detailed text changes to the Council's Officer Scheme of Delegation. The proposed changes are to help enable the recently established Corporate Committee to function as intended by the Governance Review with a reduced number of meetings.
- 1.2 The proposals follow previous constitutional amendments adopted by full Council in May 2011.

2. Background

- 2.1 At the Council meeting in January 2011, in regard to the Governance Review the Council resolved to: 'establish an informal Delivery Group of Members, as described in paragraph 5.3.3 of the report and in accordance with Article 15.03(a) of the Constitution, to consider in detail all proposed text changes to the Constitution ... with a view to making recommendations for adoption by full Council.'
- 2.2 Following the establishment of the Corporate Committee members of the Delivery Group asked for consideration of the Scheme of Delegation to ensure that the committee could fulfil the core functions outlined in the constitutional changes agreed by full Council in May 2011.
- 2.3 The changes to the Officer Scheme of Delegation are proposed following consideration of these changes at the Delivery Group meeting on the 13 June 2011 and then further discussion which Delivery Group members held with colleagues on the Corporate Committee.
- 2.4 For information explanations of the proposed changes are provided beneath each change.
- 2.5 The only changes proposed in the report are to section 3 'delegations to the directorate of corporate resources and section 8 'general delegations'.

3. Proposals

- 3.1 The following changes are proposed:

APPENDIX E SECTION 3: DELEGATIONS TO THE DIRECTORATE OF CORPORATE RESOURCES
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Amendments to Non-Statutory Delegations:



Haringey Council

<p>Proposed amendment (Add to Payment of accounts)</p> <p><u>Power to approve the draft Council's Accounts and Accounting Policies by 30 June each year.</u></p> <p>Explanation This is as a result of legislative change brought about by the Accounts and Audit (England) Regulations 2011.</p> <p>The change will mean that rather than the draft statement of accounts going to members for initial approval after they are certified by the Chief Financial Officer in June, members will now be asked to approve the accounts after the findings of the audit are known in September.</p> <p>This will mean that members are aware of the findings of the audit and as such will ensure that they are better placed to make an informed decision on the statement of accounts. This change has been recommended by professional accountancy and audit organisations.</p>	<p>CFO</p>
<p>Proposed amendment (Add to Payment of accounts)</p> <p><u>Power to approve the draft Pension Fund Accounts by 30 June each year.</u></p> <p>Explanation Please see above</p>	<p>CFO</p>
<p>Proposed amendment (Add to Salaries, Wages, Pensions, Compensations etc)</p> <p><u>Authority to meet pensions fund managers, AVC scheme providers, custodians and other specialist external advisors on a regular basis for the purposes of performance monitoring and reporting findings back to the Corporate Committee on a quarterly basis.</u></p> <p>Explanation The Corporate Committee, in accordance with its terms of reference and Regulation 10 of the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009, has a duty to monitor the performance of the investment managers it appoints and at least once every three months it must review the investments made by any investment manager and any other action that had been taken by the manager in relation to it.</p> <p>However, it is not necessary for these managers to appear directly before the Corporate Committee. It is therefore proposed that the CFO will conduct performance reviews and will report the findings back to the CC for consideration.</p>	<p>CFO</p>
<p>Proposed amendment (Add to Salaries, Wages, Pensions, Compensations etc)</p>	<p>CFO and Chair of CC</p>



Haringey Council

<p><u>Power to agree the admission and terms of admission and of the cessation of other bodies into the Council's Pension Scheme in consultation with the Chair of Corporate Committee.</u></p> <p>[Related additional amendment to Part 3 Section C Paragraph 1 (b)(iii)(D):]</p> <p>(D) — Agreeing the admission and terms of admission of other bodies into the Council's Pension Scheme</p> <p>Explanation This means that rather than all matters of admission and/or cessation being referred to Corporate Committee as a matter of course, only those matters that the Chair of CC and the CFO deem necessary will be referred to CC for determination.</p>	
<p>Proposed amendment (change to Salaries, Wages, Pensions, Compensations etc)</p> <p>Power to approve the terms of release of people aged 50 <u>55</u> or over and made redundant or retired early with a claim on the pension scheme provided this is within the limits of the Council policies and the decision applies to officers below Deputy Chief Officer level. This includes decisions on voluntary early retirement, early payment of deferred benefits, waiver of actuarial reductions on compassionate grounds, awards of increased membership on early retirement on efficiency grounds and reductions of contributions after 40 years service. Decisions which are outside Council policies or apply to Chief Officers or Deputy Chief Officers are referred to the General Purposes <u>Corporate</u> Committee.</p> <p>[Related additional amendment to Part 3 Section C Paragraph 2.1 (b)(iii):]</p> <p>(iii) Paragraph H – Pensions; Determining the Council's policies as "Employing Authority" and determining the terms of release of Chief and Deputy Chief Officers aged 50 <u>55</u> or over and made redundant or retired early with a claim on the pension scheme. <u>Exercising all the Council's functions as "Administering Authority" and being responsible for the management and monitoring of the Council's Pension fund and the approval of all relevant policies and statement. This includes:"</u></p> <p>Explanation These amendments are as a result of legislative change increasing the "normal minimum pension age" from 50 to 55 with effect from 6 April 2010, in accordance with s 279 Finance Act 2004.</p>	CFO

SECTION 8: GENERAL DELEGATIONS

Proposed amendment

This authorisation includes power:



Haringey Council

~~To make decisions on expenditure and project implementation under the “Making the Difference” Budget, and in accordance with the wishes of Area Assemblies, subject to an annual limit of £50,000, or agreed increase in this limit, when the officer is appointed as an “Area Liaison Officer”;~~

This authorisation includes the following powers in Personnel Matters:

- ~~• Extensions of service in accordance with agreed procedures, beyond the age of 65~~
- The establishment and deletion of Chief Officer and Deputy Chief Officer or equivalent level posts, the setting of the initial terms of employment including the level of starting salary, and any variation of the duties of such posts, are decisions delegated to the Chief Executive for determination in accordance with the decisions(s) previously made by the Cabinet on the service delivery aspects of a service restructuring. All appointments to such Senior Management posts must be made by an Appointments Panel, in accordance with Part 4, Section K of the Constitution, unless the Monitoring Officer advises a different procedure in any individual case for employment law reasons. The remuneration and other terms and conditions of Senior Management posts are subject to review by the Remuneration Corporate Committee;

Explanation

The removal of the delegation in relation to extensions of service beyond the age of 65 is a result of upcoming legislative change to the Employment Equality (Age) Regulations 2006.

The Default retirement Age ('DRA') of 65 years is presently being phased out and will be abolished from 1 October 2011. This means that from 1 October 2011 all employees reaching the age of 65 will be able to continue working if they choose to do so and the duty to consider requests to work beyond retirement age will no longer apply.

4. Recommendation

4.1 We recommend that members resolve:

- I. To approve the changes to the Officer Scheme of Delegation.

**REPORT OF THE CORPORATE COMMITTEE No. 01/2011-12
COUNCIL 19 JULY 2011**

Chair:
Councillor George Meehan

Deputy Chair:
Councillor Gmmh Rahman Khan

INTRODUCTION

- 1.1 This report to full Council arises from the report entitled "Treasury Management Outturn 2010/11 out-turn and Quarter 1 2011/12 update.

ITEMS FOR NOTING

2.1 Treasury Management Outturn 2010/11 (Appendix 1)

2.1.1 The CIPFA Treasury Management Code of Practice recommends that the report on treasury management 2010/11 outturn (Appendix 1) should be reported to Full Council as best practice. The relevant information relating to the Treasury Management Outturn in 2010/2011 is set out from section 1 to section 19.3 of the attached report.

2.1.2 The Corporate Committee received a report on the treasury management activity and performance in 2010/11. The Council were continuing with the emphasis on utilising cash balances as opposed to external borrowing to contain costs. As a result the investment balances were low and significantly invested in Money Market Funds Clydesdale Bank had been suspended from the Council's lending list following Moody's decision to review it's long term credit rating.

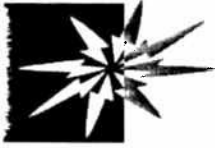
2.1.3 The Committee learned that the Council had now received £11m back from previously invested Icelandic deposits. In April 2011 the Icelandic District court ruled that Local Authority deposits in Landsbanki and Glitnir had priority status but other creditors had challenged this decision. Therefore an Icelandic supreme court hearing was expected in 2011 which would determine the expected rate of recovery of these remaining deposits. It was currently anticipated that if priority status is confirmed, the Glitnir funds would be recovered by the end of 2011 and around 90% of the Landsbanki funds by 2018. It was important to note that the Heritable position would not be affected by the supreme court judgement, as it is being dealt with under a UK administration process with an estimated recovery rate of 80-85% by the end of 2012, with 56% already received.

WE RECOMMEND:

- (i) Treasury Management Outturn 2010/11

That Treasury Management activity and performance during 2010/11 be noted.

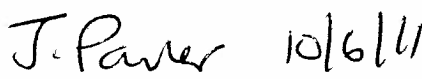
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Haringey Council
Agenda item:

Corporate Committee

On 20 June 2010

Report Title.	Treasury Management 2010/11 out-turn & Quarter 1 2011/12 update	
Report of:	Director of Corporate Resources	
Signed :	 Julie Parker	
Contact Officer :	Nicola Webb, Head of Finance: Treasury & Pensions Telephone 020 8489 3726	
Wards(s) affected: All	Report for: Noting	
1. Purpose of the report		
1.1	To report to members on treasury management activity and performance during 2010/11 in accordance with the CIPFA Treasury Management Code of Practice.	
1.2	To update members on treasury management activity during the first quarter of 2011/12.	
2. Introduction by Cabinet Member		
2.1	Not applicable.	
3. State link(s) with Council Plan Priorities and actions and /or other Strategies:		
3.1	Not applicable.	
4. Recommendation		
4.1	That Members note the Treasury Management activity and performance during 2010/11 and the first quarter of 2011/12.	

<p>5. Reason for recommendation</p> <p>5.1 To ensure members are aware of the Treasury Management activities undertaken during 2010/11 and in the first quarter of 2011/12.</p>
<p>6. Other options considered</p> <p>6.1 None.</p>
<p>7. Summary</p> <p>7.1 This report sets out the Council's Treasury Management activity and performance during 2010/11 as required by the CIPFA Treasury Management Code of Practice. In addition it provides an update on activity in the first two months of 2011/12.</p> <p>7.2 During the year £52m of long term borrowing matured and £47m was borrowed. The difference was financed through use of cash balances. The total borrowing at the end of the year was £630.8m. The cash balances averaged £43m during the year and the average interest earned was 0.61%.</p>
<p>8. Head of Legal Services Comments</p> <p>8.1 The Head of Legal Services has been consulted on the content of this report and comments that its content is within the policy agreed by Council and is consistent with the purposes of Financial Regulations. There are no specific legal implications arising from the content of the report.</p>
<p>9. Equalities & Community Cohesion Comments</p> <p>9.1 There are no equalities issues arising from this report.</p>
<p>10. Consultation</p> <p>10.1 Not applicable.</p>
<p>11. Financial Implications</p> <p>11.1 The total cost of borrowing during 2010/11 was £42.4m and the interest earned was £261k. This contributed to the £2.2m underspend against debt financing costs reported in the out-turn report to Cabinet on 7th June 2011. The underspend arose due to the use of internal cash balances in lieu of borrowing. This report shows that £5m of the loans which matured in 2010/11 were not replaced and a significant proportion of the new borrowing was not taken until the end of the financial year. These actions minimised financing costs.</p>
<p>12. Use of appendices</p> <p>12.1 Appendix 1 – Summary of 2010/11 Treasury Management Activity & Performance Appendix 2 – 2010/11 Prudential Indicators</p>

13. Local Government (Access to Information) Act 1985

13.1 The following background papers were used in the preparation of this report:

- Financial Planning Report for 2010/11 to 2012/13 reported to Council and agreed on 22nd February 2010.
- Reports to General Purposes Committee dated 28th June 2010, 23rd September 2010 and 11th January 2011.

For access to the background papers or any further information please contact Nicola Webb, Head of Finance: Treasury & Pensions, on 0208 489 3726.

14. Background

14.1 The Council's treasury management activity is underpinned by CIPFA's Treasury Management Code of Practice which requires local authorities to produce annually Prudential Indicators and a Treasury Management Strategy Statement on the likely financing and investment activity. The Code also recommends that members are informed of treasury management activities at least twice a year, including a report reviewing the activity of the previous financial year within six months of it ending. These reports enable those tasked with implementing policies and undertaking transactions to demonstrate they have properly fulfilled their responsibilities, and enable those with ultimate responsibility for the treasury management function to scrutinise and assess its effectiveness and compliance with policies and objectives.

15. Economic and treasury portfolio background in 2010/11

15.1 At the time of determining the Treasury Management Strategy Statement for 2010/11 in February 2010, interest rates were expected to remain low in response to the fragile state of the UK economy. The UK Bank Rate had been cut to 0.5% in March 2009 and had remained at this level throughout 2009/10. This continued throughout 2010/11, as the Bank of England tried to balance lacklustre growth and rising inflation.

15.2 This background meant short term investment rates remained only marginally above 0.5% during 2010/11. As part of the Spending Review in October 2010, the interest rates payable on borrowing from the PWLB increased to 1% above the government's cost of borrowing. This was done with immediate effect for all new borrowing increasing all rates by 0.87%. The Council's existing borrowing was unaffected by this.

- 15.3 The position of the treasury portfolio at the end of the financial year compared to the previous financial year end is shown in the table overleaf. This shows that in total the borrowing and investment positions had not changed significantly by the end of the year. However there was activity during the year as can be seen from the movements in the categories and the sections below describe this in relation to both investments and borrowing.

Treasury Portfolio	Position at 31/03/10 £000	Position at 31/03/11 £000
Borrowing		
PWLB Fixed Maturity	490,811	460,806
PWLB Fixed EIP	0	24,000
PWLB Variable EIP	20,000	18,000
Market loans	125,005	125,000
Other Local authorities	0	3,000
Total External Borrowing	635,816	630,806
Investments		
Fixed Term Deposits	6,100	3,400
Call Accounts	17,006	10,400
Money Market Funds	0	14,235
Total Investments	23,106	28,035

16. Long Term Borrowing

- 16.1 The Council's borrowing requirement for 2010/11 was estimated in February 2010 to be £41m. In addition £52m of loans were due to mature during 2010/11 and required re-financing.
- 16.2 The Prudential Code permits the Council the flexibility to bring forward or defer borrowing in relation to its Capital Financing Requirement. During the year the significant differential between debt costs and investment earnings seen in 2009/10 continued. In order to eliminate the high "cost of carry" associated with the higher cost of long term borrowing compared to temporary investment returns (between 0.5% and 1%), the Council continued to use internal resources in lieu of borrowing for the majority of the financial year. By doing so, the Council maintained a low overall treasury risk during the year, however it was recognised that utilising investments in lieu of borrowing clearly had a finite duration and so liquidity was monitored closely throughout the year.

16.3 The PWLB remained the Council's preferred source of borrowing given the transparency and control that its facilities continue to provide. Loans that offered the best value in an interest rate environment with a large differential between short term and long term rates were PWLB medium term Equal Instalments of Principal (EIP) loans and temporary borrowing from the market.

16.4 The movements on the borrowing portfolio during 2010/11 are summarised below:

	Balance at 01/4/10 £000	Maturing loans £000	New Borrowing £000	Balance at 31/3/2010 £000
PWLB Fixed Maturity	490,811	(50,005)	20,000	460,806
PWLB Fixed EIP	0	0	24,000	24,000
PWLB Variable EIP	20,000	(2,000)	0	18,000
Market loans	125,005	(5)	0	125,000
Other Local Authority	0	0	3,000	3,000
Total borrowing	635,816	(52,010)	47,000	630,806

16.5 £20m of PWLB fixed rate maturity borrowing was taken at the end of August 2010 for 50 years when rates reached their lowest level for 3 years. The rate achieved was 3.92%. In February cash balances had dropped to such a level that the Council's liquidity was at risk and so three EIP loans were taken from the PWLB for 6 years at an average rate of 2.97%. In addition £3m was borrowed from another local authority for a period of one year for 1.35%.

16.6 The Council's borrowing costs were £42.4m in total and the average rate payable on the portfolio had fallen to 6.8% by the end of the financial year.

16.7 In all its borrowing activity, the Council complied with the prudential indicators set for 2010/11. All borrowing decisions, including the decision to use internal balances, were taken following advice from the Council's Treasury Management Advisor, Arlingclose Ltd.

16.8 As a result of the planned reform of Council Housing Finance, the Council is expecting a reduction in debt of £242m. The Communities and Local Government Department proposes to settle this by repaying a proportion of each of the Council's PWLB loans. The treasury management implications of this are being reviewed with the Council's treasury management advisers.

17. Investments – activity and performance in 2010/11

17.1 The Council held average cash balances of £43m during the year. The balances represented working cash balances and the Council's reserves. The Council invested these funds in accordance with the Treasury Management Strategy Statement agreed for 2010/11. All investments made during the year complied with the Council's agreed Treasury Management Strategy, Prudential Indicators, Treasury Management Practices and prescribed limits. Maturing investments were repaid to the Council in full and in a timely manner.

17.2 The Council's investment priorities set out in the 2010/11 strategy were:

- 1) Security of the invested capital;
- 2) Liquidity of the invested capital;
- 3) An optimum yield which is commensurate with security and liquidity.

The investments placed by the Council during 2010/11 reflected these priorities.

17.3 Counterparty credit quality was assessed and monitored with reference to credit ratings (the Council's minimum long term counterparty rating of A+ across all three rating agencies – Fitch, Standard & Poors and Moody's); credit default swaps; any potential support mechanisms from the UK government and share price.

17.4 The Council has sought to minimise its security risk by setting limits on each institution on the lending list. The Council has complied with all these limits during 2010/11. In addition officers have sought to spread the deposits across the available institutions to further minimise security risk. The table below shows a breakdown of the Council's deposits on 31st March 2011:

Institution	Long Term Credit Rating	Amount (£k)	% of total deposits
Barclays Bank	AA-	3,400	12.1%
Santander UK	AA-	10,400	37.1%
BlackRock Money Market Fund	AAA	2,150	7.7%
JP Morgan Money Market Fund	AAA	500	1.8%
RBS Money Market Fund	AAA	11,585	41.3%
Total		28,035	

17.5 Throughout 2010/11 credit risk scores have been reported to General Purposes Committee, based on a methodology devised by Arlingclose; the Council's treasury management advisers. The scores show credit risk on a scale of 0 to 10 on both a value weighted and a time weighted basis and the table below demonstrates how to interpret the scores:

Above target	AAA to AA+	Score 0 - 2
Target score	AA to A+	Score 3 - 5
Below target	Below A+	Score over 5

17.6 The scores during 2010/11 are shown below:

	Quarter 1 2010/11	Quarter 2 2010/11	Quarter 3 2010/11	Quarter 4 2010/11
Value weighted	2.3	2.7	2.2	2.3
Time weighted	3.6	4.2	1.9	3.5

17.7 Liquidity has been maintained throughout the year through the extensive use of AAA rated money market funds and the instant access account with Santander UK. These investments offered instant access for a rate of return comparable to that achievable on a one month fixed term deposit.

17.8 The table below shows the Council's deposits at 31st March 2011, the term of each of the deposits and calculates the weighted average maturity of the portfolio. Due to the significant use of instant access investments at present, the weighted average maturity at present is very low.

Institution	Days to maturity	Amount (£k)
Barclays Bank	14	3,400
Santander UK	1	10,400
BlackRock Money Market Fund	1	2,150
JP Morgan Money Market Fund	1	500
RBS Money Market Fund	1	11,585
Weighted Average Maturity	2.6	

17.9 £261k of interest was earned on the Council's investments during 2010/11 at an average rate of 0.61%, 0.11% above the Bank of England base rate.

18. Update on Icelandic deposits

18.1 The administration process for Heritable Bank is being undertaken by Ernst and Young in the UK. Their work is directed by the creditors' committee of which the Council is a member. 56% of Heritable deposits have now been returned – this amounts to £11.2m in the case of the Council. The overall expected recovery rate is still expected to be 80-85%.

18.2 In April 2011 the Icelandic District Court ruled that local authority deposits in Landsbanki and Glitnir have priority status. The other creditors have appealed this decision and the appeal will be heard by the Icelandic Supreme Court during 2011. The expected recovery rate of these deposits depends on the outcome of this appeal. The lawyers appointed on behalf of all local authorities are confident about that the outcome will be in favour of local authorities. If priority status is confirmed, then the expected recovery is 95% for Landsbanki and 100% for Glitnir. However if priority status is overturned then the recovery rates are expected to be 38% for Landsbanki and 29% for Glitnir.

19. Compliance with Prudential Code indicators

- 19.1 The Council set prudential indicators for 2010/11 in February 2010. The set of indicators is made up of those which provided an indication of the likely impact of the planned capital programme and those which are limits set on treasury management activity. Appendix 2 sets out the original indicators, the out-turn position for each of the capital indicators and the final year end position on each of the treasury management limits.
- 19.2 Detailed information about the capital expenditure figures can be found in the out-turn report submitted to Cabinet on 7th June 2011. The incremental impact of capital expenditure indicators are showing much lower levels than originally set. The original indicators showed the total Band D Council Tax and weekly housing rent, rather than only the portion related to capital expenditure not supported by grants.
- 19.3 None of the limits on treasury management have been breached in the year. Borrowing is significantly lower than was anticipated when the limits were set, due to the policy of using internal cash balances to fund the capital programme.

20. 2011/12 quarter 1 update

- 20.1 During the first two months of 2011/12 the cash balances have increased in line with the cashflow forecast. Therefore there has been no need to borrow and the total of the borrowing portfolio remains at £630.8m. The average cash balance in the period was £53.3m and the average interest rate earned was 0.67%.
- 20.2 Moody's placed Clydesdale Bank's long term rating on review for possible downgrade in February and in response to this they were immediately suspended from the lending list. There are no outstanding deposits with this bank. Although the rating of it's parent National Bank of Australia has since been downgraded, Clydesdale remains under review by Moody's. For this reason Clydesdale remain suspended.
- 20.3 The table overleaf shows the outstanding deposits at 31st May 2011. It can be seen that significant use is being made of call accounts and money market funds. These offer instant access with a rate only achievable with a fixed term deposit of 2-3 months.

Institution	Long Term Credit Rating	Period to maturity	Amount (£k)	% of total deposits
Nat West Call Account	A+	1	11,130	22.7
Santander UK Call Account	AA-	1	15,400	31.3
BlackRock Money Market Fund	AAA	1	8,020	16.3
Deutsche Money Market Fund	AAA	1	5,600	11.4
Invesco Money Market Fund	AAA	1	400	0.8
RBS Money Market Fund	AAA	1	8,590	17.5
Total			49,140	

- 20.4 The credit scores for the period were 2.58 on a value weighted basis and 1.75 on a time weighted basis. These scores are particularly low because of the instant access nature of the portfolio and the fact around half of the portfolio is invested in AAA rated money market funds.
- 20.5 During May there was one breach of the lending limits agreed by Council in February 2011. For one day the amount invested in the Deutsche Money Market Fund was £130,000 above the maximum allowable limit. It was identified the next day and immediately rectified. Procedures have been reviewed as a result of this to ensure it does not happen again.

Appendix 1: Summary of 2010/11 Treasury Management Activity and Performance

1. Treasury Portfolio 2010/11

	Quarter 4 £000	Quarter 3 £000	Quarter 2 £000	Quarter 1 £000
Long Term Borrowing PWLB	502,806	480,806	520,806	510,811
Long Term Borrowing Market	125,000	125,005	125,005	125,005
Short Term Borrowing	3,000	0	0	0
Total Borrowing	630,806	605,811	645,811	635,816
Investments	28,035	31,720	67,770	87,934
Icelandic deposits in default	26,989	27,928	28,788	30,030
Total Investments	55,024	59,648	96,558	117,964
Net Borrowing position	575,782	546,163	549,253	517,852

2. Security measure 2010/11

	Quarter 4	Quarter 3	Quarter 2	Quarter 1
Credit score – Value weighted	2.3	2.2	2.7	2.3
Credit score – Time weighted	3.5	1.9	4.2	3.6

3. Liquidity measure 2010/11

	Quarter 4	Quarter 3	Quarter 2	Quarter 1
Weighted average maturity: deposits (days)	2.58	1.0	13.8	41.3
Weighted average maturity: borrowing (years)	23.5	23.8	22.6	21.6

4. Yield measure 2010/11

	Quarter 4	Quarter 3	Quarter 2	Quarter 1
Interest rate earned	0.63%	0.63%	0.54%	0.66%
Interest rate payable	6.63%	6.71%	6.78%	7.00%

Appendix 2: 2010/11 Prudential Indicators

No.	Prudential Indicator	2010/11 Indicator		2010/11 Out- turn
CAPITAL INDICATORS				
1	Capital Expenditure	£169,699k		£154,903k
2	Ratio of financing costs to net revenue stream			
	General Fund	4.67%		5.34%
	HRA	33.39%		32.31%
3	Capital Financing Requirement	£718,766k		£716,449k*
4	Incremental impact of capital investment decisions			
	Band D Council Tax	£1,184.32		£8.22
	Weekly Housing rents	£83.20		£0.01
TREASURY MANAGEMENT LIMITS				
5	Authorised Limit	£900,000k		£653,468k
	Operational Boundary	£875,000k		£653,468k
6	Upper limit – fixed rate exposure	100%		97.1%
	Upper limit – variable rate exposure	40%		2.9%
7	Maturity structure of borrowing (U: upper, L: lower)	L	U	
	under 12 months	0%	25%	8.5%
	12 months and within 2 years	0%	25%	7.3%
	2 years and within 5 years	0%	50%	15.9%
	5 years and within 10 years	0%	75%	17.3%
	Over 10 years	0%	100%	51.1%
8	Sums invested for more than 364 days	£60,000k		£0
9	Adoption of CIPFA Treasury Management Code of Practice	√		√

* This figure is excluding operating leases converted to finance leases under IFRS.

