

MINUTES OF MEETING CABINET HELD ON TUESDAY 14 MARCH 2023, 6.30-7.10PM

PRESENT:

**Councillors: Peray Ahmet (Chair), Mike Hakata, Zena Brabazon,
Dana Carlin, Seema Chandwani, Lucia das Neves, Ruth Gordon,
Adam Jogee and Sarah Williams**

ALSO ATTENDING ONLINE: Councillor Scott Emery

1. FILMING AT MEETINGS

The Chair referred to the notice of filming at meetings and attendees noted this information.

2. APOLOGIES

Apologies for absence were received from Councillor Davies.

3. URGENT BUSINESS

There was one item of exempt urgent business in respect of agenda item 19, which would be considered during discussion of that item.

4. DECLARATIONS OF INTEREST

Councillor Brabazon declared an interest in respect of agenda item 11, as she had purchased an Essential Services Permit to enable her to carry out her work as a Cabinet Member. She made the declaration during the discussion of the item but left the meeting and did not take part in the decision.

5. NOTICE OF INTENTION TO CONDUCT BUSINESS IN PRIVATE, ANY REPRESENTATIONS RECEIVED AND THE RESPONSE TO ANY SUCH REPRESENTATIONS

There were no representations received in respect of the exempt items.

6. MINUTES

RESOLVED

To confirm and sign the minutes of the meeting held on 7 February 2023 as a correct record.

7. DEPUTATIONS/PETITIONS/QUESTIONS

None received.

8. MATTERS REFERRED TO CABINET BY THE OVERVIEW AND SCRUTINY COMMITTEE

None received.

9. HEAT CHARGES AND METERED HEAT CHARGING POLICY

The Cabinet Member for Housing Services, Private Renters and Planning introduced the report which sought approval for Heat and Communal Lighting Charges for 2023/24, the allocation of £300,000 from the Housing Revenue Account 23/24 budget to a Tenant Hardship Fund and to agree the debt management policy and new metered policy and tariff.

In response to questions from Councillor Emery, the following was noted:

- At the moment, all tenants on a District Energy Network were paying a flat rate. The purpose of this report was for resident with meters to be moved onto a metered rate. All residents would see an increase in their bills due to the increase in gas prices, but the amount would depend on their usage. There would be a delay in moving tenants to metered usage between now and July which would allow residents to understand their usage and where charges might be higher than expected, to allow the Council to investigate where improvements could be made to the properties to ensure that they would not be using more heat or hot water than expected.

RESOLVED to

1. Agree the Heat and Communal Lighting Charges for financial year 2023/24 as set out in paragraph 6.18, including the 25% discount in the majority of properties for Heat Charges
2. Agree that the Heat Charges for all properties with meters will switch to metered charges as set out in paragraph 6.49
3. Agree the metered charging policy and tariffs, as set out in Appendix 1
4. Agree the debt management policy and process for metered tenants, as set out in Appendix 2
5. Direct that the new metered policy and tariff will be introduced in July 2023 following a period of engagement with affected tenants
6. Note the support available from the Council and partners to all tenants to help them with the rising cost of living
7. Approve the allocation of £300,000 from the Housing Revenue Account 23/24 Budget to a Tenant Hardship Fund.

8. Delegate to the Director of Placemaking and Housing, after consultation with the s151 Officer (Director of Finance) and the Cabinet Member for Housing Services, Private Renters and Planning, authority to establish the detailed operation of the Tenant Hardship Fund
9. Approve the transfer of £1m from the HRA reserve to the HRA to meet the estimated net financial impact of the proposals in this report, regarding heating and lighting charges and a tenants' hardship fund.

Reasons for decision

Heat charges 23/24

Heat charges for 2023/24 would generally be set to recover the cost to the Council of buying gas to power district energy networks. In light of the very significant rise in the cost of gas, for this financial year the Council will provide a 25% discount.

Communal Lighting Charge

Communal lighting charges for 2023/24 are set to recover the cost to the Council of providing lighting to the communal areas in the blocks. As this service charge is set at a relatively low level and is covered by housing benefit, charges to recover the full cost of providing the service are proposed.

Metered charging policy

Requirements set out in the Heat Network (Metering and Billing) Regulations 2014 ("HNM&B Regs") mean that tenants whose homes are heated by a district energy network and who have a heat meter installed shall be charged for their heat based on consumption, and therefore a new charging policy and tariffs are needed to ensure this.

Debt management policy

The debt management policy is needed to:

- Transparently set out debt management processes to tenants; and
- Ensure that the third party sending out bills and collecting income on behalf of the Council is clear as to Council policy.

Tenant Hardship Fund

The Tenant Hardship Fund is required to assist tenants for whom the rising cost of living is pushing them into arrears.

Alternative options considered

Heat and communal lighting charges 23/24

The Council could have set charges to fully recover costs. This would have meant a more significant cost increase to tenants. The decision not to do so was taken to allow the council to protect these tenants from the full impact of the rise in the cost of gas for 2023/24.

The Council could also have recovered a smaller percentage of costs incurred. This would have meant that tenants' heat charges for 23/24 would have been set lower. The decision to provide a 25% discount was taken to balance protecting tenants on the one hand and prudentially managing the Housing Revenue Account on the other.

The Council considered providing a 25% discount on communal lighting, but it was rejected as this charge is set at a relatively low level, is covered by housing benefit and would have a significant financial impact on the HRA if discounted.

Other options considered included capping all costs at a fixed increase from 2022/23 charges. This was rejected since it would mean that the council was recovering a different percentage of heat charges from different blocks.

Remaining with the current flat rate charge for heat charges is not possible because there is a legal obligation to charge metered customers based on consumption. In addition, in the context of rising heat charges, this allows tenants with a meter to have more control over their heat costs.

10. INCREASED CONSTRUCTION COST, LEALAND ROAD

The Cabinet Member for Housebuilding, Placemaking and Development introduced the report which sought approval to increase the value of previously approved construction contract for Lealand Road, and to increase the client contingency sum.

In response to a question from the Cabinet, it was confirmed that there were three major components to the cost increase – connection to the sewage pipe was further away than originally anticipated, so the cost to connect was higher; diversion of a pipe not picked up by ground surveys; and some additional works to the adapted property.

Further to consideration of exempt information,

RESOLVED to

1. Approve a variation to the **10th June 2021** Contract Sum as set out in the Exempt Report Appendix 2 and to approve the contingency sum set out in the Exempt Report Appendix 2 for NFC Homes Ltd to complete the new build works and provide a total of three new homes at 1A-C Lealand Road. This accords with Contract Standing Order 10.02.01 b) (Cabinet to approve extensions and variations above £500k).
2. Approve the revised total scheme cost set out in the Exempt report Appendix 2.

Reasons for decisions

On 9th July 2019, Cabinet included the plot adjacent to 1 Lealand Road into the Council's housing delivery programme. This scheme subsequently received planning permission on 17 November 2020 and a GLA compliant start on site was made in August 2021 which facilitated the drawdown of the first part of the GLA subsidy for this property.

Unchartered pipes alongside contaminated ground was found on site. This required the area to be decontaminated and the services to be rediverted. The building contractor had submitted a claim for the works and extension of time. Following negotiations with NFC Homes a settlement sum has been agreed.

The works related to the uncharted pipes were unfortunately unforeseeable. Prior to the construction period, a full package of intrusive ground investigations alongside a review on statutory service drawings was conducted on the site. A total of two trial pits and two boreholes were drilled to depths of three and ten meters. Initial samples indicated a small likelihood of pollutants with a remediation strategy put in place to manage these known risks. The sample locations were positioned to provide a general spread across the site.

However, with intrusive ground surveys there are areas where investigations are not carried out with a possibility of further discoveries during the construction period. As such uncharted pipes that were not present within any ground survey or any statutory record drawings were later discovered during the construction stage. This required the identified area to be decontaminated and the pipes to be rediverted.

External groundworks were required to enable the site to be connected to the local drainage. Initial assessments had estimated the connection to be a short distance from site. It has subsequently been identified at a distance of thirty-five meters from site. Further build works on the curtain wall are due to commence for the front entrance of the building. Additional allowance is required to agree and finalise a settlement.

The issue related to the sewage connection unfortunately also fell outside our usual site due diligence. On the vast majority of Council sites, the sewage connections tend to be inside the site boundary and sewage connections have not resulted in additional costs. However, this is a learning experience for the housing delivery team, who are now reviewing their development procedures in relation to this point.

Further adaptation works were completed to meet the needs of the resident awarded the wheelchair unit as specified by the Occupational Therapist. The bespoke adaptations have been costed and assessed by the Council's appointed Employers Agent and confirm the works represent value for money in the current market. This ideally should have been picked up as a specific item in the original contract award but had not been included as this project was procured as the Bespoke Homes Programme was being set up at the same time.

The development procedures are being modified to ensure that costs for the bespoke homes programme are part of our development scheme appraisals and where possible specific adaptations are part of our construction contracts. It is important to note though specific costs and adaptations are not always known at procurement stage and in these scenarios an average cost will be included.

Scaffolding has been erected to allow completion of the brick work on the flank wall, located on the west side of the building. A settlement agreement has been reached with the adjoining owner to provide access onto their land to enable the contractor to complete these works.

The additional elements outlined above are a consequence of further requirements that have surfaced during the construction period and sit outside the contract. These additional elements enable the development to achieve practical completion and have been set out in Appendix 2.

Independent evaluation by the Project Team's Cost Consultant confirms that the new contract price represents value for money and is in line with current market trends.

Alternative options considered

It would be possible to terminate the Contract to develop this site for Council homes. However, this option was rejected as it does not support the Council's commitment to deliver a new generation of Council homes. As the Scheme is already on site the Council will be left with an incomplete building and further additional costs as a result of delays in retendering and completing any remaining works.

The Council could have completed bespoke adaptation works following practical completion. This option was reconsidered following the recent establishment of the bespoke programme to design and adapt properties pre-construction stage. This prevents a void loss period and the need for another contractor to conduct further extensive adaptation works on the new homes post completion.

11. REVIEW OF THE ESSENTIAL SERVICE PERMIT SCHEME

Clerks note: During discussion of the report Councillor Brabazon declared an interest as she had purchased an Essential Services Permit to enable her to carry out her work as a Cabinet Member. She left the meeting for the decision of the item.

The Cabinet Member for Tackling Inequality and Resident Services introduced the report which set out the outcome from the recent review of the Essential Service Permit scheme, and recommended several amendments.

In response to questions from Councillor Emery, the following was noted:

- There was a cap for school permits, and this was based on whether there was an on-site carpark. This would be a long cultural journey, and capping the number of permits would ensure that the process of getting a permit was governed and thought was given to whether permits were actually required.
- Religious groups carry out cross-borough work and therefore it was felt to be fair to keep the subsidised rate for religious leaders.

RESOLVED to

1. Agree, subject to the outcome of formal (traffic order) consultation:
 - (i) the revised Essential Service Permit arrangement for schools, as set out in paragraphs 7.4 to 7.8 of the report,
 - (ii) the revised terms and conditions of use that applies to Council staff in paragraphs 7.2 to 7.3 of the report,
 - (iii) that foster carers shall be able to access the reduced charge (concessionary) ESP scheme.
 - (iv) the change to charges as proposed in Appendix 1.
 - (v) to note that discretionary parking arrangements (outside of the ESP scheme) will continue to apply to police counterterrorism operations.

- (vi) to note that, once statutory consultation has been undertaken, a policy will be developed and presented to Cabinet at a future date setting out the full details of the ESP scheme and how it will be administered.
- (vii) to delegate authority to the Cabinet Member for Tackling Inequality and Resident Services and the Director of Environment and Resident Experience to consider any objections received in response to formal consultation and (subject to their being satisfied that there are no unresolved or pertinent objections) to agree the implementation of the proposed measures.
- (viii) to delegate authority to the Cabinet Member for Tackling Inequality and Resident Services and the Director of Environment and Resident Experience, to expand the restrictions that apply in Wood Green as set out in paragraph 6.6 to 6.9 (subject to statutory consultation) into local roads when the Civic Centre opens as and when needed.

Reasons for decisions

The ESP scheme is important to those who need to use a motorised vehicle to deliver essential services to Haringey residents. There is therefore a need to review the scheme periodically to ensure that those who need to access the scheme can do so.

Foster carers have lobbied for free or subsidised parking. Their role involves taking children to many appointments including medical or court-related or to family contact centres. In many cases, the use of a car is the only way to make those busy lives work. While free parking is not an option to be considered, allowing foster carers to access the ESP scheme would give them the flexibility in parking that they currently need.

There is dissatisfaction with the operation of the scheme by some who currently access the scheme. Schools feel that the current criteria, which favours those delivering the school curriculum, are too restrictive.

Residents are also dissatisfied with the scheme where they feel that ESP parking is creating additional parking pressures in their roads. Robust measures are therefore required to prevent non-essential use of those permits.

This review and recommendations aim to address those issues.

Alternative options considered

Retaining current arrangements was considered. This would fail to address the dissatisfaction with the scheme. It would also prevent foster carers from accessing the scheme.

Consideration was given to excluding schools from the ESP Scheme. Transport is one of the main contributors to poor air quality. The Council's Borough Plan, Transport Strategy and Air Quality Action Plan (AQAP) set out the Council's commitment to improving air quality and taking steps to reduce pollution that is harmful to health.

There are growing concerns about transport-related pollution and its impact on air quality near schools. The Council has implemented 23 School Streets to address the

growing concerns about transport-related air pollution around schools and the impact on children's health. ESPs for schools inevitably contribute to traffic and congestion and the associated impact on air quality.

However, head teachers feel that those permits are crucial to the successful running of their schools, hence the recommendations in paragraph 3.1(i)

Consideration was given to implementing a 2-hour time limit to each ESP parking session. This was considered as a measure to minimise the impact of ESP parking on busy roads and prevent extended or all-day parking. This would not meet the needs of all users, especially those involved in safeguarding.

12. COUNCIL'S CORPORATE INSURANCE ARRANGEMENTS

The Cabinet Member for Finance and Local Investment introduced the report which requested approval to appoint a provider(s) for Motor Fleet Insurance; Property Insurance Services for Commercial Properties; Fidelity Guarantee (Crime) Insurance; provision of the Engineering Inspection Programme; and School Journey Insurance with effect from 1 April 2023, for a period of five years.

Following consideration of exempt information,

RESOLVED

1. To approve the award of the contracts for the provision of the Insurance Services and Engineering Inspections via the ILC, effective from 1 April 2023, for a period of five years to the following providers:
 - Motor Fleet (Lot 1) to Insurer 1 (identified in Exempt Appendix A),
 - Commercial Properties (Lot 2) to Insurer 2 (identified in Exempt Appendix A),
 - Fidelity Guarantee (Crime) Insurance (Lot 3) to Insurer 2 (identified in Exempt Appendix A),
 - Engineering Inspection Programme (Lot 4) to Insurer 1 (identified in Exempt Appendix A),
 - School Journey Insurance (Lot 5) to Insurer 2 (identified in Exempt Appendix A),

Reasons for decision

The current insurance and inspection contracts commenced on 1 April 2018 and were based on a total of five-year agreement. No further extensions are available; therefore, a new procurement process was required. It is necessary to ensure that the new contracts are in place from 1 April 2023, to avoid any gap in insurance cover for the Council.

Alternative options considered

Purchasing stand-alone cover for the Council, using agreed procurement processes. This was not considered appropriate because:

- Haringey Council's membership of the ILC has enabled it to benefit from significant economies of scale in procuring policies for a number of local

- authorities; these economies of scale would not be available if the Council were to opt for a single authority procurement route;
- Membership of the ILC has also allowed the Council to share best practice on insurance and risk management practices, which would not be available on a standalone basis; and
 - The insurance market for local authority risks has historically had a limited number of competitors. Procuring through the ILC has previously increased the number of providers willing to respond and resulted in competitive premium rates.

13. DEVONSHIRE HILL PRIMARY SCHOOL STREET

The Cabinet Member for Climate Action, Environment and Transport (and Deputy Leader of the Council) introduced the report which sought approval to enter into joint arrangements with the London Borough of Enfield to implement a School Street near Devonshire Hill Primary School.

In response to questions from Councillor Emery, the following was noted:

- There were a number of schools in the original School Streets plan which had moved around in priority due to a number of different issues. No streets would be 'demoted' in terms of the plan, and more schools had now been added into the scheme.

RESOLVED to

1. Note all feedback provided through the informal and statutory consultations in Appendix I – Consultation response attached to this report.
2. Approve the making of permanent traffic management orders (TMOs) and the installation of any necessary highway infrastructure and works necessary to give effect to the School Street design set out in Appendix A attached to this report; and note that the TMO shall be made following the completion of the arrangements and agreement referred to in recommendations 3.3 and 3.4.
3. Approve, with the agreement of the Leader, entering into joint arrangements with the London Borough of Enfield for the purposes of making and enforcing TMOs and carrying out highway works on the northern section of the School Street (in Weir Hall Road between its junction with Barclay Road and a point 33m south of that junction) within the London Borough of Enfield.
4. Approve, with the agreement of the Leader, the Council entering into an agreement with the London Borough of Enfield to delegate/transfer the London Borough of Enfield's functions under the Highways Act 1980 and the Road Traffic Regulation Act 1984 to the Council for the purposes of making and enforcing TMOs and carrying out highway works on the northern section of the School Street (in Weir Hall Road between its junction with Barclay Road and a point 33m south of that junction) within the London Borough of Enfield.

5. Delegate to the Assistant Director Direct Services authorisation to (a) approve the terms of the agreement referred to in recommendation 3.4 above and (b) (following completion of the agreement with Enfield and not before the date that the joint arrangements are in effect) to take all steps necessary for the making of the TMO(s).

Reasons for decision

A School Street is recommended in part of Weir Hall Road, adjacent to Devonshire Hill Primary School, for the following reasons:

- To improve the health of children by increasing active travel, reducing road danger and improving air quality near the school gate;
- The school is supportive of the proposal;
- The London Borough of Enfield has proposed a scheme in Bull Lane that may reassign traffic into Weir Hall Road at times when children are arriving or departing this school; and
- The proposals contribute towards the strategic objectives of the Council.

Weir Hall Road straddles the borough boundary and therefore an agreement to exercise the London Borough of Enfield's highway and traffic functions on the part of that road in their borough is required to ensure delivery of a high quality, effective and enforceable School Street near Devonshire Hill Primary School.

Alternative options considered

Do nothing

This option was rejected as not delivering this School Street would be contrary to the objectives set out in the Corporate Delivery Plan, the Transport Strategy, the Climate Change Action Plan and the Walking and Cycling Action Plan.

It is likely that doing nothing would also result in an increase in motor vehicle traffic outside the school as a consequence of a 'bus gate' proposed in Bull Lane by the London Borough of Enfield.

Propose a School Street only to operate within the London Borough Haringey

If the northern entry point into the School Street was positioned at the administrative boundary of the London Borough of Haringey in Weir Hall Road (instead of the junction with Barclay Road, as recommended), this would increase road danger. Such a layout would result in motorists driving up to the start point of the restriction and having no exit route. Those motorists would either make a potentially dangerous U-turn or drive past the signs and receive a penalty charge notice; this would likely result in accusations of entrapment. In view of this, this option is not recommended.

14. 2022/23 FINANCE UPDATE QUARTER 3

The Cabinet Member for Finance and Local Investment introduced the report which set out the budget update for Quarter 3, and sought approval for debt write off over £50k, revenue budget virements and grant receipts.

In response to questions from Councillor Emery, the following was noted:

- The debt write off was in relation to a company which had been very successful but as with a lot of hospitality companies, the pandemic made it very difficult for them to continue to function. The Opportunity Investment Fund was there for high risk investment and to help to grow businesses. It was a well placed loan at the time of providing it.
- Parking income was affected by adverse weather conditions – people didn't use their cars for a few days, and also a decision was taken to not ticket cars which had been clearly left for safety reasons.
- In terms of garden waste, the Council had a responsibility to ensure that service was a full cost recovery. The cost to run the service had increased, therefore the price of the service had to increase.

RESOLVED to

1. Note the forecast total revenue outturn for the General Fund of **£12.8m** comprising £5.6m base budget and £7.2m (35%) savings delivery challenges and note that Directors are developing actions to bring the forecast down before the end of the year. (Section 6, Table 1, Table 2 and Appendices 1 & 3).
2. Note the net DSG forecast of £2.8m overspend. (Section 6 and Appendix 1).
3. Note the net Housing Revenue Account (HRA) forecast is £0.3m over budget. (Section 6 and Appendices 1 and 2).
4. Note the forecast GF and HRA Capital expenditure of **£309.7m** in 2022/23 (including enabling budgets) which equates to **57%** of the revised capital budget (Section 8 and Appendix 4).
5. To note the debt write-offs approved in Quarter 3 2022/23 (Appendix 7a).
6. Approve the recommended over £50k debt write off as set out in Appendix 7b.
7. To approve the revenue budget virements and receipt of grants as set out in Appendix 6.
8. Approve the proposed budget adjustments and virements to the capital programme as set out in Table 3 and Appendices 5 and 6.

Reason for Decision

A strong financial management framework, including oversight by Members and senior management, is an essential part of delivering the council's priorities and statutory duties. This is made more critically important than ever because of the uncertainties surrounding the wider economic outlook.

Alternative Options Considered

The report of the management of the Council's financial resources is a key part of the role of the Director of Finance (Section 151 Officer) in helping members to exercise their role and no other options have therefore been considered.

15. MINUTES OF OTHER BODIES

RESOLVED

To note the minutes of other bodies.

16. SIGNIFICANT AND DELEGATED ACTIONS

RESOLVED

To note the significant and delegated actions.

17. NEW ITEMS OF URGENT BUSINESS

None.

18. EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED

That the press and public be excluded from the meeting for the consideration of agenda items 19 and 20 as they contain exempt information as defined in Section 100a of the Local Government Act 1972, Paragraph 3 – information relating to the financial and business affairs of any particular person (including the authority holding that information); and Paragraph 5 – information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

19. EXEMPT - INCREASED CONSTRUCTION COSTS, LEALAND ROAD

RESOLVED

To approve the exempt recommendations.

20. EXEMPT - COUNCIL'S CORPORATE INSURANCE ARRANGEMENTS

The exempt appendix was noted.

21. NEW ITEMS OF EXEMPT URGENT BUSINESS

None.

CHAIR: Councillor Peray Ahmet

Signed by Chair

Date