
General Purposes Committee

THURSDAY, 29TH JUNE, 2006 at 19:00 HRS - CIVIC CENTRE, HIGH ROAD, WOOD GREEN, LONDON N22 8LE.

MEMBERS: Councillors Griffith (Chair), Adje (Deputy Chair), Dobbie, Patel, Beynon, Bloch, Butcher and Whyte

AGENDA

1. APOLOGIES FOR ABSENCE (IF ANY)

2. URGENT BUSINESS

The Chair will consider the admission of any of any late items of urgent business. (Late items will be considered under the agenda item where they appear. New items will be dealt with at item xx below).

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 judgement of the public interest.

4. DEPUTATIONS/PETITIONS

To receive any deputations and petitions in accordance with Standing Order 37

5. MINUTES (PAGES 1 - 4)

To agree the minutes of the Special General Purposes Committee held on 16 March 2006.

6. END TO END ADAPTATIONS RESTRUCTURE (PAGES 5 - 14)

(Report of the Director of Social Services) To update Members on proposals in relation to an end to end adaptations service.

7. STATEMENT OF ACCOUNTS 2005-6 (TO FOLLOW) (PAGES 15 - 104)

(Report of the Acting Director of Finance) To set out the Council's financial statements for approval.

8. AMMENDMENTS TO THE CONSTITUTION RELATING TO LICENSING (PAGES 105 - 130)

(Report of the Head of Legal Services and Monitoring Officer) To consider amendments to the Constitution already approved by the Licensing Committee on 6 June and to recommend them to full Council for adoption.

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9. DELIVERING THE HR STRATEGY (PAGES 135 - 166)

(Report of the Head of Personnel) To advise committee of the work that HR have been doing to deliver on the HR Strategy.

10. EMPLOYMENT PROFILES ANALYSIS (PAGES 167 - 220)

(Report of the Head of Personnel) To advise the Committee of the key workforce statistics for the last financial year 1 April 2005 to 31 March 2006.

11. REVIEW OF TRADE UNION TIME OFF & FACILITIES ARRANGEMENTS (PAGES 221 - 234)

(Report of the Head of Personnel) This paper seeks to review trade union time off arrangements, facilities arrangements and consultation framework.

12. NEW ITEMS OF URGENT BUSINESS

To consider any items admitted at item 2 above

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**MINUTES OF THE SPECIAL GENERAL PURPOSES COMMITTEE
16 MARCH 2006**

Members: *Cllrs Rice (Chair), *Cllr Jean Brown (Deputy Chair), Patel, Aitken, Bloch, Davidson, *Bull and *Haley

Members present*

GPC83 APOLOGIES FOR ABSENCE (Agenda Item 1)

Apologies were received from Cllr Davidson

GPC84 URGENT BUSINESS

In accordance with Standing Order 32.6, no other business could be considered as this was a Special Meeting. However, members agreed to receive a late despatch in respect of item 4, Amendment to the Constitution re Decision Making in Election Year as this item had been deferred to Groups for further consideration and was also considered at Licensing Committee on 14 March 2006, following receipt of Counsel's opinion, so had not been available at the time of despatch of this agenda.

GPC85 DECLARATIONS OF INTERESTS (Agenda Item 2)

None.

GPC87 MINUTES (Agenda Item 3)

Due to the short timescale between the General Purposes Committee of 2 March and this meeting the minutes had not been available at the time of despatch of the agenda so were tabled for members to consider at this meeting.

RESOLVED:

That the minutes of the General Purposes meeting held on 2 March 2006 be confirmed and signed.

**MINUTES OF THE SPECIAL GENERAL PURPOSES COMMITTEE
16 MARCH 2006**

**GPC88 AMENDMENT TO THE CONSTITUTION RE DECISION MAKING IN
ELECTION YEAR, Report of the Head of Legal Services and Monitoring
Officer (Agenda Item 4)**

The Head of Legal Services' representative introduced this item which had been deferred by General Purposes Committee on 2 March for further consideration by Groups and by Licensing Committee on 14 March, following receipt of Counsel's opinion. The report asked members to recommend to full Council changes to clarify the term of office of the Leader and Executive members and to make adequate provision for emergency procedures in election year.

Members of General Purposes agreed a few minor amendments to the wording of the changes to the Constitution which did not change the meaning of the drafts already circulated with the report but simply made them more 'watertight'. The Legal Services representative would make these small amendments to the Appendices being referred up to full Council on 20 March 2006.

Finally, members noted that political proportionality did not affect Licensing as this was not applied in the Legislation of the 2003 Act.

RECOMMENDED

- 1) That full Council adopt the changes to the term of office of the Leader and Executive members, as set out in Appendix 2 of this report and with the additions proposed by the Deputy-Chair, to have effect as amendments to Part H.1 of the Council's Constitution.
- 2) That full Council adopt the changes to the "Emergency Procedures in Election Year", including the delegated powers to the Chief Executive, set out in Appendix 3 to the report, to have effect as amendments to Part E.7 of the Council's Constitution.
- 3) That full Council adopt the changes to the Terms of Reference of the Licensing Committee, as set out in Appendix 4 to the report with the further changes agreed by Members and noted below, to have effect as amendments to Part E7 of the Council's Constitution.
- 4) That full Council confirm the current appointments of members of the Licensing Committee to extend to the Annual Meeting of the Council on 22 May 2006 subject to the following conditions.
 - The individual members being re-elected as councillors,
 - The Licensing Committee only having power to act for the purpose of determining contested matters that the Licensing Authority is required to decide before the newly appointed licensing bodies are able to meet.
 - Those Licensing Committee members who are re-elected as Councillors would meet to hold any hearings needed and to elect

**MINUTES OF THE SPECIAL GENERAL PURPOSES COMMITTEE
16 MARCH 2006**

a Chair for that meeting only and that the amended terms of reference of the Committee include these points.

GPC89 SMOKING AT WORK, Report of the Head of Personnel (Agenda Item 5)

This report was considered by General Purposes on 2 March but members decided to defer a decision pending considerations by Groups in order that synergy could be achieved with a similar policy for members. The Head of Personnel confirmed that he had not received any comments from Minority Group. Members present were aware of the careful consideration this item had received from Majority Group and the Head of Personnel had been tasked to ensure an adequate implementation plan; taking into consideration awareness, communication, training and working within the Council's culture to enforce the policy for both officers and Members.

RESOLVED

- 1) That support be offered to staff wishing to stop smoking through the health promotion activities planned for 2006/7.
- 2) That revised policy attached as Appendix A to the report be approved.
- 3) That a staff publicity campaign be organised to raise awareness of the above.
- 4) That an implementation plan for both officers and Members be reported back to the first General Purposes Committee of the new Municipal Year.

GPC90 VOTE OF THANKS

Members present offered a vote of thanks to the Chair and officers for their support and professionalism to General Purposes Committee over the last Municipal Year.

The meeting finished at 7pm

**Cllr Reg Rice
Chair**

**MINUTES OF THE SPECIAL GENERAL PURPOSES COMMITTEE
16 MARCH 2006**

General Purposes: Committee
On 29 June 2006

 Report Title: **End to End Adaptations Restructure**

 Report of: **Anne Bristow, Director of Social Services**

Wards(s) affected: ALL

 Report for: **Key Decision**
1. Purpose

1.1 To seek agreement for the changes to the terms and conditions of staff in new End to End Adaptations Service being established in Social Services in response to the Scrutiny Review.

2. Recommendations

- 2.1 That Members note the staffing structure of the new proposed adaptations service in Social Services as outlined in appendix 1.
- 2.2 That Members agree that the previously agreed retention allowance of £1k be assimilated into the salaries of all staff who have an OT qualification.

 Report Authorised by: **Anne Bristow, Director Social Services**

 Contact Officer: **Gary Jefferson, Head of Service Learning Disabilities Ex 1383**
Catherine Cobb, Project Officer Improvement and Performance
Ex 2509
3. Executive Summary

3.1 This report sets out the structure and number of posts required within social services to support a new adaptations service. The new service will perform the following functions:

- Occupational therapy assessments
- Issue of equipment through Haringey Integrated Community Equipment Service (HICES)
- Financial assessment for Disabled Facilities Grant (DFG)
- Capital budget management of the Disabled Facilities Grant (DFG) and public sector adaptations.
- Issue of specifications for minor and major adaptations to 'Homes for Haringey'

4. Reasons for any change in policy or for new policy development (if applicable)

4.1 Following a Scrutiny review of adaptations and a business process re-design of adaptations it was agreed that the service needed to be viewed in a more holistic way within an integrated end to end service, hosted and led within social services. In additional guidance produced by the former ODPM 'Delivering Housing Adaptations for Disabled People: a good practice guidance' also propose this way of working as the most appropriate way forward for the service.

5. Local Government (Access to Information) Act 1985

5.1 Scrutiny Review Adaptations Final report (March 2005)
Occupational Therapy and Adaptations BPR Final Report (March 2005)

5.2 This report is exempt from publication under paragraph 1 of schedule 12a of the Local Government Act 1972, namely: information relating to a particular employee, former employee or applicant to become an employee of, or a particular office holder, former office holder or applicant to become an office holder under the authority.

6. Background

6.1 The future vision for adult social care is outlined in the White Paper: Our Health, Our Care, Our Say. Its underpinning principle is that everyone has a positive contribution to make to society and should have a right to control their own lives. There is an emphasis on services that maintain individual independence and offer greater choice and control to people. Preventative services will be important, linking to the wider well-being agenda with a more flexible approach to creating care packages, using the wider resources of the community.

6.2 A business process re-design project was undertaken in occupational therapy and housing adaptations. It was realised that the end-to-end process from referral to completion of adaptation was fragmented and incorporates a number of teams across three directorates.

6.3 The key teams involved in the whole process are Occupational Therapy, HICES (Haringey Integrated Community Equipment Service), and the Grants Team based in Private Sector Housing Renewal, Housing Adaptations and Medical Assessment. Currently these teams sit across the three directorates of Social Services, Housing and Environmental Services.

6.4 Occupational Therapy receives referrals for assessments from a variety of third party sources and in addition directly from service users. Once the assessment is completed there are four possible outcomes; advice and information, the issue of equipment through HICES, the request for a minor adaptation either through OT or housing adaptations, the request for a major adaptation either through housing adaptations or the grants team.

- 6.5 The Grants team are responsible for administering the DFG Grant. The grant is available to those in private sector properties who require a major adaptation; these are adaptations costing more than £500. Occupational Therapy pass the requirement of the client to the grants and regeneration team in environmental services to await allocation to an environmental health officer, who will then carry out a financial assessment on the eligibility of the client.
- 6.6 Housing adaptations are responsible for all major and minor adaptations in council properties and a small number of minor adaptations in private properties which are subsequently re-charged to social services. The team is comprised of surveyors and operatives and a partnering contract is in place for major adaptation works.
- 6.7 If Occupational Therapy have referred a client to housing adaptations for a major adaptation and it will cost more than £25,000 they are referred to the medical assessments team for re-housing. A suitable property will then be identified through the voids team and the housing officer of the tenant.
- 6.8 The overarching aim of the restructure is to improve the end to end process time for users. From the first point of contact with the council to completion and sign off of adaptation within 164 days.

7. Description

- 7.1 The new service is intended to provide a seamless and holistic service through first contact, assessment, prescription of need, delivery of equipment and through to allocation and management of the disabilities facilities grant.
- 7.2 As such, it needs a staffing structure that is able to provide an appropriate and effective service to local residents through a strategic understanding of needs analysis and resource allocation.
- 7.3 The service needs to be able to move away from a simple OT service to one that through increased management capability is able to ensure all the relevant departments work together and that there are robust plans and working arrangements in place to support this.
- 7.4 Appendix 1 shows the new proposed structure and Appendix 2 the costings.

The new service is made up of 3 parts;

- Intake team dealing with initial referrals
- Adaptation team dealing with longer-term work, and adaptations.
- Integrated equipment store

Head of Service – the post-holder will be required to:
Provide the strategic vision to move the service on.
Be able to manage complex contracts and commissioning arrangements.
Manage all aspects of the operational service.

The revised job description has been graded at PO8 and as there will be sufficient team and practice managers in place, then the requirements to have an OT qualification has been removed.

It is proposed to offer interviews through an open ring fence of the two team managers currently in place. (The third team manager has recently announced her wish to retire). If these post holders are unsuccessful both post holders will be asked to choose between the new posts of Team manager Intake or Adaptations. Recruitment will then need to take place to the new Head of Service post.

Team manager – there is very little change to the present job description apart from the addition to manage the HICES service.

If any of the present post-holders are successful in the interviews for the Head of Service then recruitment will need to take place to the new vacant post.,

Practice manager – it is proposed that the present practice managers are settled into the new posts and that recruitment to the vacant half post takes place. There is additional responsibility to the new full time third post of leading on the management of the HICE's service.

Occupational Therapy – At present there are 10 OT's in post and a number of posts covered by agency staff. As the new structure propose 10 OT FTE there are no redundancy implications.

In addition it is proposed that the retention allowance of £1000.00, which was given to all qualified OT's three years ago is assimilated into salaries. This has clearly been successful as we have had a great deal of success in recruitment.

Technical Grants Officer posts – There are two posts proposed in the new structure and it is proposed that these posts are transferred from Environmental services. At present there are 8 people who would be in an open ring fence for these posts. The Job Description has been amended to reflect broader role around Income and benefit maximisation and re-graded at SO1. Investment in staff training will be required in this area.

Haringey Integrated Community Equipment Service – This service is managed through a section 31 pooled fund agreement between the local Authority and Teaching Primary Care Trust. It is now proposed to establish a staffing structure of manager, driver /fitters and customer care officers.

Administrative/Customer care staff – It is proposed that the administration and customer care function across the whole of the new service is managed by an administrative manager who is accountable to the new Head of Service. It is also proposed that the grades for staff are on a range of Scale 4 to 6 to provide some form of career progression.

Homes for Haringey adaptations service – It is proposed to TUPE transfer over one surveyor presently employed in Environmental Services.

8. Consultation

- 8.1 Consultation has been ongoing and will continue with staff. A number of changes in these proposals have followed from the consultation.

9. Summary and Conclusions

- 9.1 The new structure that is proposed follows extensive review of all aspects of service provision and will enable the council as a whole to provide an appropriate and more cost effective service to local residents.

10. Recommendations

- 10.1 That Members agree the new structure for an Adaptation Service as outlined in Appendix 1.

11. A. Comments of Head of Legal Services

- 11.1 The proposals contained in this report are intended to facilitate the discharge of the Council's duties, in its dual roles as both a social services authority and a housing authority. As a social services authority the Council has a duty, under S.2(1)(e) of the Chronically Sick and Disabled Persons Act 1970, to assist in arranging works of adaptation and to provide equipment, once an assessment has concluded that it is necessary for this service to be provided. As a housing authority the Council has a duty, under the 1996 Housing Grants legislation, to provide (subject to a means test) disabled facilities grant for such works and for the installation of some major items of equipment such as stair lifts. Government guidance on "community equipment services" introduced in 2001 (so that both NHS and social services equipment could be accessed at a single point) laid down criteria which each integrated community service must meet, and made plain that the provision of some forms of equipment can be seen as a joint social services/NHS responsibility. Similarly, some forms of equipment can be viewed as a joint social services/housing authority responsibility.

- 11.2 The report indicates that the procedures for dealing with the staffing changes resulting from the restructuring exercise comply with the Council's policies and procedures regarding organisational change. Application of those policies, including the consultation made necessary by the changes envisaged, will ensure that the Council's duties as an employer are met. It is understood that the transfer of the surveyor referred to at the last point of Section 7 of the report involves the transfer of a specific function to Homes for Haringey to which that member of staff is assigned.. Consequently the transfer will come under the provisions of the new TUPE regulations, which came into force in April 2006. Consultation with both the member of staff and representatives of appropriate trade unions will be necessary in relation to this proposed transfer

B. Comments of the Director of Finance

The Director of Finance has been consulted in the preparation of this report and makes the following comments.

- 11.3 The cost of the proposed new structure in a full year is estimated to be £1,285k and will be funded as follows:

	2006/07 £000
Haringey Integrated Community Equipment Store (Joint funded with Haringey TPCT)	179
Social Services existing salaries budgets for Occupational Therapy Teams	952
Contribution from capital programme for adaptations	154
Total funding for structure	1,285

- 11.4 The Council's approved capital budget for adaptations in 2006-07 is £2.593m of which £0.240m is in respect of specific commitments that are anticipated to be completed in this financial year. The capital programme for adaptations is summarised as follows:

	2006/07 £m
Council Stock Adaptations	1.453
Private Sector Adaptations and repairs	0.900
Private Sector renovations prior years contractual commitments	0.240
Total capital funding for adaptations	2.593

- 11.5 The capital programme includes a contribution to employee costs of £250k (£154k to fund the new end to service as set out above and £96k to Homes for Haringey through the agreed fee structure for the work). The funding available for new works across both the private and council sectors in 2006/07 is £2.1m.

- 11.6 It is anticipated that the new head of service will be the budget holder for the capital programme and will be required to control expenditure within the capital budget. Expenditure on adaptations will be monitored separately as part of the monthly budget management process.

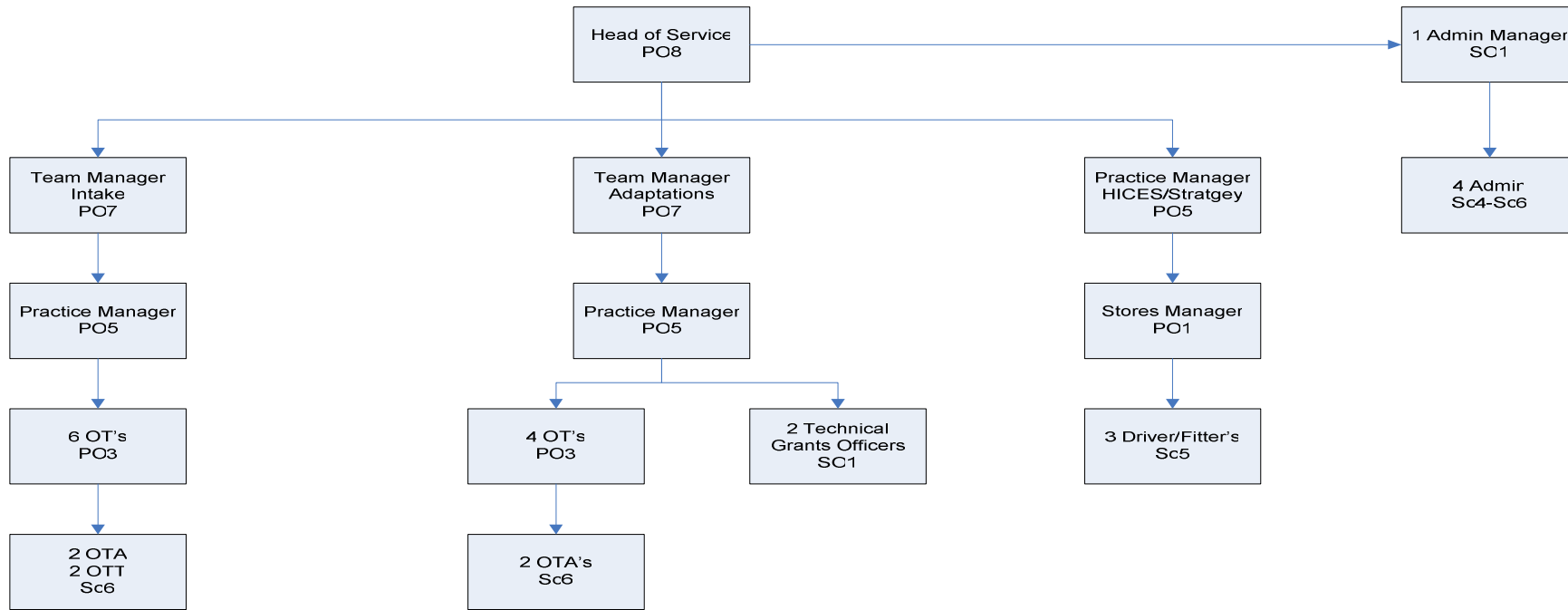
12. Equalities Implications

- 12.1 All equalities consideration have been taken into account throughout this process. No member of staff will lose a job but some jobs will change and some working practices will change. These changes will improve services for some of the most disadvantaged and deprived people in our community. We will continue to carry out equalities monitoring of this change process all interviews and selection process will be monitored.

13. Use of Appendices / Tables / Photographs

- 13.1 Appendix 1 – New proposed structure
13.2 Appendix 2 - Costings

Appendix 1 - Proposed Team Structure for Adaptations Team



Appendix 2

Costings for Proposed Team Structure

NOTE

The salary costs are based on employee being in the Pension Scheme (the most expensive option)

The salary cost are also based on the mid-spine point except for the OT s which are at SP 41 (1 above mid-point)

Please note the additional £1,000 for OT s represents an additional £14,000

POST	GRADE	SPINE POINT	SALARY	QUALIFIED	FTE	TOTAL COST
HEAD OF SERVICE	PO8	Mid	£61,943		1	£61,943
TEAM MANAGER INTAKE	PO7	Mid	£56,661	£1,000	1	£57,661
PRACTICE MANAGER	PO5	Mid	£49,638	£1,000	1	£50,638
OT	PO3	41	£44,078	£1,000	6	£270,468
OTT	SC6	Mid	£29,830		2	£59,660
OTA	SC6	Mid	£29,830		2	£59,660
TEAM MANAGER ADAPTATIONS	PO7	Mid	£56,661	£1,000	1	£57,661
PRACTICE MANAGER	PO5	Mid	£49,638	£1,000	1	£50,638
OT	PO3	41	£44,078	£1,000	4	£180,312
TECHNICAL GRANTS OFFICERS	SO1	Mid	£32,919		2	£65,838
OTA	SC6	Mid	£29,830		2	£59,660
PRACTICE MANAGER / HICES	P05	Mid	£49,638		1	£49,638
STORES MANAGER	PO1	Mid	£37,535		1	£37,535
DRIVER FITTER	SC5	Mid	£27,250		3	£81,750
ADMIN MANAGER	SO1	Mid	£32,919		1	£32,919
ADMINISTRATORS / COMMUNITY CARE OFFICERS	SC4 - SC6	Mid	£27,250		4	£109,000
TOTAL COST					33	£1,284,981

Funded By:

S51510 EQUIPMENT SALARIES (Section 31 HICES)		£178,700
S51300 OT EAST		£490,000
S51400 OT WEST		£461,900
S51500 SHELTERED HOUSING		£176,000
		<u>£1,306,600</u>
Less 05/06 Re-charges (inflated by 2.5%)		£177,600
		<u>£1,129,000</u>
Add planned re-charges for 06/07		£153,994
DFG FOR TECHNICAL GRANTS STAFF	£65,838	
DFG FOR OT	£44,078	
AIDS AND ADAPTATIONS FOR OT	<u>£44,078</u>	
	<u>£153,994</u>	
Total Funding Available for Salaries		<u>£1,282,994</u>
Deficit / (Surplus)		£1,987

Note : Homes for Haringey have funds of £82,810* to cover the staff for this structure of which they have agreed to 1 surveyor from environment (PO1).

*There is a 12% fee for Homes for Haringey taken from : original DFG budget £800k less the capital re-charges (technical staff and 1 OT)

LONDON BOROUGH OF HARINGEY
STATEMENT OF ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2006

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SECTION 1

INTRODUCTION & REVIEW OF THE YEAR

2005/06

Foreword

Foreword

This document sets out the Financial Statements for Haringey Council, the Council's Pension Fund and Alexandra Park & Palace.

The Authority's responsibilities

The Authority is required to:

- Make arrangements for the proper administration of its financial affairs and to ensure that one of its officers has the responsibility for the administration of those affairs. In Haringey that officer is the Director of Finance.
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- Approve the Statement of Accounts.

Internal Financial Control

The Council recognises its responsibilities to ensure proper financial management and control of its affairs. The Council approves an annual revenue and capital budget and publishes annual accounts, which are approved by the Council and subject to external audit.

The Director of Finance has direct management responsibility for the Internal Audit section, which maintains a regular review of the Council's financial systems and investigates any irregularities that arise. Further information is contained within the Statement on Internal Control.

The Director of Finance's responsibilities

The Director of Finance is responsible for the preparation of the Authority's Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice in Local Authority Accounting in the United Kingdom ('the Code of Practice').

In preparing the Statement of Accounts, the Director of Finance has:

- Selected suitable accounting policies and then applied them consistently;
- Made judgements and estimates that were reasonable and prudent;
- Complied with the Code of Practice.

The Director of Finance has also:

- Kept proper accounting records which were up to date;
- Taken reasonable steps for the prevention and detection of fraud and other irregularities.

The Director of Finance should sign and date the Statement of Accounts for the year ended 31 March 2006.

The Statement of Accounts

Statement on Internal Control

This details the processes in place during 2005/06 for ensuring proper financial management and control. It then reviews the effectiveness and raises any major issues that have arisen in the year. (Pages 9 – 12)

Statement of Accounting Policies

An explanation of the basis on which the accounts have been prepared and their compliance with the guidance of the relevant regulatory bodies. (Pages 13 – 16)

Consolidated Revenue Account

This summarises the income and expenditure of all the Council's services, providing a breakdown by service. The Account also shows how the Council's services are funded: the four main sources being specific income, council tax, national non-domestic rates and government grants. (Pages 17 – 25)

Housing Revenue Account

This records the Authority's statutory obligation to account separately for the costs of its landlord role. It shows the major elements of housing revenue expenditure – maintenance, administration and capital financing costs – and how these are met by rents, housing subsidy and other income. (Pages 26 – 28)

Collection Fund

The Council is responsible for collecting council tax and national non-domestic rates, the latter on behalf of the government. The proceeds of the council tax are distributed to two preceptors: the Council itself and the Greater London Authority. The Fund shows the income due from council tax and national non-domestic rates and the application of the proceeds. (Pages 29 – 30)

Consolidated Balance Sheet

This records the Authority's year-end financial position. It shows the balances and reserves at the Authority's disposal and its long-term debt, the net current assets or liabilities, and summarised information on the fixed assets held. It excludes the trust funds and the Pension Fund. (Pages 31 – 41)

Total Movement in Reserves

This details the Council's reserves and how they have moved in the year. (Pages 42 – 44)

Cashflow Statement

This summarises the inflows and outflows of cash arising from transactions with third parties for capital and revenue transactions. (Pages 45 – 48)

Pension Fund Account and Net Assets Statement

The Pension Fund Account shows the contributions to the fund during 2005/06 and the benefits paid from it. The Net Assets Statement sets out the financial position for the Fund as at 31 March 2006. The fund is separately managed by the Council acting as trustee and its accounts are separate from the Council's. (Pages 52 – 57)

Alexandra Park and Palace

Alexandra Park and Palace is registered as a statutory charity, with the Council as the sole trustee. The statements are prepared in accordance with recommended practice for charities. The basis on which the accounts have been prepared have been included by way of Accounting Policies. (Pages 58 – 73)

Review of the Financial Year

The Community Strategy vision was adopted by the Council in 2002. The vision is:

‘To measurably improve the quality of life for the people of Haringey by tackling some of our biggest problems and making it a borough we can all be proud of.’

Our priorities are to:

1. Improve services
2. Narrow the gap between the east and the west of Haringey
3. Create safer communities
4. Improve the environment
5. Raise achievement in education and create opportunities for life long success

This review sets out the Council's financial performance in its principal financial areas:

- The General Fund
- The Housing Revenue Account
- Capital Investment

This commentary is supplemented by a review of the Pension Fund and Alexandra Park and Palace.

The General Fund

The General Fund contains the income and expenditure relating to the services of the Council, other than Council housing. In 2005/06 the Council planned net expenditure of £345.4 million, as set out in the following table.

	Budget	Outturn	Variance
	£'000	£'000	£'000
Children's Services	201,854	206,605	4,751
Housing Services	(3,503)	(3,960)	(457)
Social Services	56,981	58,107	1,126
Environmental Services	49,150	48,303	(847)
Finance Services	13,679	14,304	625
Chief Executive's Services	21,907	21,466	(441)
Services	340,068	344,825	4,757
Non service revenue	3,188	(1,901)	(5,089)
Contributions to/(from) reserves	2,096	0	(2,096)
Total on General Fund	345,352	342,924	(2,428)
General balances 1 April 2005			(10,051)
Collection Fund Deficit			64
General balances 31 March 2006			(12,415)

There is a net service overspend of £4.8 million. If schools are excluded, there is an overall service overspend of £0.89 million. The £3.9 million overspend on schools is funded from the schools earmarked reserve which was £9.6 million as at 31 March 2005.

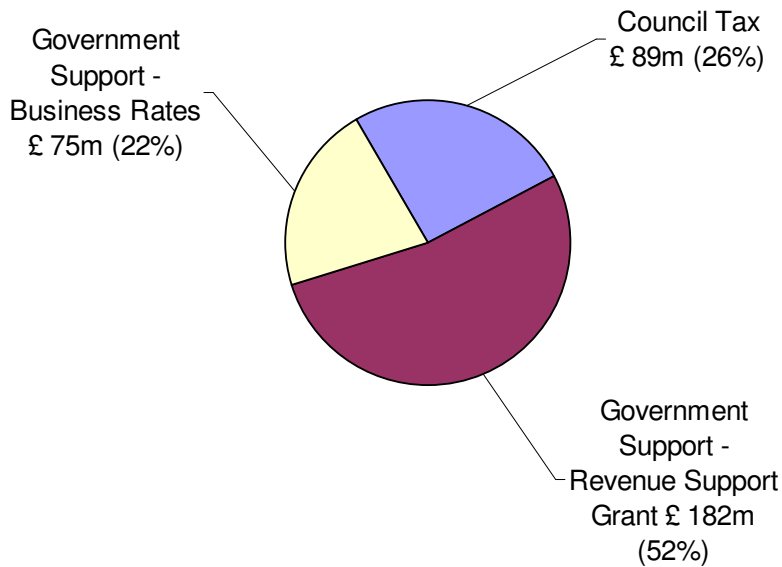
With the exception of schools expenditure all other services spend was broadly in line with expectations. Children services had a £1 million overspend relating to pupil statementing which is being recovered in 2006/07. The homelessness budget continues to underspend and some of this has been moved into reserves to cover the Council against potential future loss of subsidy paid by central government on homeless accommodation.

Overall the General Fund made a surplus of £2.4 million.

Below is a graph showing the revenue funding sources such as Government Grants, NNDR and Council Tax.

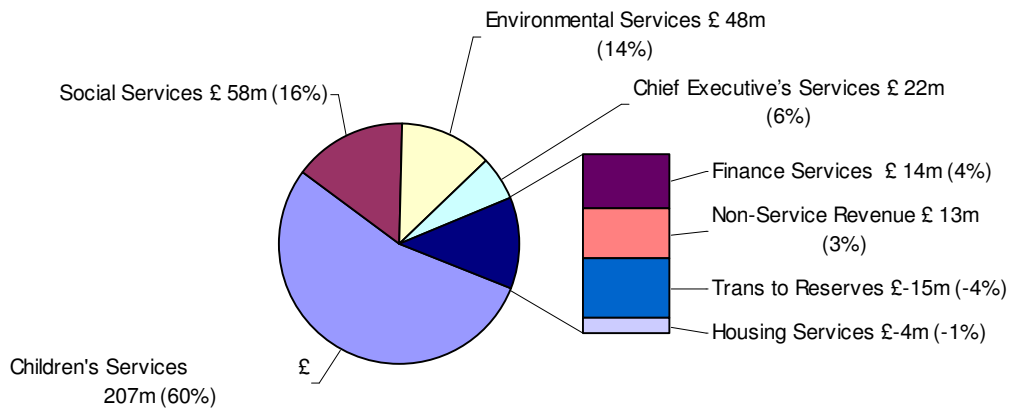
Sources of Revenue Funding 2005/06

Total £ 346 m



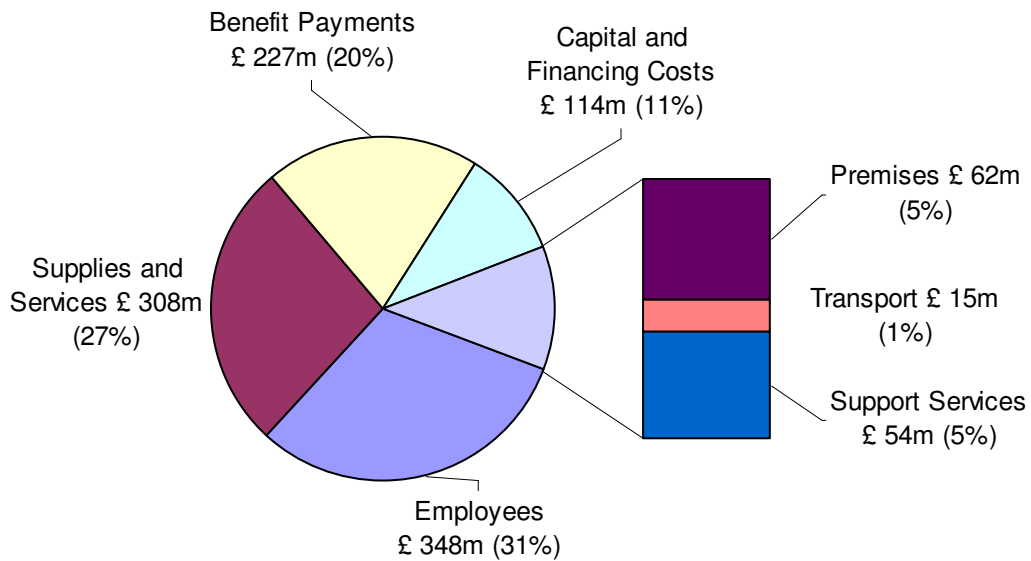
How The Money Was Spent

Total £ 343m



Subjective Analysis of Gross Revenue Expenditure

Total £ 1,128m



The Housing Revenue Account

The Housing Revenue Account is a statement of the income and expenditure on Council housing. The Council is landlord for 16,714 dwellings and the income and expenditure relating to these is ring-fenced, that is the Council is prevented by legislation from subsidising the cost of Council housing from its General Fund.

In 2005/06, the Council spent £119.3 million on its Council housing and had income of £98.2 million. After financing and appropriation adjustments, there was a deficit, of £2.6 million on the account.

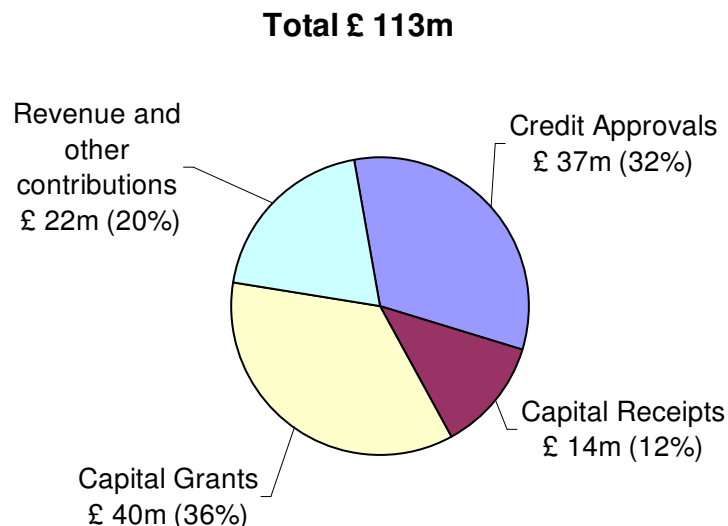
Capital investment

In 2005/06, the Council planned to spend £128 million on capital investment, as shown in the following table. The actual expenditure was £112 million. The total long-term debt of the Council is £587 million, which relates to capital investment in previous years. 60% of this debt relates to Council housing investment.

	Budget	Outturn	Variance
	£'000	£'000	£'000
Children's Services	45,569	39,480	(6,089)
Housing (General Fund and HRA)	29,406	27,977	(1,429)
Social Services	4,721	3,132	(1,589)
Environmental Services	22,631	19,521	(3,110)
Finance Services	5,055	2,652	(2,403)
Chief Executive's Services	20,546	19,381	(1,165)
Total	127,928	112,143	(15,785)

The graph below details how this capital expenditure was financed.

Capital Financing 2005/06



The difference between the capital outturn and the capital financed is capital accruals from 2004/05 which were financed in 2005/06. See note 2 to the Balance Sheet.

The Pension Fund

The Pension Fund is part of the Local Government Pension Scheme. This funds the pensions of Council staff, other than teachers, and receives contributions from members of the scheme and employer bodies. In 2005/06, the fund made payments to pensioners of £22.9 million and received contributions of £34.7 million (£7.9 million from members and £26.8 million from the employers).

The fund is worth £573 million, most of which is invested in the stock market. In 2005/06 the fund increased in value by £119 million following the overall trend in the UK and global stock markets.

Alexandra Park and Palace

Alexandra Park and Palace is a statutory charity whose purpose is to run Alexandra Park and the surrounding area. The Council is the trustee of the charity. The Charity has a subsidiary to run its trading activities. All of the profits of the trading company are passed to the charity.

In 2005/06 the charity had a deficit of £1.8 million on a turnover of £7.5 million. This deficit has been added to the amount that the charity owes the Council. The background to the Council's relationship with the charity is set out in the Alexandra Park and Palace Accounts note 14 Section 5.

Approval of the Accounts

The Accounts and Audit Regulations 2005, require the accounts to be approved by the Council.

DIRECTOR OF FINANCE'S CERTIFICATE

I certify that the accounts set on pages 17 - 48 set out the financial position of the London Borough of Haringey as at 31 March 2006 and its income and expenditure for the year ended and that the accounts on pages 49 - 56 set out the net assets of the London Borough of Haringey Pension Fund as at 31 March 2006 and its income and expenditure for the year then ended.

Andrew Travers, CPFA
Director of Finance

SECTION 2

**INTERNAL CONTROL AND ACCOUNTING
POLICIES**

2005/06

Internal Control and Accounting Policies

Statement on Internal Control 2005/06

1. Scope of responsibility

- 1.1 Haringey is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. Haringey also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 1.2 In discharging this overall responsibility, Haringey is also responsible for ensuring that there is a sound system of internal control which facilitates the effective exercise of Haringey's functions and which includes arrangements for the management of risk.

2. The purpose of the system of internal control

- 2.1 The system of internal control is designed to manage risk to a reasonable level rather than eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise risks to the achievement of Haringey's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.
- 2.2 The system of internal control has been in place at Haringey for the year ended 31st March 2006 and up to the date of the approval of the annual report and accounts.

3. The internal control environment

- 3.1 The key elements of the internal control environment are:

- a) establishing and monitoring the achievement of the authority's objectives

Haringey has well established and documented aims and objectives in order to improve the quality of life for people living and working within the borough and ensure that high quality services are delivered efficiently and effectively. These are set out in the Community Strategy and all the Council's business and financial planning documents reflect these aims and objectives. Delivery of these is through an integrated annual business and financial process, which are subject to full consultation and review by the Overview and Scrutiny Committee, formal adoption by the Cabinet and approval by the Council.

- b) the facilitation of policy and decision making

The Council's Constitution sets out the policy and decision making framework for the authority. The role of the whole Council, the Executive, other committees, Executive members and officers is clearly documented, and there are also protocols governing the relationships between members and officers. This is subject to regular review and updated to reflect functional and organisational changes to the Council.

- c) ensuring compliance with established policies, procedures laws and regulations

The Council Constitution contains the Financial Procedure Rules and Contract Standing Orders, which must be complied with in carrying out all operational functions. Officer Employment Rules and a Monitoring Officer Protocol are also contained within the Constitution.

The Constitution also details the roles of key compliance officers, including the Council's Monitoring Officer and S151 Officer, as well as specific functional responsibilities for the Executive, committees, other bodies and officers.

- d) how risk management is embedded in the activity of the authority

Haringey has a Risk Management Strategy which was updated and approved by the Audit Committee in 2005. The Council continues to work towards embedding risk management into the culture of the organisation. The Council has developed a corporate risk register and all departments and business units have risk registers in place. These risk registers are tested by Internal Audit to ensure that managers are controlling the risks identified. Regular reports are provided to the Audit Committee detailing progress in embedding risk management throughout the Council. Risk management also forms an integral part of the business planning and project management processes.

- e) ensuring the economical, effective and efficient use of resources

The Council is committed to delivering value for money. This is achieved through a variety of mechanisms including a well established business planning process, and a robust performance management system.

There is an approved scheme of delegation in place to ensure that decisions are taken at the most appropriate level.

- f) the financial management of the authority

Financial management is based on a framework of regular management information and review to inform managers and members of the current budget position. This is supported by the finance and contract procedure rules and the scheme of delegation.

Key elements of the financial management system include integrated budgeting and medium term financial planning systems, regular budget monitoring reports to the Executive, systematic review of all key financial control processes, monitoring of key financial and other targets, and formal project management processes.

- g) the performance management of the authority

Haringey has comprehensive and robust performance management systems, which include Business Plans, Service Improvement Plans, Best Value Performance Plans and National and Local Performance Indicators. Performance measurement is undertaken at various levels and is subject to review both internally and externally by the Audit Commission. The Executive receives regular reports highlighting key financial and performance management information, which allows them to effectively monitor compliance with all key policies and Council objectives.

4. Review of effectiveness

- 4.1 Haringey has responsibility for conducting, at least annually, a review of the effectiveness of the system of internal control. This review is informed by the work of the internal auditors and the managers within the authority who have responsibility for the development and maintenance of the internal control environment, and also by comments made by the external auditors and other review agencies and inspectorates.

- 4.2 Under the Comprehensive Performance Assessment Haringey achieved a rating of three stars (out of four), and 76% of best value performance indicators have maintained or improved performance over the year. The Audit Commission, in its 'Direction of Travel' report, stated that the Council is improving well. Specifically in relation to the systems of internal financial control, the Audit Commission concluded that the council has a generally sound framework for managing internal financial control.

- 4.3 The risk management strategy was revised in 2005 and improvements to ensure that the recommendations from external audit and the 2004/05 SIC action plan were incorporated. This is an area which is still developing throughout the council and work will need to continue to ensure that key operational and strategic risks are identified, managed and reported appropriately.
- 4.4 Directors have submitted a statement of assurance covering 2005/06 which is informed by work carried out by internal audit, external assessment and risk management processes. The statements provide assurance that any significant control issues that have been brought to their attention have been dealt with appropriately.
- 4.5 The Head of Audit and Risk Management provided an Annual Audit Report for 2005/06, which concluded that overall there are sound internal financial control systems and corporate governance arrangements in place.

5. Actions to deal with outstanding internal control issues

- 5.1 In 2004/05, a number of actions were reported in the SIC to deal with outstanding control issues. These issues were subject to further review and development during 2005/06 and are included below for continuing action.
- 5.2 The following actions have been agreed to address the outstanding control issues identified as a result of the review of the effectiveness of the system of internal control:
- The Council upgraded its entire IT infrastructure and although the project is expected to deliver a range of benefits to the council, substantial delays and a significant overspend against the planned budget occurred. The Audit Commission undertook an independent review of the project and reported their findings in January 2006. The Council has agreed the conclusions and recommendations and developed an action plan to ensure that these are appropriately addressed.
 - The corporate IT upgrade project identified that the Council needed to revise its project management framework and enhance its monitoring and reporting procedures to ensure that key projects were identified and managed more effectively. Part of the action plan to address the Audit Commission's report includes implementing a revised approach to project management for all projects across the Council during 2006/07.
 - Further work will be undertaken to put adequate arrangements in place to ensure that the business unit, departmental and corporate risk registers are monitored, reviewed and updated on a more systematic and effective basis.
 - Partnership working has been identified as a key development area for the Council. The risk management programme will therefore encompass all key partnerships to ensure that these have been properly identified, appropriate risk assessments are produced and reviewed and that there are effective arrangements in place for risk sharing.

Councillor George Meehan
Leader of the Council

Dr. Ita O'Donovan
Chief Executive

Statement of Accounting Policies

The accounting policies set out below apply to the Financial Statements of the Council and the Pension Fund. The accounting policies of Alexandra Park and Palace are set out on pages 55 - 70.

General Principle

These accounts have been prepared in accordance with the Accounting Code of Practice on Local Authority Accounting in Great Britain (ACOP) and the Best Value Accounting Code of Practice (BVACOP), as published by the Chartered Institute of Public Finance and Accountancy (CIPFA). These codes have been approved as a Statement of Recommended Practice (SORP). The pension fund has been prepared in accordance with the Pensions SORP.

Accruals of Income and Expenditure

In the Revenue Account, income and expenditure are generally accounted for in the year in which they arise on an accruals basis, by the creation of material debtors and creditors, including estimates where appropriate.

Treatment of Debtors

The Council undertakes to recover all outstanding debts. However, where debts prove to be irrecoverable, provisions are made and the debt is written off.

Government Grants and Contributions

Government grants and other contributions are accounted for on an accruals basis. They are shown in the accounting statements when the conditions for their receipt have been complied with and there is reasonable assurance that the grant or contribution is to be received.

Grants and contributions relating to fixed assets are credited to the Government Grants Deferred Account and released to the Asset Management Revenue Account in line with depreciation.

Cost of Support Services

The cost of central departments has been allocated to direct services on a variety of bases, reflecting the work provided by these support services.

Leases and PFI arrangements

Finance Leases – Under the Statement of Standard Accounting Practice (SSAP) 21, assets acquired under finance leases are treated as being in the ownership of the lessee. Therefore the rental payments are charged to the Asset Management Revenue Account and the asset valuation is included within the Authority's fixed assets and depreciated accordingly.

Operating Leases - Rentals payable under operating leases are charged to revenue on an accruals basis and on a straight-line basis.

PFI (Private Finance Initiative) contracts and other long-term contracts are not accounted for on the Council's balance sheet where the risks and rewards of ownership of the relevant assets have been transferred to or are with the contractor.

Basis of Consolidation

The Consolidated Balance Sheet aggregates the balance of each of the Council's separate funds except for Trust Funds and the Pension Fund, for which separate information is provided.

Valuation of Stock

Stocks have been valued at net current replacement value, which is not in accordance with SSAP 9, as the difference between cost and net realisable value is not considered to be material.

Capital Receipts

These arise from the sale of long-term assets and from the repayment of capital advances for home purchases and housing associations. The receipts arising from the sale of General Fund assets are 100% usable by the Council on capital expenditure. For the sale of HRA assets the Local Government and Housing Act 1989 requires these generated from the sale of Council housing to be split between a usable and a reserved element (25%/75%), any receipts generated from the sale of other housing land and buildings are split 50%/50%. As from 1st April 2004 the reserved element is paid over to Central Government. The usable part may be used to finance capital expenditure.

Deferred Capital Receipts

When the Council disposes of long-term assets such as council dwellings and advances a mortgage to the purchaser, the mortgage is shown in the balance sheet as a long-term debt and an equal amount is shown as a deferred capital receipt. The long-term debt and deferred capital receipt are both written down as the principal is repaid by mortgagees.

Fixed Assets

Fixed assets are included in the Balance Sheet on the following basis:

- (a) operational land and properties are valued based on their existing use;
- (b) council housing is valued at market value and then has a social housing percentage applied to arrive at the valuation. In 2005/06 this social housing adjustment has moved from 48% in 2004/05 to 37% in 2005/06. This is set by the office of the deputy Prime Minister (ODPM).
- (c) non-operational assets and investment properties are valued on the basis of their open market value and are classified in line with the 2005 SORP requirements;
- (d) infrastructure assets are included in the Balance Sheet at historical cost basis net of depreciation;
- (e) community assets such as parks are recorded at a nominal value;
- (f) intangible assets are valued at cost.

All valuations are subject to review as part of a five year rolling programme.

The council has a process for identifying impairments that have incurred on fixed assets, e.g. where fire damage has occurred to an asset resulting in a reduced valuation, and have applied this in accordance with Financial Reporting Standard (FRS) 11.

Where assets were purchased by finance leases, the annual rentals are charged to the revenue account. The related liability of future rentals payable is not shown in the accounts. The assets acquired by this facility are valued within fixed assets, where they are still owned by the Council.

Where assets were acquired under deferred purchase arrangements, those assets still held by the Council are recorded at current market values. Principal repayments are recorded in the accounts at the time of payment and financed from capital and revenue sources. A deferred liability is shown in the balance sheet for the amount outstanding on these arrangements.

Deferred Charges

Deferred charges relate to expenditure on assets that do not belong to the Council, for example Improvement Grants. The treatment of these costs is in line with CIPFA's recommendations in that:

- (a) Expenditure charged to the balance sheet is written out to service revenue accounts in the year in which the expenditure is incurred;
- (b) Financing costs for deferred charges are accounted for corporately after net expenditure has been disclosed.
- (c) No asset is shown within the Authority's balance sheet.

Depreciation

Where asset life is short-term, the value of those assets is written out to revenue using the straight-line method over the following periods:

Vehicles Plant & Equipment	5 years
Intangibles	5 years
Infrastructure	30 years
Buildings	20 to 60 years

Depreciation is charged on all assets except non-operational investment assets. Newly acquired assets are not depreciated in the year of acquisition and assets in the course of construction are not depreciated until they are brought into use.

Basis of Charges for the Use of Fixed Assets

Capital Charges are made to users of fixed assets and are calculated on the current valuation of the asset. They comprise a notional interest charge using the following rates: 3.5% for operational assets and 4.95% for infrastructure and community assets.

Minimum Revenue Provision

In accordance with the requirements of the Local Government and Housing Act 1989, the authority has set aside a minimum revenue provision for repayment of debt. In addition the Council has set aside an additional revenue provision to cover a capital determination awarded by the Office of the Deputy Prime Minister (ODPM) in 2004/05 regarding the Alexandra Park and Palace debt.

Provisions

The Council has made a number of provisions for liabilities that are certain to occur, but the timing and amounts are uncertain.

Reserves

Expenditure is charged to revenue and not directly to any reserve. For each reserve established, the purpose, usage and basis of transactions are identified in the notes to the Council's Financial Statements.

Retirement Benefits

The accounts have been produced in accordance with FRS17. The discount rate used in the calculation of FRS17 is the AA corporate bond rate in of 4.9%.

Value Added Tax

VAT is included within the accounts only where it is irrecoverable and where re-imburement of VAT paid is due from Customs and Excise.

Contingencies

Where the Council can estimate with some certainty a contingent loss or gain, it has been included in the financial statements. However, where the cost cannot be accurately estimated, it is detailed by way of a note to the accounts.

Prior Year Adjustments

A prior year adjustment has been made to the fixed assets on the balance sheet in relation to 3 PFI schools that were incorrectly included in the balance sheet for 2004/05.

Associated and Subsidiary Companies (FRS2)

The Council has a financial relationship with a number of companies. Details are contained in the notes to the Council's Financial Statements. The 2005 SORP requires Authorities to produce group accounts where group relationships occur with associated and subsidiary companies.

Post balance sheet events

Events after the balance sheet date are those events, favourable and unfavourable, that occur between the balance sheet date and the date when the financial statements were authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the balance sheet date (adjusting events after the balance sheet date); and
- those that are indicative of conditions that arose after the balance sheet date (non-adjusting events after the balance sheet date)

SECTION 3
THE STATEMENT OF ACCOUNTS
2005/06

Consolidated Revenue Account

This Statement shows the gross expenditure, income and net expenditure analysed by service and also shows how the Council's services are funded: the four main sources being specific income, council tax, national non-domestic rates and government grant.

	Notes	2005/06 Gross Expenditure £'000	2005/06 Gross Income £'000	2005/06 Net Expenditure £'000	2004/05 Net Expenditure £'000
Service					
Education Services	2	266,518	(99,658)	166,860	152,218
Social Services	3	155,438	(63,602)	91,836	84,981
Housing Services	4	255,470	(258,239)	(2,769)	(1,116)
Cultural, Environmental and Planning Services	5	77,574	(38,169)	39,405	34,310
Highways, Roads and Transport Services	6	31,396	(14,087)	17,309	15,838
Central Services	7	135,742	(108,508)	27,234	25,649
Court Services	8	842	(753)	89	125
Total cost of Continuing Services	1-18	922,980	(583,016)	339,964	312,005
Housing Revenue Account (surplus) / deficit	9			3,205	827
Net Cost of Services				343,169	312,832
Levies	14			6,935	6,851
Net Surplus on Trading Activities-HRA	20			(920)	(936)
-General Fund	20			994	388
Transfers from Asset Management Revenue Account	21			5,493	(383)
Contribution of housing capital receipts to Government pool				(17,435)	(32,807)
Interest and Investment Income				(2,410)	(2,428)
Pensions Interest Cost and Return on Assets	15			10,327	6,261
Net Operating Expenditure				346,153	289,778
Surplus/(deficit) transferred to HRA Reserve				(2,576)	(108)
Transfer from usable capital receipts to the contribution to housing pool capital receipts				17,435	32,807
Net transfer to / (from) reserves				(12,706)	9,138
Contribution from Pensions Reserve				(4,634)	(2,184)
Amount to be met from Government Grants and taxpayers				343,671	329,431
Demand on Collection Fund				(89,001)	(82,964)
(Surplus)/Deficit on Collection Fund				64	(52)
Revenue Support Grant				(182,209)	(181,700)
Distribution from National Non-Domestic Rates Pool				(74,889)	(62,888)
Adjustment to previous year General Fund balance				0	(28)
(Surplus) / Deficit for Year				(2,364)	1,799
General Fund Balance brought forward				(10,051)	(11,850)
General Fund Balance carried forward				(12,415)	(10,051)

Notes to Consolidated Revenue Account**1 Consolidated Revenue Account**

The service expenditure headings conform to the 'Best Value Accounting Code of Practice'.

2 Education Services

	2005/06	2004/05
	£'000	£'000
Nursery	2,326	1,250
Primary	80,266	71,017
Secondary	52,492	55,521
Non-School	7,612	1,607
Special Schools	24,164	22,823
Total Expenditure	166,860	152,218

3 Social Services

	2005/06	2004/05
	£'000	£'000
Service Strategy	980	962
Children's Services – Commissioning & Social	9,667	9,727
Children Looked After	15,707	14,243
Family Support Services	2,327	2,255
Youth Justice	1,284	1,088
Other Children's and Families Services	8,160	6,747
Older People incl. Mentally Ill	25,050	21,673
Adults under 65 with Physical Disability	7,196	6,202
Adults under 65 with Learning Disabilities	14,092	13,359
Adults under 65 with Mental Health Needs	5,378	5,329
Asylum Seekers	726	2,373
Other Adult Services	1269	1,103
Support Service and Management Costs	0	(80)
Total Expenditure	91,836	84,981

4 Housing Services

	2005/06	2004/05
	£'000	£'000
Housing Strategy	579	271
Registered Social Landlords	106	80
Housing Advice	601	1,039
Private Sector Housing Renewal	118	576
Homelessness	(5,460)	(2,078)
Housing Benefits Payments	(2,217)	(2,960)
Housing Benefits Administration	1,963	1,788
Contribution to the HRA	1,341	0
Other Council Property	89	49
Supporting People	111	119
Total Expenditure	(2,769)	(1,116)

5 Cultural, Environmental and Planning Services

	2005/06	2004/05
	£'000	£'000
Cultural and Related Services	14,032	12,490
Environmental Services	14,978	15,281
Planning & Development Services	10,395	6,539
Total Expenditure	39,405	34,310

6 Highways, Roads, and Transport Services

	2005/06	2004/05
	£'000	£'000
Transport Planning, Policy and Strategy	0	197
Highways/Roads (Structural)	427	375
Construction Roads/Bridges	10,149	6,485
Highways/Roads (Routine)	384	1,583
Street Lighting	1,585	1,007
Winter Maintenance	0	84
Traffic Management and Road Safety	(111)	267
Parking Services	(761)	639
Public Transport	5,636	5,201
Management & Support Services		
Total Expenditure	17,309	15,838

7 Central Services

	2005/06	2004/05
	£'000	£'000
Corporate and Democratic Core Costs (CDC)	15,531	13,455
Central Services to the Public	8,899	9,439
Non Distributed Costs (NDC)	2,804	2,755
Total Expenditure	27,234	25,649

8 Court Services

	2005/06	2004/05
	£'000	£'000
Coroners' Court Services	89	125
Total Expenditure	89	125

9 Reconciliation to HRA Statement

	2005/06	2004/05
	£'000	£'000
Net (Surplus)/Deficit on Trading Activities - HRA	3,205	827
Net (Surplus)/Deficit on HRA excluding Trading Activities	(920)	(936)
Total (Surplus)/Deficit on HRA	2,285	(109)
Contribution from Pensions Reserve	292	217
Revised total (Surplus)/Deficit on HRA	2,577	108

10 Publicity

A breakdown of expenditure on publicity is required by Section 5 of the Local Government Act 1986.

	2005/06	2004/05
	£'000	£'000
Staff Recruitment	977	1,105
Communications Unit	848	1,110
Other Expenditure	1,814	119
Total Expenditure	3,639	3,334

The 2004/05 figures have been restated due to an error in the original figures.

11 Income and Expenditure under the Goods and Services Act 1970

Section 1 of the above Act authorises local authorities to supply goods and services to other public bodies. The table below summarises the surplus or (deficit) for 2005/06.

	2005/06	2004/05
	£'000	£'000
College of NE London	0	67
Other London Boroughs	329	265
Other Local Authorities	12	9
Others	39	62
Grand Total	380	403

12 Audit Commission Fees

The table below details the actual amounts paid to the Audit Commission in respect of the Council's external auditor's fees. The fees are those paid in the year regardless of the year-end date of the financial statements to which that work relates.

	2005/06	2004/05
	£'000	£'000
Statutory Inspection	89	63
Audit Fee	447	527
Grant Claims Audit	163	250
Other Audit Work	25	12
Total	724	852

13 Building Control Trading Account

The Local Authority Building Control Regulations require the disclosure of information on the setting of charges for building control. Certain activities within building control cannot be charged for, such as providing general advice and liaising with other statutory authorities. The statement below shows the total cost of operating the building control function divided between chargeable and non-chargeable activities. The trading account is required to break even on its chargeable activities over a three year rolling period.

These figures are included within the Cultural, Environmental and Transport Services line of the CRA.

	2005/06		
	Chargeable	Non	Total
	£'000	Chargeable	£'000
		£'000	£'000
Expenditure			
Employees	523	224	747
Transport	14	6	20
Supplies	16	7	23
Support Costs	139	60	199
Other	0	29	29
Total Expenditure	692	326	1,018
Total Income	(693)	(0)	(693)
Net (Surplus) /Deficit 2005/06	(1)	326	325
Net (Surplus) /Deficit 2004/05	24	323	347
Net (Surplus)/Deficit 2003/04	(73)	292	219
3 year Total	(50)		

14 Levies

The table below details the amounts paid to levying bodies.

	2005/06	2004/05
	£'000	£'000
London Pensions Fund Authority	224	214
North London Waste Authority	5,510	4,999
Lee Valley	242	226
Environment Agency	154	139
Greater London Magistrates Court	0	464
ALG Grants Committee	805	809
Total	6,935	6,851

15 Pension Costs**Teachers**

Teachers employed by the authority are members of the Teachers' Pension Scheme, administered by the Teachers' Pensions Agency. It provides teachers with defined benefits upon their retirement, and the authority contributes towards the costs by making contributions based on a percentage of members' pensionable salaries.

In 2005/06 the Council paid £7,160,684 (2004/05 £7,842,184) to the Department for Education and Skills in respect of teachers' pension costs which represent 13.5% of teachers' pensionable pay. The Council is responsible for all pension payments relating to added years it has awarded, together with the related increases, amounting to £67,304 in 2005/06 (2004/05 £67,229) equivalent to 0.13% of pensionable pay.

Other Employees

The Council's Pension Fund provides members with defined benefits related to pay and service. The Financial Statements of the Pension Fund are set out in Section 4 of this document.

The Council's contribution rate is determined by the Fund's Actuary based on triennial actuarial valuations, the last review being at 31st March 2006. Following this valuation, the Council increased its contribution rate from 18.0% in 2004/05 to 19.6% in 2005/06. Further increases to 21.2% in 2006/07 and 22.9% in 2007/08 are planned, in accordance with the actuaries' recommendations. As part of the Council's budget process funding has been included for these stepped increases.

As part of the terms and conditions of employment of its officers and other employees, the authority offers retirement benefits. Although these benefits will not actually be payable until employees retire, the authority has a commitment to make the payments that need to be disclosed at the time that employees earn their future entitlement.

In 2005/06 the Consolidated Revenue Account (CRA) includes the pension fund costs in line with FRS17. We recognise the cost of retirement benefits in the Net Cost of Services when they are actually earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge we are required to make against council tax is based on the cash payable in the year, so the real cost of retirement benefits is reversed out of the CRA after Net Operating Expenditure. The following transactions have been made in the CRA during the year.

	Pension Scheme	
	Year to 31 March 2006 £'000	Year to 31 March 2005 £'000
Net Cost of Services:		
Current service cost	(20,591)	(17,743)
Past service costs/curtailments	(489)	(922)
Net Operating Expenditure:		
Interest cost	(40,201)	(33,039)
Expected return on assets in the scheme	29,874	26,778
Net Return on Assets	(10,327)	(6,261)
Amounts to be met from Government Grants and Local Taxation:		
Movement in pensions reserve	4,634	2,184
Actual amount charged against council tax for pensions in the year:		
Employers' contributions payable to scheme	(24,907)	(22,089)

The Council's Pension Fund is a funded scheme, meaning that the authority and employees pay contributions into a fund, calculated at a level intended to balance the pension liabilities with investment assets.

16 Statement of employees' salaries

The number of employees paid more than £50,000 is detailed below.

Salary range (£)	Staff numbers		Left in Year	
	05/06	04/05	05/06	04/05
50 – 59,999	117	102	12	5
60 – 69,999	37	31	3	3
70 – 79,999	15	9	1	0
80 – 89,999	4	5	0	0
90 – 99,999	4	1	1	0
100-109,999	2	1	0	0
110-119,999	0	0	0	0
120-129,999	1	0	0	0
130-139,999	0	0	0	0
140-149,999	0	1	0	0
Totals	180	150	17	8

17 Members allowances

The member allowances for 2005/06 were £884,933 compared to £882,074 in 2004/05. These figures are included in the Central Services line of the CRA.

18 Pooled budget: partnership arrangements under section 31 of the Health Act 1999

The Council has entered into two Partnership agreements under S31 of the Health Act 1999. The first being with the Haringey Teaching Primary Care Trust (HTPCT) and the Barnet, Enfield and Haringey Mental Health Trust, in respect of the provision of services for people with Learning Disabilities. The second, also with the HTPCT is for an Integrated Community Equipment Store. Haringey acts as the host authority for both. The following are statements of the income and expenditure for all pooled budgets for the period 1 April 2005 to 31 March 2006. The overspends within the S31 Pool have been split between the partners and the Council share of deficits have been absorbed within the overall Council finances.

These pooled budgets are included within the Social Services line in the CRA.

2005/06 Statement of Income and Expenditure of the Learning Disabilities Partnership					
	Cash	SP Grant	Partnership Fund	TOTAL 05/06	TOTAL 04/05
	£'000	£'000	£'000	£'000	£'000
Funding					
Client Contributions	1,215	123	0	1,338	1,356
LBH	6,043	0	0	6,043	6,288
LDDF	0	0	218	218	101
HPCT	0	0	1,388	1,388	1,320
MHT	0	0	92	92	88
Total Funding	7,258	123	1,698	9,079	9,153
Services Provided					
Management and assessment	3,132	0	0	3,132	3,156
Day Opportunities	3,563	0	0	3,563	3,604
Talbot Road Hostel	532	0	0	532	551
Linden Residential Home	359	0	0	359	308
Whitehall Residential Home	423	0	0	423	461
Mulberry House	427	0	0	427	293
Edwards Drive	477	0	0	477	304
Adult Care	180	0	0	180	310
Community Support	318	0	0	318	262
Total Expenditure	9,411	0	0	9,411	9,249
Net (Underspend)/Overspend				332	96

2005/06 Statement of Income and Expenditure of the Physical Disabilities Partnership					
	Cash	Staff	Partnership Fund	TOTAL 05/06	TOTAL 04/05
	£'000	£'000	£'000	£'000	£'000
Gross Funding					
LBH	108	0	0	108	78
HPCT		0	129	129	91
Total Funding	108	0	129	237	170
Expenditure					
Physical Disabilities OT Stores	313	0	0	313	201
Total Expenditure	313	0	0	313	201
Net (Underspend)/Overspend				76	31

19 Long Term Contracts and Operating leases

In October 2000, the Council entered into a Private Finance Initiative (PFI) contract to refurbish and expand its eight community secondary schools. In the 2005/06 financial statements, the consolidated revenue account includes payments of £9.6 million (£9.3 million in 2004/05) to the PFI provider, the receipt of a government grant of £5.7 million (£6.9 million in 2004/05) to support the project and a transfer of £1.5 million (£0.3 million in 2004/05) to the PFI reserve.

The Council made a prepayment of £15 million in 2003/04 in order to reduce annual costs to be released over the following 22 years. £0.68 million was released in 2005/06. The contract is for 25 years, that is until 2025 and the estimated annual payment for a full service year is £9.9 million.

Operating Leases

Vehicles, Plant and Equipment - The Authority enters into operating lease agreements to acquire the use of plant, vehicles, equipment and computers. In 2005/06 £306,206 was charged to revenue for these leases (£600,111 in 2004/05). The outstanding rental commitments on these leases is £104,118 (£270,896 in 2004/05). The ownership of the assets purchased under these agreements does not pass to the Council and they are excluded from fixed asset valuations. Included in these figures are leased vehicles used by Haringey Accord, in the provision of Environmental services, the costs totalling £188,783, are recharged to Haringey Accord.

A new 4 year operating lease for £434,222 worth of gym equipment was drawn down on 31st March 2006. This will increase outstanding commitments for future years by £104,396.

Authority as Lessor - The Council owns a number of commercial properties which it leases out to third parties. In 2005/06 £3.835 million was received in rent for these properties (£3.818 million in 2004/05). The value of these assets on the balance sheet is £48.729 million.

Finance Leases

Vehicles, Plant and Equipment - The outstanding commitment in respect of old finance leases is £550,504 as at 31 March 2006 (£38,854 in 2004/05). Land and Buildings - The Council renewed a 20-year property lease of an administration building which has a net present value of £2.843m, which is included in the Authority's fixed assets. No rental is due on this lease until 2006/07 when the full year's rental will be £350,000.

20 Trading activities

The trading activities of the Council are detailed below:

Trading Activity	Expenditure £'000	Income £'000	(Surplus)/Deficit	(Surplus)/Deficit
			2005/06 £'000	2004/05 £'000
Industrial Estates	4,968	(4,314)	654	419
Markets	105	(105)	0	2
School & Welfare Catering	5,441	(5,421)	20	118
Legal Services	5,790	(5,470)	320	(151)
General Fund Trading Account	16,303	(15,310)	994	388
Building Maintenance	31,654	(32,218)	(564)	(1,061)
Construction Related Services	7,305	(7,661)	(356)	125
HRA Trading Account	38,959	(39,879)	(920)	(936)
Total	55,263	(55,189)	74	(548)

21 Asset Management Revenue Account

The purpose of this account is to ensure that the non cash accounting transactions for capital and fixed assets are eliminated and do not impact on the level of council tax or housing rents. The capital charges are compared with the real cost, with the net difference being credited or debited to the Consolidated Revenue Account.

	2005/06 £'000	2004/05 £'000
Income		
Housing Revenue Account	(30,621)	(30,087)
Non-Housing	(16,505)	(20,997)
Release of government grants	(2,707)	(1,920)
Council dwellings depreciation	(13,522)	(13,601)
Expenditure		
Housing Revenue Account interest	305	363
Depreciation	25,042	24,113
Interest	43,468	41,711
Finance leases	33	35
Net Difference to Consolidated Revenue Account	5,493	(383)

Housing Revenue Account

This shows the major elements of housing revenue expenditure and income.

	Notes	2005/06 £'000	2004/05 £'000
Income:			
Rent from Dwellings		58,927	57,477
Rent from Other Properties		2,200	1,627
Rent	1	61,127	59,105
Charges for Services and Facilities		11,977	9,925
Supporting People Grant		2,550	2,540
Housing Revenue Account Subsidy receivable	2	22,575	25,051
Grant		25,125	27,591
Total income		98,229	96,621
Expenditure:			
Repairs and Maintenance		21,594	20,028
Supervision and Management		32,074	29,796
Rent and Other Charges		2,864	3,095
Provision for Bad and Doubtful Debts		1,028	453
Cost of Capital	3	47,721	47,437
Depreciation and Impairment of Assets		13,522	13,601
Debt Management Costs		203	196
Total expenditure		119,006	114,606
Net cost of services		20,077	17,985
Financing			
Adjusting Transfer from AMRA		(22,150)	(22,464)
Amortised Premiums/Discounts		4,917	4,917
Interest		(376)	(460)
Capital Charges Accounting Adjustment		(70)	0
Pensions Interest Cost and Return on Assets		1,795	217
Total financing		(15,884)	(18,007)
Net operating expenditure		4,176	(22)
Appropriations			
Rent Rebate Transitional Measures to General Fund		436	871
Contribution from Pensions Reserve		(805)	0
Appropriation to Earmarked Reserve		0	0
Capital Expenditure Charged to Revenue		0	0
Appropriations			
Transfer to/(from) Major Repairs Reserve -	5	(1,250)	(958)
Depreciation Adjustment			
Total appropriations		(1,619)	130
(Surplus)/ deficit for year	6	2,577	108
Balance brought forward		(6,960)	(7,068)
Balance carried forward		(4,383)	(6,960)

Notes to the Housing Revenue Account

1 Gross Rent Income and Rent Arrears

This is the rent due for the year before rebates but after allowances for empty properties. The average rent in 2005/06 was £68.58 compared to £65.44 in 2004/05 - a 4.80% increase.

As at 31 March 2006, the total arrears of rent for council dwellings was £6.6 million compared to £5.7 million as at 31 March 2005. Against these amounts, provision has been made for bad debts. This amounted to £5.1 million as at 31 March 2006 (£4.8 million as at 31 March 2005).

2 Housing Subsidy

	2005/06 £'000	2004/05 £'000
Management & Maintenance Allowance	33,725	33,421
Major Repairs Allowance	12,272	12,643
Charges for Capital	35,286	34,976
Admissible Allowance	215	109
Rent Rebates	0	0
Other Items of Reckonable Expenditure	1,103	1,103
ASBAT Allowance	0	1
Guideline Rent	(58,506)	(56,932)
Interest on Receipts	(85)	(103)
Housing Subsidy Payable	24,010	25,218
Transfer from Earmarked Reserve	(233)	0
Prior Year Adjustment	(1,202)	(166)
Housing Subsidy Receivable	22,575	25,051

3 Cost of Capital

The Housing Revenue Account is charged its share of the Council's costs for borrowing money. The Council borrows money to invest in fixed assets, such as major repairs to Council dwellings. The following table provides an analysis of the charge.

	2005/06 £'000	2004/05 £'000
Notional Interest	30,215	29,694
HRA proportion of Premiums	(4,917)	(4,917)
Debt Management costs	203	196
Capital Asset charge Accounting Adjustment	22,150	22,464
Impairment of Fixed Assets	70	0
Total Cost of Capital	47,721	47,437

4 Value of HRA Assets

Balance Sheet Valuation of HRA Assets		
	1 April 2006	1 April 2005
	£'000	£'000
Operational Assets	1,058,103	1,361,459
Non Operational Assets	16,430	17,236
Total	1,074,533	1,378,695

Vacant Possession Value		
	1 April 2006	1 April 2005
	£'000	£'000
HRA Dwellings	2,753,906	2,750,037

The vacant possession value is an estimate of the open market value of all HRA dwellings. The balance sheet value is calculated on the basis of rent receivable on existing tenancies. This is less than the rent that would be obtainable on the open market, and the balance sheet value is therefore lower than the vacant possession valuation. The difference between the two values shows the economic cost of providing council housing at less than open market value.

5 Major Repairs Reserve

The Major Repairs Reserve is required by resource accounting. It sets aside the Major Repairs Allowance element of housing subsidy for expenditure on major repairs.

	2005/06	2004/05
	£'000	£'000
Balance at 1 April 2005	0	0
Transferred to Reserve	(13,522)	(13,601)
Transfer from Reserve to HRA	1,250	958
Applied to finance capital expenditure on Council Dwellings	12,272	12,643
Balance at 31 March 2006	0	0

6 Reconciliation to HRA Statement

	2005/06	2004/05
	£'000	£'000
Net (Surplus)/Deficit on HRA excluding Trading Activities	3,205	827
Net (Surplus)/Deficit on Trading Activities (HRA related)	(920)	(936)
Total (Surplus)/Deficit on HRA	2,285	(109)
Contribution from Pensions Reserve	292	217
Revised total (Surplus)/Deficit on HRA	2,577	108

7 FRS 17

In compliance with statutory framework shares of the movements in the FRS 17 pensions liability is to debit and credit the HRA and for the net amount to be appropriated out to the Pensions Reserve, such that the bottom-line charge against rents is employer's contributions payable in the year.

Collection Fund

The Council is responsible for collecting council tax and national non-domestic rates, the latter on behalf of the government. The proceeds of the council tax are distributed to two preceptors: the Council itself and the Greater London Authority. The Fund shows the income due from council tax and national non-domestic rates and the application of the proceeds.

	2005/06 £'000	2004/05 £'000
Income due:		
Council Tax		
Council Tax-payers	81,187	76,783
In respect of Council Tax Benefits	31,100	29,340
In respect of transitional relief	0	(1)
Total Council Tax – related income	112,287	106,122
Income due from Business Rate-payers:	45,572	40,516
Contributions:		
-Towards previous year's Collection Fund surplus	(52)	0
Total Income	157,807	146,638
Expenditure:		
Council Tax used to support expenditure on services:		
- Haringey Council	89,001	82,964
- Greater London Association	21,213	19,668
Total Precepts	110,214	102,632
Business Rates:		
- Payments to National Pool	45,233	40,168
- Cost of Collection	339	348
Payments to National Pool & cost of collection allowance	45,572	40,516
Provision for Bad and Doubtful Debts (Council Tax)	2,164	3,426
Total Expenditure	157,950	146,574
Surplus/(Deficit) for year	(143)	64
Balance brought forward 1 April 2004 surplus/ (deficit)	64	0
Balance carried forward 31 March surplus/(deficit)	(79)	64

Notes to Collection Fund**1 Calculation of the Council Tax Base**

The Council Tax is calculated per equivalent Band D property. In order to determine the number of equivalent Band D properties, the Council Tax Base is calculated. All properties are categorised into one of eight bandings depending upon the valuation of the property. An adjustment is then made for properties that are subject to discounts such as single person or non-residency. The resulting number of properties per valuation banding is then adjusted to calculate the number of equivalent Band D properties, using a defined ratio. Finally the tax base is adjusted to reflect an anticipated collection rate of 96%.

Band	A	B	C	D	E	F	G	H	Total
Number of dwellings	4,692	15,699	29,865	24,903	10,810	5,398	4,610	611	96,588
Discounts	610	2,126	3,496	2,417	993	381	277	55	10,355
Dwellings after discounts	4,082	13,573	26,369	22,486	9,817	5,017	4,333	556	86,233
Ratio to band D	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
Band D equivalent	2,721	10,557	23,439	22,486	11,998	7,247	7,221	1,112	86,781
Loss on collection									(3,471)
Council Tax Base									83,310

2 Income from Business Rates

Haringey Council collects National Non-Domestic Rates (NNDR) or Business Rate for its area. These are calculated on the basis of rateable values multiplied by a uniform Business Rate set by central government (2005/06 42.2p, 2004/05 45.6p). After adjusting for relief and other deductions, this is paid into a central pool, which is managed by central government.

The actual rateable value of business properties in the borough as at 31 March 2006 is £113,818,221 (31 March 2005, £113,281,971).

3 Deficit / Surplus

The Deficit on the Collection Fund is returned to the precepting authorities to the Fund, namely London Borough of Haringey (LBH) and the Greater London Authority (GLA), proportionately to their precepts.

The split of the deficit between the preceptors is shown in the table below.

Preceptor	£'000
London Borough of Haringey	64
Greater London Authority	15
Total	79

Consolidated Balance Sheet

The Balance Sheet shows the financial position of the Authority as a whole (excluding amounts attributable to the Pension Fund), and summarises its Assets and Liabilities.

	Notes	31 March 2006		31 March 2005	
		£'000	£'000	£'000	£'000
Fixed Assets:					
Housing Revenue Account Assets		1,055,983		1,357,490	
Other Operational Assets:					
Land and Buildings		227,704		216,437	
Vehicles, Plant, Furniture and Equipment		11,486		10,293	
Infrastructure Assets		91,164		78,941	
Community Assets		4,124		4,415	
Intangible Assets		1,210		665	
Non-Operational Assets		50,415		48,729	
Total Fixed Assets	1-4		1,442,086		1,716,971
Debt Restructuring Premium	5	28,907		34,012	
Long-term Debtors	6	1,168		1,591	
Total Long-term Assets			1,472,161		1,752,573
Current Assets:					
Stock and Work in Progress		349		326	
Public Sector Debtors	7	43,095		57,290	
Non Public Sector Debtors	7	41,344		34,243	
Payments in Advance		15,899		15,026	
Investments		27,903		29,000	
Cash in Hand		11,011		17,336	
Total Current Assets			139,601		153,221
Current Liabilities:					
Temporary Borrowing		(142)		(3,638)	
Bank Overdraft		(18,352)		(17,648)	
Creditors	8	(75,700)		(78,637)	
Total Current Liabilities			(94,194)		(99,922)
Current Assets Less Current Liabilities			45,407		53,298
Net Current Assets			1,517,569		1,805,571
Long Term Liabilities:					
Long-term Borrowing	9	(587,170)		(562,312)	
Deferred Capital Receipts		(770)		(947)	
Deferred Credits		(4,669)		(4,891)	
Government Grants Deferred	11	(94,024)		(64,258)	
Provisions	12	(8,536)		(8,748)	
Liability Related to Defined Benefit Pension Scheme	15	(331,604)		(313,599)	
Total Long Term Liabilities			(1,026,773)		(954,756)
Total Assets Less Liabilities			490,796		851,116
Represented by:					
Fixed Asset Restatement Account		353,943		700,673	
Capital Financing Account		386,782		366,357	
Usable Capital Receipts Reserve	13	8,517		11,306	
Earmarked Reserves		56,375		69,355	
General Fund		12,415		10,051	
Housing Revenue Account		4,384		6,961	
Pensions Reserve	15	(331,604)		(313,599)	
Collection Fund		(15)		12	
Total Equity	14		490,796		851,116

DIRECTOR OF FINANCE'S CERTIFICATE

I certify that the balance sheet above sets out the financial position of the London Borough of Haringey as at 31 March 2006.

Andrew Travers, CPFA
Director of Finance
Date: 30th June 2006

Notes to Consolidated Balance Sheet**1 Fixed Assets**

The value of fixed assets shown on the balance sheet represents the value of assets held by the Council. The properties, which comprise the Council's portfolio, are valued on a rolling basis by the Head of Property Services, Dinesh Kotecha, a member of the Royal Institute of Chartered Surveyors. The valuation bases are in accordance with the Statement of Asset Valuation Practices and Guidance Notes of the Royal Institute of Chartered Surveyors. Housing Revenue Account dwellings are valued at their existing use based on 'Beacon' valuation principles.

	1 April 2005	Additions / Expenditure	Revaluations and write offs	Depreciation	Disposals	Impairments	31 March 2006
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Housing Assets							
Council dwellings	1,357,490	26,262	(304,721)	(13,505)	(9,543)	-	1,055,983
Land and Buildings	3,969	-	(1,481)	(17)	(281)	(70)	2,120
Non-operational	-	-	-	-	-	-	-
- Investment properties	17,150	-	(805)	-	-	-	16,345
- Assets awaiting disposal	86	-	-	-	-	-	86
Sub-Total	1,378,695	26,262	(307,007)	(13,522)	(9,824)	(70)	1,074,534
General Fund Assets							
Land and Buildings (note 1.1)	212,468	51,669	(30,963)	(5,994)	(532)	(1,064)	225,588
Vehicles, plant & equipment	10,293	3,910	(580)	(2,137)	-	-	11,486
Infrastructure	78,941	15,500	-	(3,277)	-	-	91,16
Community assets	4,414	61	(351)	-	-	-	4,124
Non operational	-	-	-	-	-	-	-
- Investment properties	26,283	-	1,612	-	-	(38)	27,857
- Assets awaiting disposal	5,210	-	917	-	-	-	6,127
Intangible Assets	665	678	-	(133)	-	-	1,210
Sub-Total	338,274	71,818	(29,365)	(11,541)	(532)	(1,102)	367,552
Total Fixed	1,716,969	98,080	(336,372)	(25,063)	(10,356)	(1,172)	1,442,086
Deferred charges							
Improvement grants	-	2,615	(2,615)	-	-	-	-
Housing Association Grant	-	11,107	(11,107)	-	-	-	-
Total Deferred Charges	-	13,722	(13,722)	-	-	-	-
Grand Total	1,716,969	111,802	(350,094)	(25,063)	(10,356)	(1,172)	1,442,086

The additions shown comprise all capital expenditure, agreeing with that in Note 2 below. Capital expenditure that does not add to the value of fixed assets is written off and included in the adjacent column. Impairments are in line with CIPFA and accounting standards and methodologies.

- 1.1 The figures above do not include the schools that are within the PFI arrangements. A prior year adjustment has been made in 2004/05 as 3 PFI schools, at a value of £22.1 million were included in the fixed assets valuation.

2 Capital Expenditure

The Council's capital expenditure, on a cash basis, must be financed. The financing of the 2005/06 expenditure is set out in the following table. The HRA capital expenditure of £24.087m is solely spent on improving HRA dwellings.

Directorate	Additions to Fixed Assets (note 1)	Add Capital Creditors as at 1 April 2005	Less Capital Creditors as at 31 March 2006	Capital expenditure to be financed	Total Credit Approvals	Capital Receipts	Government Grants	Revenue and other contributions	Total Capital expenditure financed
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Chief Executive's	19,381	456	(72)	19,765	3,000	5,140	557	11,068	19,765
Education	39,140	702	(593)	39,249	17,047	974	19,978	1,594	39,593
Finance	2,653	1	(8)	2,645	0	610	0	2,035	2,645
Housing General Fund	4,237	480	(37)	4,680	3,170	38	1,281	191	4,680
Housing Revenue Account	23,740	460	(204)	23,996	9,583	376	12,460	1,668	24,087
Social Services	3,130	177	(222)	3,085	427	1,302	469	888	3,086
Environment	19,521	5	(63)	19,463	3,059	5,471	5,495	5,003	19,028
Total 2005/06	111,802	2,281	1,199	112,883	36,285	13,911	40,245	22,107	112,883
Total 2004/05	115,498	463	2,281	113,680	53,229	13,452	30,899	16,100	113,680

3 Statement of Physical Assets

Asset	2005/06	2004/05	Asset	2005/06	2004/05
Council Dwellings	16,714	16,936	Roads (km)	346	346
Garages	2,374	2,407	Coroner's Court	1	1
Administrative Buildings	23	26	Children's Homes & Hostels	3	3
Under 5's Centre	4	4	Homes for Older People	5	6
Community Primary Schools	43	43	Homes for People with Learning Disabilities	3	3
Secondary Schools	8	8	Day Nurseries & Family Centres	0	2
HALS/Youth buildings	1	1	Day Centres for Older People	4	4
Play Centres	9	9	Day Centres for People with Mental Health Problems & Disability	5	5
Libraries	9	9	Allotments (Plots)	1,647	1,647
Community Buildings	42	42	Depots	4	4
Cemeteries & Crematoria	3	3	Parks & Open Parks	167	167
Sports & Leisure Centres	4	4	Museums	1	1

Voluntary Aided Schools are excluded from the table above, as the Council does not own them.

4 Housing Stock

The Council was responsible for managing 16,714 properties as at 31 March 2006, excluding travellers' sites and shared ownership dwellings. The Council's housing stock decreased during the year as a result of the sale of properties under the provisions of Right to Buy legislation.

Type of dwelling	2005/06 Number	2004/05 Number
Low rise flats	1,756	1,778
Medium rise flats	6,571	6,668
High rise flats	2,698	2,733
Houses	5,398	5,480
Hostels (HDE)	283	275
Shared Ownership	8	2
Total	16,714	16,936

5 Debt Restructuring Premium

The Council repaid loans it had borrowed from external sources and replaced them with borrowing at a lower rate of interest. The premium reflects the charge to the council for the change of interest rate on the transaction. The debt-restructuring premium the Council has incurred to date is £16.3m (1999/2000) and £46.6m (2003/04). The General Fund element of the 2003/04 restructuring premia (£14.2m) was written off to the Provision for Credit Liabilities, in 2003/04, in line with the legislation relevant at the time.

The remaining premia is then written down to both the HRA and the General Fund. For the Housing element it has been written out in line with subsidy received from government. The remaining General Fund premia is being written off over the lifetime of the outstanding loans. To date £19.8m has been written off leaving a balance of £28.9m. In 2005/06 the charge to the general fund was £187,406 (2004/05, £187,406) and to the Housing Revenue Account was £4,917,297 (2004/05, £4,917,297).

6 Long Term Debtors

Long-term debts are those falling due after a period of at least one year. An analysis of these debts as at 31 March 2006 is shown below.

	2005/06	2004/05
	£'000	£'000
Housing mortgages	741	908
Housing associations	51	64
Loans to Employees	376	619
Total	1,168	1,591

7 Debtors**(a) Public Sector Debtors**

The following table provides an analysis of money owed to the Council by public sector bodies as at 31 March 2006 and which at that date was yet to be received.

	2005/06	2004/05
	£'000	£'000
Government Depts.	18,986	35,333
NNDR Pool	0	2,309
HM Revenue and Customs	12,257	8,720
NHS	6,061	3,635
Education – Recoupment	0	0
Other Local Authorities	4,124	4,886
Greig City Academy	0	140
Public Bodies Other	1,666	2,267
Total Public Sector Debtors	43,094	57,290

The layout of the above note has changed for 2005/06 and the 2004/05 figures have been re-allocated accordingly. The bottom line figure remains the same.

(b) Non-Public Sector Debtors

The following table provides analysis of money owed to the Council by non-public sector bodies and individuals as at 31 March 2006 and which at that date was yet to be received. The Council has made provision for those debts which it estimates it may not recover. These provisions are shown at the bottom of the table.

	2005/06	2004/05
	£'000	£'000
Housing Rent payers	6,570	5,749
Council Tax payers	29,547	24,859
Business Rate payers	9,104	7,240
Parking Notices	8,440	9,064
Homelessness	4,565	4,565
Leasehold	5,702	5,537
Housing Benefit Overpayments	5,842	4,385
Sundry Debtors	14,799	14,981
Total Non-Public Sector Debtors	84,569	76,380
Provision for bad debts:		
Housing Rents	5,346	4,815
Council Tax	12,076	9,912
Business Rate payers	4,994	4,731
Parking Notices	6,971	7,850
Homelessness	4,234	4,350
Leasehold	2,501	3,980
Housing Benefit Overpayments	2,639	2,382
Sundry Debtors	4,464	4,117
Total Provisions	43,225	42,137
Net Non-Public Sector Debtors	41,344	34,243

8 Creditors

The following table provides an analysis of money owed by the Council as at 31 March 2006.

	2005/06	2004/05
	£'000	£'000
Central Government Departments	12,055	12,557
HM Revenue & Customs	6,047	5,908
NHS	506	800
Other Public Sector Organisations	56	192
Interest Accrual	13,401	12,725
Education – Recoupment	1,994	3,086
Pension Funds	2,930	2,001
Sundry Creditors	26,077	32,155
Receipts in advance (Inc. Planning Gains, note 32)	12,634	9,213
Total	75,700	78,637

The layout of the above note has changed for 2005/06 and the 2004/05 figures have been re-allocated accordingly. The bottom figure remains the same.

9 Long Term Borrowing

A breakdown of long-term loans by source and maturity date is shown in the table below:

	2005/06	2004/05
	£'000	£'000
Public Works Loan Board	462,166	437,308
Money Market Loans	125,000	125,000
Annuities	4	4
Total	587,170	562,312
Maturing in:		
1 – 2 years (note 9.1)	145	142
2 – 5 years (note 9.1)	78,108	28,171
5 – 10 years	166,724	200,430
More than 10 years	342,193	333,569
Total	587,170	562,312

10 Planning Gains

In large scale planning agreements, a condition may be set calling upon the applicant to pay a sum of monies towards future capital developments. These monies are held as receipts in advance and the figures below represent amounts unspent at 31 March 2006.

	2005/06	2004/05
	£'000	£'000
Coppetts Wood Hospital	150	150
Environmental	103	50
Tile Kiln Lane	0	10
278B Wightman Road	0	11
Hornsey Regeneration	75	75
Regeneration Study	47	74
Builder Centre Highgate	20	20
Former BT House	14	94
70 Southwood Lane	0	40
10 Northumberland Park House	5	20
62-70 Northumberland Park	0	10
124 Hillfield Avenue	0	8
Dagma Arms Cornwall Road	10	25
Paddington Churches	13	13
Hornsey Waterworks	125	125
St James Group	1,359	394
L & Q Housing Trust – Goulding Court	14	14
Planning Cost Recovery	47	71
Hornsey Waterworks	1,930	0
Grovelands Road & Lemsford Close (N15)	40	0
419 High Road N22	10	0
Hornsey Station & Route	100	0
70 Milton Road	10	0
Green Lanes Arena	25	0
Somerset Hall WHL	77	0
136ABC High Road N22	25	0
280-296 High Road N17	34	0
Tottenham Hale Retail Park	15	0
31-33 Talbot Road	6	0
4 Marsh Lane N17	25	0
Block B the Campsbourne N8	14	0
344 High Road N17 Rose & Crown Site	96	0
Total	4,389	1,204

11 Government Grants Deferred

Where the acquisition of a fixed asset is financed either wholly or in part by government grant, the amount of the grant is credited to a government grants deferred account and written off to the asset management revenue account over the useful life of the asset, to match depreciation charges on the asset.

12 Provisions

Provisions are amounts set aside to meet future liabilities where they are certain to occur but the amount and timing is uncertain.

	2005/06	2004/05
	£'000	£'000
Insurance provision	8,127	8,224
Other provisions	409	524
Total	8,536	8,748

The Insurance provision is required because some of the Council's insurance policies are met by deposit premiums under which insurers can ask for additional sums some years after the original claim. Furthermore balances are accrued each year to meet future known claims where the Council self-insures.

The Council has a number of other provisions for known liabilities.

13 Capital Receipts

The capital receipts are income from the sale of long-term assets and repayments of capital advances. Legislation prescribes the amount of these receipts that must be set aside for repayment of debt. The remaining amounts can then be used to finance capital expenditure.

	2005/06	2004/05
	£'000	£'000
Balance at 1st April		
Sale of Assets	11,306	6,335
Council dwellings	23,451	44,905
HRA land and buildings	3,435	3,492
Other HRA assets	0	0
General fund assets	1,699	2,833
Total receipts	28,585	51,230
Use of receipts		
Receipts Pooled / Set-Aside	(17,462)	(32,807)
Financing Capital Expenditure	(13,912)	(13,452)
Balance at 31st March	8,517	11,306

14 Analysis of Net Assets Employed

The table below details the net assets (both revenue and capital) employed by the Authority:

	2005/06	2004/05
	£'000	£'000
General Fund	196,318	348,159
Housing Revenue Account	294,478	522,238
Total Net Assets	490,796	870,397

15 Disclosure of information about the movement in the net pensions assets/liability

As at 31 March 2006, the Authority had the following overall assets and liabilities for pensions

	2005/06	2004/05
	£'000	£'000
Present value of scheme liabilities	829,467	690,048
Present value of unfunded liabilities	43,777	53,623
Estimated assets in scheme	(541,640)	(430,072)
Net Liability	331,604	313,599

The primary cause of the change from an estimated net liability of £314m as at 31 March 2005 to an estimated net liability of £332m as at 31 March 2006 is an increase in scheme liabilities over and above the increase in the value of the scheme assets.

The liabilities show the underlying commitments that the authority has in the long-run to pay retirement benefits. The net liability of £332 million has a substantial impact on the net worth of the authority as recorded in the balance sheet, resulting in an overall balance of £486m. However, statutory arrangements for funding this deficit mean that the financial position of the authority remains healthy. The deficit will be made good by increased contributions over the remaining working life of employees, as assessed by the scheme actuary.

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years based on estimates of mortality rates, salary levels, etc. Liabilities have been assessed by Hymans Robertson, an independent firm of actuaries. The main assumptions used in their calculations are:

	2005/06	2004/05
Rate of inflation	3.1%	2.9%
Rate of increase of salaries	4.6%	4.4%
Rate of increase in pensions	3.1%	2.9%
Rate for discounting scheme liabilities	4.9%	5.4%
Expected return on assets	6.7%	6.9%

Actuarial calculations involve estimates based on assumptions about events and circumstances in the future, which may mean that the result of actuarial calculations may be affected by uncertainties within a range of possible values.

Assets in the Fund are valued at their fair value, principally market value for investments, and consist of the following categories, by proportion of the total assets held by the fund.

	Long term return	31 March	31 March
	%	2006 %	2005 %
Equity investments	7.4	73.6	71.4
Bonds	4.6	18.4	20.3
Property	5.5	4.9	4.9
Cash	4.6	3.1	3.4
		100	100

16 Contingent Liabilities

In September 2002 the council terminated its contract with CSS (Haringey) Ltd who ran a number of care homes in the borough. The council was successful in a number of claims which were launched against the company. The company is now in liquidation and the liquidator wrote to the council in January 2006 with proposals for distribution of e-CSS funds. The number of creditors far outweighs the funds and the liquidators have indicated that creditors will not receive payment in full.

The liquidators proposals are yet to be agreed by the council.

17 Major contractual commitments

Significant capital commitments entered into by the council at 31 March 2006 are shown below. The expenditure will be incurred in future years.

	2005/06	2004/05
	£'000	£'000
Environmental Services	2,307	2,765
Housing Services	3,668	6,814
Social Services	3,617	400
Children's Services	6,361	0
Core Departments	0	0
Total	15,953	9,979

Of those listed in 2005/06, they include OP Residential Strategy (£3.4m) and the expansion of Coldfall Primary school (£2.7m).

18 Investments – Related businesses and companies

The Council is involved with the following associated subsidiary companies whose assets and liabilities are not included in the Council's accounts:

Urban Futures

The company was set up on 31 December 2000 to be an armslength regeneration agency for Haringey and Enfield. The company started its activities following transfer from North London TEC and Haringey Council on 11 June 2001. Haringey Council holds 9% of the voting rights.

London Grid for Learning Trust

The Trust was incorporated on 25 April 2001 as a company limited by guarantee, comprising all 33 London councils. Haringey Council holds 3% of the voting rights.

Bernie Grant Centre Partnership

The Bernie Grant Centre Partnership (BGCP) was set up to build a performing arts centre and enterprise units in Tottenham in memory of former MP Bernie Grant. BGCP was established in September 2002 as a company limited by guarantee and began operating on 1 April 2003. The company is also a registered charity. Haringey Council has 14% of the voting rights.

19 Trust funds

The Council acts as trustee for a number of funds, which may be used for specific limited purposes as set out in the respective trust deeds. These accounts do not form part of the Council's consolidated revenue account or balance sheet. Details of the sums administered are shown below.

	2005/06	2004/05
	£'000	£'000
Income from Investments	(0.5)	(0.5)
Expenditure for Authorised Purposes	0	0
(Surplus)/Deficit	(0.5)	(0.5)
Balances:		
Balance 1 April	(150)	(150)
(Surplus)/Deficit	(0.5)	(0.5)
Fund Balance Carried Forward	(151)	(150)
Represented by:		
Investments	(26)	(26)
Cash in hand	(125)	(124)
Total	(151)	(150)

20 Related party transactions

The Council is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the Council or to be controlled or influenced by the Council. Disclosure of these transactions allows readers to assess the extent to which the Council might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Council.

Central government has effective control over the general operations of the Council – it is responsible for providing the statutory framework within which the Council operates, provides the majority of its funding in the form of grants and prescribes the terms of many of the transactions that the Council has with other parties (eg housing benefits). Details of transactions with government departments are set out in Note 1 to the Cash Flow Statement.

Members of the Council have direct control over the Council's financial and operating procedures. By virtue of their office, through their residence in the borough and/or as active members of the community, members of the Council participate in and are members of a variety of other public bodies and community groups. The Council has well established mechanisms and procedures for preventing undue influence. Part of this mechanism is the disclosure of interests in the Register of Members' Interest which is open to public inspection at River Park House, 225 High Road, Wood Green, London. There are no material transactions to declare.

21 Officers

The Chief Executive is a director of Alexandra Palace Trading Limited which is the trading subsidiary of Alexandra Palace and Park Trust (the Trust). The Council has an extensive relationship with the Trust, which is set out in Notes 6 and Note 14 of the Trust's accounts. The Chief Executive is not remunerated for her directorship. The Chief Executive is also chair of the Board of Bernie Grant Centre Partnership Ltd. She is not remunerated for this directorship.

The Director of Environmental Services acted as a technical advisor and manager of the Client Function Team for the North London Waste Authority (NLWA). The Head of Property Services has acted as a Valuation Advisor to the NLWA and as Honorary Valuer for Tottenham District Council. The NLWA is a levying body to the Council, as disclosed in Note 13 to the Consolidated Revenue Account. Both officers were remunerated by NLWA for their advice.

The Deputy Director of Resources & Community Services is a board member of North London Connexions Partnership, which is not remunerated for.

The Assistant Director of Housing Strategy and Needs is a director of Home Connections but is not remunerated for this position.

The Pension Fund's accounts are set out in Section 4 of these statements. During the year the Council owed the Pension Fund an average amount of £2.47m. The Council paid the Fund £286,917 in interest and also charged the fund £576,000 for administering the fund.

Companies – the Council has interests in a number of companies. These are disclosed in Note 19.

Statement of Total Movement in Reserves

The movements in the Council's reserves are set out below. The purpose of each reserve is explained below the table.

All Figures £'000	Capital Reserves			Revenue Reserves			Other Reserves		Grand Total
	Fixed Asset Restatement Account	Capital Financing Account	Usable Capital Receipts	Housing Revenue Account	General	Ear marked Reserves	Pension Reserve	Collection Fund	
1 April 2005	700,673	366,357	11,306	6,961	10,051	69,355	(313,599)	12	851,116
Revenue transactions									
Surplus/ (Deficit):				(2,577)	2,428			(91)	(240)
-General Fund		(13,724)				(13,215)			(26,939)
-HRA						235			235
-Pensions							(18,005)		(18,005)
Collection Fund					(64)			64	0
Capital transactions									
Revaluations	(270,65)								(270,651)
Write Off	(65,723)								
Disposals	(10,356)		28,585						18,229
Impairment		(1,172)							(1,172)
Financing of Fixed Assets		32,661	(13,912)						18,749
Other		2,660	(17,462)						(14,802)
31 March 2006	353,943	386,782	8,517	4,384	12,415	56,375	(331,604)	(15)	490,797

- 1 The Fixed Asset Restatement Account represents changes in the valuation of fixed assets between the time when they are purchased and the latest revaluation. Fixed assets are revalued on a rolling basis.

The Capital Financing Account represents amounts set aside from revenue resources or capital receipts to finance expenditure on fixed assets or to repay external loans and certain other capital transactions. This reserve also contains the difference between amounts provided for depreciation and those that must be charged to revenue to repay the principle element of external loans.

The Usable Capital Receipts Reserve shows the receipt and application of capital receipts, which the Council receives when it sells fixed assets.

The Housing Revenue Account Reserve is the accumulated surplus on the Housing Revenue Account. This is available to fund contingencies and other matters relating to the Council housing.

The General Reserve is required to fund unexpected contingencies and events.

The Earmarked Reserves comprise of a number of reserves for specific purposes. See note 3 for a breakdown of earmarked reserves.

The Collection Fund Reserve represents the accumulated surplus or deficit on the Collection Fund.

- 2 The Pension Fund Reserve represents the authority's proportion of the net assets and liabilities in the pension scheme. The Pensions reserve liability has increased by £18.005m during 2005/06, as follows:

	2005/06	2004/05
	£'000	£'000
Deficit at start of Year	(313,599)	(220,354)
Current Service Costs	(20,591)	(17,743)
Employer Contributions	23,753	19,970
Contributions re: Unfunded benefits	3,020	3,880
Past Service costs	(489)	(922)
Impact of Settlements and Curtailments	0	(1,108)
Net Return on Assets	(10,327)	(6,261)
Actuarial gains/(losses)	(13,371)	(91,061)
Deficit at end of Year	(331,604)	(313,599)

The actuarial gains identified as movements on the Pension Reserves in 2005/06 can be analysed into following categories, measured in absolute amounts and as a percentage of assets and liabilities at 31 March 2006.

	Local Government Pension Scheme	
	£'000	%
Differences between the expected and actual return on assets	74,306	13.7
Differences between actuarial assumptions about liabilities and actual experience	12,300	1.4
Changes in financial assumptions underlying the Present Value of scheme liabilities	(99,977)	N/A
Total actuarial gain/(loss) for 2005/06	(13,371)	
Total actuarial gain/(loss) for 2004/05	(91,061)	

3 Earmarked Reserves

These are reserves created for a specific purpose and are detailed below;

Reserve	2005/06	2004/05
	£'000	£'000
Schools (Revenue)	5,757	9,624
Services (Revenue)	1,183	2,724
Insurance	10,286	9,557
PFI – Education	18,882	20,385
Sinking Fund	3,393	3,805
Risk	10,160	10,160
Financing	5,829	12,450
Housing	885	650
Total	56,375	69,355

The Schools Reserve (Revenue) - the accumulated underspend of schools on their locally managed budgets. The money is committed to be spent by those schools.

The Services Reserve - Council policy is that service under and over spends are retained by the relevant service. This reserve earmarks these funds.

The Insurance Reserve - the Council self-insures a number of risks including liability, property and theft policy. Insurance claims are lumpy and so the Council provides for future claims in order to smooth the charge to the consolidated revenue account in the same way as a premium to an external insurance provider would so smooth.

The PFI Reserve - the Council has a PFI arrangement for the refurbishment and maintenance of its community secondary schools. The timing of the receipt of the grant from government to fund the scheme does not match the payments to the service provider. The grant is received before the liability to the provider accrues. This reserve sets aside the grant for use in the future.

The Sinking Fund - the Council has built into base budgets limited provision for the planned maintenance and renewals of certain assets. Planned maintenance and renewals are by their nature irregular payments. This reserve spreads the charge to revenue.

The Risk Reserve - the Council faces certain liabilities which are not sufficiently certain to allow a provision to be made under current accounting practice but for which it has been considered prudent to make provision. This reserve represents that provision.

The Financing Reserve - the Council has a three-year financial strategy. Within this strategy is a focused approach towards avoiding certain effects of the annual nature of the local government funding regime. This reserve underpins the strategy. The increase includes £6.6 million contribution to reserves arising from the underspend on services net expenditure.

The Housing Reserve – this reserve has been created to meet any future risks associated with the Housing Subsidy Grant

Cash Flow Statement

This summarises the inflows and outflows of cash arising from transactions with third parties for capital and revenue reserves.

	Note s	2005/06 £'000	2004/05 £'000
Revenue Activities			
Payments:			
Cash paid to and on behalf of employees		306,102	298,774
Other operating costs		434,100	368,367
Housing Benefit paid out		218,824	199,021
Subtotal		959,026	866,162
Precepts paid		21,213	19,668
Pooled Capital Receipts		17,462	32,807
Non-domestic rates paid to National Pool		45,233	40,168
Total Payments		1,042,934	958,805
Receipts:			
Rents (after rebates)		(25,522)	(24,795)
Local Tax income		(72,956)	(71,010)
Local non-domestic rate income		(46,591)	(42,209)
Government grants	1	(589,616)	(516,397)
Cash received from goods and services		(35,333)	(40,922)
Other revenue cash payments/income		(330,891)	(335,858)
Total Receipts		(1,100,909)	(1,031,191)
Net Cash Inflow from Revenue Activities	2	(57,975)	(72,386)
Servicing of Finance:			
Payments- Interest paid		42,930	41,273
Receipts – Interest received		(2,410)	(2,428)
Net Cash Outflow from Servicing of Finance		40,520	38,845
Capital Activities:			
Payments:			
Purchase of fixed assets		99,503	82,435
Capital grants and advances		13,722	11,945
Total Payments		113,225	94,380
Receipts:			
Sale of fixed assets		(58,585)	(51,230)
Capital grants received		(16,767)	(18,256)
Other capital cash income		(12,272)	(16,100)
Total Receipts		(87,624)	(85,586)
Net Cash Outflow from Capital Activities		25,601	8,794
Net Cash Inflow before Financing		8,146	(24,747)
Financing:			
Payments:			
Repayments of amounts borrowed		8,743	75,540
Receipts:			
New loans raised		(25,000)	0
New short term loans		0	(76,470)
Net Cash Outflow from Financing	4	(16,257)	(930)
Increase / (Decrease) in Cash and Cash Equivalents	3	(8,111)	(25,677)

Notes to Cash Flow Statement**1 Analysis of Government Grants**

The Government grants shown on the Cash Flow Statement represent the cash received by the Authority. They may differ from the actual amounts included within the gross income figures in the Council's Revenue account, which is prepared on an accruals basis.

	2005/06	2004/05
	£'000	£'000
Revenue Support Grant	182,209	181,900
Housing Benefit Subsidy	245,252	187,912
Housing Subsidy	24,093	26,154
Home Office	13,123	21,050
Department of Education	62,488	35,280
Department of Health	13,393	13,678
Single Regeneration Budget	1,593	2,370
Neighbourhood Renewal	9,326	6,896
Private Finance Initiative	5,669	6,466
ODPM	26,691	26,148
Other	5,779	8,543
Total Government Grants	589,616	516,397

2 Reconciliation of Consolidated Revenue Account to Revenue Activities Cash Flow

	2005/06	2004/05
	£'000	£'000
Cash Flow Statement		
Revenue Activities:		
Deficit/(surplus) per Consolidated Revenue Account	(2,363)	1,879
Deficit/(surplus) per HRA	2,577	108
Deficit/(surplus) per Collection Fund	79	(64)
Subtotal	293	1,923
Interest	(40,520)	(38,845)
Non-Cash Transactions:		
Contributions to provisions	212	1,757
Contributions to reserves	13,977	(12,480)
Contributions to capital	(22,448)	(48,043)
Items on an accruals basis:		
(Decrease)/increase in LT Debtor	(423)	
(Decrease)/increase in stock and work in progress	23	8
(Decrease)/increase in debtors	(12,437)	23,679
Decrease/(increase) in creditors	2,949	(796)
Decrease/(increase) in deferred credits	399	411
Net Cash Inflow from Revenue Activities	(57,975)	(72,386)

3 Analysis of Balances of Cash and Cash Equivalents

The Cash Flow Statement summarises the inflows and outflows of cash arising from transactions with third parties. This movement in cash is reflected in the increase/decrease in cash and cash equivalents between the 2003/04 and 2005/06 Consolidated Balance Sheets, as shown in the table below:

	2005/06	2004/05	Movement
	£'000	£'000	£'000
Bank (overdrawn)/in hand	(18,338)	(17,648)	(716)
Cash In Hand	11,011	17,336	(6,298)
Investments	27,903	29,000	(1,097)
Total Cash And Cash Equivalents	20,576	28,688	(8,111)

4 Analysis of Changes in Financing

	31 March	31 March	Movement
	2006	2005	
	£'000	£'000	£'000
Temporary Borrowing	(142)	(3,500)	3,496
Long Term Borrowing	(587,170)	(562,450)	(24,858)
Debt Restructuring Premium	28,907	34,012	5,105
Total Financing	(558,405)	(531,938)	(16,257)

SECTION 4
PENSION FUND
2005/06

Pension Fund Financial Statements

Introduction

The Council's Pension Fund is operated under the provisions of the Local Government Pension Scheme (Management and Investment of Funds) Regulations 1998 as amended.

All officers and manual workers can become contributors on appointment with Haringey or a scheduled body. Employees of other bodies are also admitted to the Fund. The Fund's income is derived from employees, contributions from employing authorities and income from investments.

The Fund operates as a defined benefits scheme and provides retirement pensions and lump sum allowances, widows' and children's pensions and death gratuities.

Fund Management

The day to day management of the Fund is the responsibility of five professional fund managers, Alliance Bernstein, Capital International, Fidelity, ING and Wellington.

Overall investment strategy is the responsibility of the Pensions Panel, which consists of eight councillors (trustees) and a trade union representative who receive advice from the Director of Finance and an independent advisor. Panel meetings are held approximately 6 times per annum.

The trustees are in the process of reviewing our current investment strategy with any changes expected to be made during the 2006/07 financial year.

Fund administration and membership

At 31 March 2006, there were 7,176 employees contributing to the Fund and 5,427 pensioners and dependents receiving benefits. There were also 4,426 deferred pensioners.

Staff of Haringey Age Concern (admitted), Jarvis Workspace Ltd (admitted), Alexandra Palace Trading Co. (admitted), Haringey Accord Ltd (admitted), Urban Futures London Ltd (admitted), Haringey CAB (admitted), Capita Business Services Limited (admitted), Initial Catering Services Limited (admitted), Trident Securities Limited (admitted), CONEL (scheduled), Harrison's Catering Services Ltd (admitted), and Greig City Academy (scheduled) contribute to the Fund and benefit accordingly.

The Pension Fund's financial statements do not take account of liabilities to pay pensions and other benefits after the period end.

Actuarial position

The Fund is independently valued every three years by a firm of actuaries to assess the adequacy of the Fund's investments and contributions to meet its liabilities.

The last triennial valuation of the Fund was as at 31 March 2004. The actuaries report was approved by trustees at the Pensions Panel meeting in March 2005.

The 2004 valuation was carried out in accordance with Guidelines GN9: Retirement Benefits Schemes – Actuarial reports published by the Institute of Actuaries. The valuation method used was the projected unit method. The resulting contribution rates reflected the cost of providing year-by-year accrual of benefits for the funded members and the level of funding for each employer's past-service liabilities.

The main economic and statistical assumptions used were:

<u>Asset class</u>	<u>Rate of Return Nominal % p.a</u>
Equities	6.7
Bonds	4.9
Rate of pensionable salary increases (excluding increments)	
Compound	4.4% p.a
Rate of price inflation/ Pension increases (Compound)	2.9% p.a

The Market value of the Fund at the time of the last triennial valuation was £405m.

The level of funding as a whole reduced from 88% (31 March 2001) to 69% at 31 March 2004. The main reason for the reduction in the funding level between valuation dates was the reduction in the value of investments caused by increased stock market volatility.

Following the valuation the actuary certified a phased increase of the Council's contribution rate: 2005/06 19.6%, 2006/07 21.2% and 2007/08 22.9%.

Subsequently interim actuarial valuations were undertaken by the actuaries as at 31 March 2005 and 31 March 2006. The valuation as at 31 March 2005 disclosed that after making allowance for longer life expectancy the level of funding as a whole was broadly unchanged from the 69% funding level as at 31 March 2004. As at 31 March 2006 the interim valuation showed an improvement in funding to 76% which reflects strong returns from fund investments.

The next triennial actuarial valuation is due on 31 March 2007.

Statement of Investment Principles (SIP)

A statement of investment principles was approved by trustees at the Pensions Panel meeting held in September 2005. The SIP is updated annually to reflect any changes made to investment management arrangements and reports the extent of compliance with Myners principles. The SIP is published on the council's internet web site.

Related party transactions

In 2005/06 the pension fund paid £0.576m to the Council for administration (£0.563 in 2004/05). As at 31 March 2006 £2.472m was due from the Council to the fund (£1.334m in 2004/05). During 2005/06 one trustee was also a member of the pension scheme. There were no other material related party transactions.

Additional voluntary contributions (AVC's)

AVC's paid by scheme members are not included within the accounts. AVC's are managed independently by three specialist providers, Prudential Assurance, Clerical and Medical Investment Group Ltd and Equitable Life Assurance Society.

Currency Hedging

The Council permits its Pension Fund managers to use forward contracts as a currency hedging tool between sterling and the base currency. Cross hedging is not permitted. When the managers use these instruments it is generally because a strong view is held on the likely movement of a specific currency. The principle objective of using the instrument is to lower the risk profile of the portfolio.

Accounting Policies and Principles

The accounts have been prepared in accordance with the LGPS Regulations 1997, the 2005 Code of Practice on Local Authority Accounting in Great Britain issued by CIPFA and comply with chapter 2 of the Pensions SORP. Previous year accounts have been restated in line with the Pensions SORP.

Basis of preparation - income and expenditure are accounted for on an accruals basis with the exception of liabilities to pay pension and other benefits in the future and transfer values, which are accounted for on a cash basis in accordance with accounting guidance.

Valuation of investments - all investments are included at their market value, which is determined using closing mid market prices from independent pricing sources.

Foreign currency translation – the valuation of foreign equities is calculated by using the overseas market price current at the relevant date and the exchange rate for the appropriate currency at the time to express the value as a sterling equivalent.

Investment management expenses - the fees of investment managers are paid in accordance with their investment management agreements and are linked to the current value of the portfolio on an ongoing basis.

Costs incurred in acquiring assets – are included as part of the book cost of investments.

Pension Fund Account

The Pension Fund shows the contributions to the fund during the 2005/06 and the benefits paid from it.

Pension Fund Account	Notes	2005/06 £'000	2004/05 £'000
Dealings with members, employers and others directly involved in the scheme			
Contributions receivable	1	(34,702)	(28,836)
Transfers In	2	(5,257)	(5,581)
Other Income		-	-
Benefits payable	3	22,864	21,939
Payments to and on account of leavers	4	4,391	6,918
Other payments		-	-
Administrative Expenses	5	612	712
Net additions from dealings with members	-	(12,092)	(4,848)
Returns on Investments:			
Investment Income	6	(15,827)	(13,374)
Change in market value of investments	7	(93,389)	(32,642)
Investment management expenses	8	2,152	1,880
Net returns on investments	-	(107,064)	(44,136)
Net increase (decrease) in the fund during the year		(119,156)	(48,984)
Add: Opening net assets of the scheme		(454,302)	(405,318)
Closing net assets of the scheme		(573,458)	(454,302)

Notes to Pension Fund Statement**1 Contributions Receivable**

	2005/06 £'000	2004/05 £'000
From employers		
- normal	(25,888)	(21,515)
- special	(875)	-
- additional	-	-
	(26,763)	(21,515)
From members		
- normal	(7,799)	(7,178)
- additional voluntary	(140)	(143)
	(7,939)	(7,321)
Total	(34,702)	(28,836)

1a Analysis of Contributions Receivable and Benefits Payable

	2005/06 £'000	2004/05 £'000
Contributions receivable		
Administering authority	(32,296)	(26,961)
Scheduled bodies	(1,581)	(1,111)
Admitted bodies	(825)	(764)
Total	(34,702)	(28,836)
Benefits payable		
Administering authority	22,168	21,307
Scheduled bodies	298	303
Admitted bodies	398	329
Total	22,864	21,939

2 Transfers In

	2005/06 £'000	2004/05 £'000
Group transfers from other schemes	-	-
Individual transfers in from other schemes	(5,257)	(5,581)
Total	(5,257)	(5,581)

3 Benefits Payable

	2005/06 £'000	2004/05 £'000
Pensions	20,377	19,094
Commutation of pensions & lump sum retirement benefits	2,112	2,441
Purchased annuities	-	-
Lump sum death benefits	375	404
Total	22,864	21,939

4 Payments to and on account of leavers

	2005/06 £'000	2004/05 £'000
Refunds of contributions	54	113
State scheme premiums	-	-
Purchased annuities	-	-
Group transfers out to other schemes	-	-
Individual transfers out to other schemes	4,337	6,805
Total	4,391	6,918

5 Administrative Expenses

	2005/06 £'000	2004/05 £'000
Council Administration charges	576	563
Legal and other fees	36	149
Total	612	712

6 Investment Income

	2005/06 £'000	2004/05 £'000
Interest from fixed interest securities	(2,705)	(2,430)
Dividends from equities	(8,812)	(6,978)
Income from index - linked securities	(507)	(435)
Income from pooled investment vehicles	(3,194)	(3,103)
Net rents from properties	-	-
Interest on cash deposits	(549)	(428)
Share of profits/losses of associates	-	-
Other	(60)	-
Total	(15,827)	(13,374)

Investment income is shown net of irrecoverable withholding tax of £0.254m in 2005/06 (£0.174m in 2004/05)

7 Change in market value

The change in market value of the fund £93m comprises realized gains of £31m and unrealized gains of £62m.

8 Investment management expenses

	2005/06 £'000	2004/05 £'000
Fund managers fees	1,903	1,646
Custodian fees	171	191
Trustees advisor fees	15	12
Investment consultant fees	49	25
Other	14	6
Total	2,152	1,880

Net Asset Statement

The Net Asset Statement sets out the financial position for the Fund as at 31st March 2006. The Fund is separately managed by the council acting as trustee and its accounts are separate from the Council's.

Net Asset statement	Notes	2005/06 £'000	2004/05 £'000
Investment assets	9	(571,178)	(453,190)
Fixed assets		-	-
Borrowings		-	-
Net current assets and liabilities	10	(2,280)	(1,112)
Total Assets		(573,458)	(454,302)

1 Investment Accounts

	2005/06 £'000	2004/05 £'000
Fixed Interest Securities		
- Public Sector	(45,542)	(35,353)
- Other	(16,328)	(16,175)
Equities		
- UK	(204,508)	(163,057)
- Overseas	(130,198)	(97,634)
Index Linked securities	(22,096)	(20,403)
Pooled investment vehicles		
- Unit trust – property	(31,428)	(24,037)
- Unit trust – other	(3,281)	(2,758)
OEIC's	(106,277)	(85,075)
Property	-	-
Insurance Policies	-	-
Loans	-	-
Other investments (venture capital)	-	(67)
Cash deposits	(8,397)	(6,020)
Other investment balances	(3,123)	(2,611)
Total	(571,178)	(453,190)

2 Net current assets and liabilities

	2005/06 £'000	2004/05 £'000
Contributions due from employees and employers	(262)	(181)
Unpaid benefit	-	-
Cash balances	(2,472)	(1,334)
Other current assets and liabilities	454	403
Total	(2,280)	(1,112)

3 Fund Management

Fund Managers	Funds Managed 31/03/06 £m	% of Fund	UK Assets £m	Overseas Assets £m	Funds Managed 31/03/05 £m	% of Fund	UK Assets £m	Overseas Assets £m
Alliance Bernstein	118.5	20.7	118.5	-	93.2	20.6	92.7	0.5
Capital International	158.3	27.7	107.4	50.9	127.9	28.2	85.7	42.2
Fidelity	147.1	25.8	113.8	33.3	119.5	26.4	94.6	24.9
ING	34.2	6.0	34.2	-	26.5	5.9	26.5	0
Wellington	113.0	19.8	14.7	98.3	85.7	18.9	12.8	72.9
Haringey	0.1	-	0.1	-	0.3	-	0.3	-
Total	571.2	100	388.7	182.5	453.1	100	312.6	140.5

4 Listed and Unlisted Investments

The funds investment assets analysed between listed and unlisted investments was as follows:

Market Value of Investment assets as at 31/03/06 £m	Listed Investments £m	Unlisted investments £m	Market Value of Investment assets as at 31/03/05 £m	Listed Investments £m	Unlisted investments £m
571.2	433.5	137.7	453.1	344.0	109.1

Unlisted investments comprise holdings in Institutional Open Ended Companies (OEIC's) and Property Unit trusts. OEIC's are a form of investment vehicle. It should be noted that whilst the OEIC vehicles themselves are unlisted, the assets in which those vehicles invest comprise listed equities and bonds.

5 Investment Transactions

The sales and purchases during the year was as follows:

Fund Managers	Purchases at cost £m	Sales Proceeds £m
Alliance Bernstein	33.5	28.1
Capital International	82.6	74.1
Fidelity	68.8	62.4
ING	12.1	8.8
Wellington	97.8	96.8
Total	294.8	270.2

6 Top Ten shares held

As at 31 March 2006				As at 31 March 2005			
Shares	Rank	% of Fund	Market Value	Shares	Rank	% of Fund	Market Value
		%	£'000			%	£'000
1.Vodafone	1	3.5	14,777	1.Vodafone	1	4.4	14,381
2.Shell	2	3.3	13,853	2. Royal Bank of Scotland	2	3.2	10,294
3.Royal Bank of Scotland	3	2.8	11,749	3.HBOS	3	2.7	8,884
4.Astrazeneca	4	2.8	11,720	4.BP	4	2.4	7,934
5.BP	5	2.5	10,250	5.Astrazeneca	5	2.2	7,029
6.HBOS	6	2.3	9,704	6.Shell	6	2.1	6,833
7.Barclays	7	1.6	6,601	7.HSBC	7	1.6	5,307
8.HSBC	8	1.3	5,576	8.Barclays	8	1.6	5,184
9.BAT	9	1.2	5,386	9.Lloyds TSB	9	1.4	4,524
10.BAE Systems	10	1.1	4,890	10.Glaxosmithkline	10	1.1	3,680

SECTION 5
ALEXANDRA PARK AND PALACE
2005/06

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Alexandra Park and palace Consolidated Financial Statements

Consolidated Statement of Financial Activities for the year ended 31st March 2006

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2006 £	Total 2005 £
Incoming resources:					
Incoming resources from generated funds					
Voluntary income	2	-	1,374,248	1,374,248	757,215
Activities for generating funds	4	5,119,351	-	5,119,351	5,129,637
Incoming resources from charitable activities					
	3	1,014,528	-	1,014,528	951,065
Other incoming resources		4,803	-	4,803	7,265
Total incoming resources		6,138,682	1,374,248	7,512,930	6,845,182
Resources Expended:					
Cost of generating funds					
Interest payable	16	-	-	-	2,087,000
Fundraising trading: costs of goods sold and other costs	5	3,808,775	-	3,808,775	3,605,628
Charitable activities		4,131,464	1,364,228	5,495,692	3,994,550
Governance costs		29,700	-	29,700	25,200
Total resources expended	5	7,969,939	1,364,228	9,334,167	9,712,378
Net (outgoing)/incoming resources before transfers		(1,831,257)	10,020	(1,821,237)	(2,867,196)
Gross transfers between funds		-	-	-	-
Net movement in funds		(1,831,257)	10,020	(1,821,237)	(2,867,196)
Opening deficit fund balances 1 April		(29,519,576)	6,388	(29,513,188)	(26,645,992)
Closing Deficit Fund balances at 31 March		(31,350,833)	16,408	(31,334,425)	(29,513,188)

The notes on pages 59 to 70 form an integral part of these financial statements. All of the above amounts are derived from continuing activities. There were no other recognised gains or losses in either year except for those dealt with above.

Trust Statement of Financial Activities for the year ended 31st March 2006

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2006 £	Total 2005 £
Incoming resources:					
Incoming resources from generated funds					
Voluntary income	2	-	1,374,248	1,374,248	757,215
Activities for generating funds	4	1,255,000	-	1,255,000	1,497,918
Incoming resources from charitable activities					
	3	1,014,528	-	1,014,528	951,065
Other incoming resources		4,803	-	4,803	7,265
Total incoming resources		2,274,331	1,374,248	3,648,579	3,213,463
Resources Expended:					
Cost of generating funds					
Interest payable	16	-	-	-	2,087,000
Charitable activities		4,131,464	1,364,228	5,495,692	3,994,550
Governance costs		13,200	-	13,200	9,200
Total resources expended	5	4,144,664	1,364,228	5,508,892	6,090,750
Net (outgoing)/Incoming Resources before Transfers		(1,870,333)	10,020	(1,860,313)	(2,877,287)
Transfers between funds		-	-	-	-
Net movement in funds		(1,870,333)	10,020	(1,860,313)	(2,877,287)
Opening deficit fund balances 1 April		(29,521,175)	6,388	(29,514,787)	(26,637,500)
Closing Deficit Fund balances at 31 March		(31,391,508)	16,408	(31,375,100)	(29,514,787)

The notes on pages 59 to 70 form an integral part of these financial statements. All of the above amounts are derived from continuing activities. There were no other recognised gains or losses in either year except for those dealt with above.

Consolidated and Trust Balance Sheets as at 31st March 2006

	Notes	Group 2006 £	Group 2005 £	Trust 2006 £	Trust 2005 £
Fixed assets					
Tangible assets	11	671,217	666,466	663,926	656,745
Investments	12	-	-	2	2
		<u>671,217</u>	<u>666,466</u>	<u>663,928</u>	<u>656,747</u>
Current assets					
Stocks	13	181,635	195,758	64,715	70,008
Debtors	14	805,123	1,046,072	1,736,652	2,156,669
Cash at bank and in hand		1,912,410	2,189,533	139,995	239,592
		<u>2,899,168</u>	<u>3,431,363</u>	<u>1,941,362</u>	<u>2,466,269</u>
Creditors: amounts falling due within one year	15	(1,882,371)	(2,263,591)	(957,951)	(1,290,377)
Net current assets		<u>1,016,797</u>	<u>1,167,772</u>	<u>983,411</u>	<u>1,175,892</u>
Total assets less current liabilities		<u>1,688,014</u>	<u>1,834,238</u>	<u>1,647,339</u>	<u>1,832,639</u>
Provision	16	(33,022,439)	(31,347,426)	(33,022,439)	(31,347,426)
Total Net Liabilities		<u>(31,334,425)</u>	<u>(29,513,188)</u>	<u>(31,375,100)</u>	<u>(29,514,787)</u>
Accumulated Funds:					
Unrestricted deficit funds	17	(31,350,833)	(29,519,576)	(31,391,508)	(29,521,175)
Restricted Funds	18	16,408	6,388	16,408	6,388
Total funds	19	<u>(31,334,425)</u>	<u>(29,513,188)</u>	<u>(31,375,100)</u>	<u>(29,514,787)</u>

Approved by the Board of Trustees on July 2006 and signed on its behalf by:

Councillor Andrew Krokou

Consolidated Cashflow Statement for the year ended 31st March 2006

	Group 2006	Group 2005
	£	£
Reconciliation of Changes in Resources to Net Cash Inflow from Operating Activities:-		
Change in Resources	(1,821,237)	(2,867,196)
Depreciation	127,039	110,157
Interest receivable	(78,568)	(71,706)
Decrease/(increase) in Stocks	14,123	(18,432)
Decrease/(increase) in Debtors	248,753	(474,179)
(Decrease)/increase in Creditors	(381,220)	721,675
Increase in Provision	1,675,013	3,663,499
Net cash (outflow)/inflow from operating activities	(216,097)	1,063,818
	Group 2006	Group 2005
	£	£
CASHFLOW STATEMENT:		
Net cash (outflow)/inflow from operating activities	(216,097)	1,063,818
Returns on investments and servicing of income:		
Interest received	70,764	68,560
Capital expenditure		
Payments to acquire tangible fixed assets	(131,790)	(384,373)
(Decrease)/increase in cash	(277,123)	748,005
Cash at 1 April	2,189,533	1,441,528
Cash at 31st March	1,912,410	2,189,533

Analysis of changes in Cash	31 March 2005	Change in year	31 March 2006
	£	£	£
Cash at bank and in hand	2,189,533	277,123	1,912,410

The notes on pages 61 to 72 form an integral part of these financial statements.

Notes to the Financial Statements for the year ended 31st March 2006

1. Accounting policies

a) Basis of accounting

The financial statements have been prepared under the historical cost convention and have been prepared in accordance with the 2005 Statement of Recommended Practice Accounting and Reporting by Charities, and applicable accounting standards.

b) Basis of consolidation

The consolidated financial statements comprise those of the Trust and its wholly-owned subsidiary, Alexandra Palace Trading Limited. The results of the subsidiary are consolidated on a line by line basis.

c) Going concern

Alexandra Park and Palace is a going concern because the overall trustee, Haringey Council, uses its corporate funds to support the revenue deficits of the Trust. It is the Council's current policy to continue providing this support until responsibility for the assets passes to a private developer and the support of the Council is no longer required. The deficits incurred each year form part of the provision due to Haringey Council and are shown as a creditor on the balance sheet.

d) Fund accounting and permanent endowment

Under the terms of the Alexandra Park and Palace Act 1985, the freehold and fixed assets of the Trust cannot be permanently disposed of. Under the terms of the Charities Act 1993 and the SORP 2005, these are inalienable assets and may be considered a permanent endowment.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Trust for a particular purpose. The aim and use of each restricted fund is set out in the notes to the financial statements.

The unrestricted fund represents the accumulated surpluses and deficits of the Group. The funds generated by the Trust are available for use at the discretion of the trustees in furtherance of the general objectives of the Trust.

e) Incoming resources

All incoming resources are included in the Statement of Financial Activities when the trust is legally entitled to the income and the amount can be quantified with reasonable accuracy. The financial statements therefore reflect income due to the Trust but not received by the end of the year. Funds received for the purchase of fixed assets are accounted for as restricted income. The treatment of the assets provided depends upon the restriction imposed by the grant and as the fixed assets' acquisition discharges the restriction then the assets will be held in the unrestricted funds. A corresponding transfer of the associated restricted income will be made to the unrestricted fund in the year of purchase.

Income in advance within creditors is made up of payments that have been received for events that will take place in future years.

f) Resources expended and the allocation of expenditure

All expenditure is accounted for on an accruals basis. The financial statements therefore reflect expenditure owed by the Group, but not paid by the end of the year. Expenditure has been classified under headings that aggregate all costs related to the category, this includes direct staff costs attributable to the activity. Where costs cannot be attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources. Allocated costs have been allocated on the average of floor area basis and head count basis.

Support costs are those costs incurred in support of the expenditure on the objects of the Trust. Management and administration costs are those incurred in connection with the management of the Trust's assets, organisational administration and compliance with constitutional and statutory requirements.

1. Accounting policies (continued)**g) Investments**

Fixed asset investments are shown at cost less provision for impairment in value in the Trust's accounts.

h) Valuation of fixed assets

The Act that established the Trust and set down the framework within which it should operate places restrictions on asset disposal. It has been accepted that the Parliamentary Scheme was necessary before any redevelopment can take place. In the past no value has been put on the Park and Palace as this is deemed to be an inalienable asset as the Act of Parliament places restrictions on its disposal. With regard to assets brought forward at the beginning of the year this policy has continued as reliable cost information is not available and conventional valuation approaches lack sufficient reliability and significant costs would be involved which may be onerous compared with the additional benefit derived by users of the accounts. For new assets the Trust has adopted a policy of capitalising improvements to the buildings and other assets purchased.

Tangible fixed assets are shown at cost, less accumulated depreciation to date. Depreciation is provided on all tangible fixed assets and is calculated at rates designed to write off the cost of fixed assets over their expected useful lives. The rates applied are as follows:

Improvements to the park	-on a straight line basis over 10 years.
Plant & Machinery:	-on a straight line basis over 10 years.
Office equipment, furniture and fittings:	-on a 25% reducing balance basis.

i) Valuation of stock

Stock consists of purchased goods for resale, marketing publications, china and cutlery and other sundry items. Stock is valued at the lower of cost and net realisable value.

j) Bank account

The Alexandra Park and Palace bank account is included in the arrangements for the Council's pooled account. This amount is included in the balance sheet both as an asset and as an amount due to Haringey Council.

k) Provision

These accounts reflect the decision of the Attorney General that Haringey Council is entitled to indemnification for the revenue deficits for 1991/92 to 2005/2006. Haringey Council may also be entitled to indemnification for the years 1988/89 to 1990/91, and this amount has also been provided for in the accounts.

Both of these amounts include interest charged for the outstanding revenue deficits at the Council's Loan Pool Rate, which in 2004/05 was 7.33% (2003/04: 7.56%).

l) Related party transactions

Because of the close and unique relationship between Haringey Council and Alexandra Park and Palace, there is a significant number of transactions between the two parties. The extent of this relationship is detailed in note 14 to the financial statements.

m) Leases

Parts of the Trust's assets are subject to leasing arrangements.

n) Leased assets

All leases are operating leases and the annual rentals are charged to the Statement of Financial Activities over the period in which the cost is incurred.

o) Pension contributions

Pension contributions are charged to the Statement of Financial Activities so as to spread the cost of pensions over the employees' working lives with the Trust.

2. Restricted Funds: grants

Restricted fund grants of £10,000 from the Environment Agency, £20 receivable from The Theatres Trust for works on the Theatre, (2005: £13,000) and £1,022,762 (2005: £546,788) from the Heritage Lottery Grant with £341,466 (2005: £182,263) from the London Borough of Haringey for major works to the park.

3. Incoming resources from charitable activities

	2006	2005
	£	£
Ice rink	842,982	747,010
Community events	70,181	87,113
Leases and concessions	101,365	116,942
Total income	<u>1,014,528</u>	<u>951,065</u>

4. Activities for generating funds

Alexandra Park & Palace Charitable Trust owns the entire share capital of Alexandra Palace Trading Limited, a company registered in England. Alexandra Palace Trading Limited raises funds for Alexandra Park & Palace Charitable Trust through the hiring of halls and catering for exhibitions, banquets, conferences, weddings and other events and the running of the Phoenix Public House. Alexandra Palace Trading Limited retained £39,076 of its profit this year with the remainder being gift aided to Alexandra Park & Palace Charitable Trust. The net income attributable to the group is consolidated on a line by line basis in the consolidated statement of financial activities. A summary of the results is shown below:

	2006	2005
	£	£
Income from events	4,533,534	4,527,139
Income from the Phoenix public house	507,249	530,792
Interest receivable	78,568	71,706
Total income	<u>5,119,351</u>	<u>5,129,637</u>
Cost of sales	3,334,849	3,187,653
Cost of operating expenses	490,426	433,975
Total cost of generating funds	<u>3,825,275</u>	<u>3,621,628</u>
Net income to the group	1,294,076	1,508,009
Less: Licence fee to the Trust	(255,000)	(252,750)
Deed of Covenant/Gift Aid to the Trust	(1,000,000)	(1,245,168)
Retained profit/(loss)	<u>39,076</u>	<u>10,091</u>
Retained loss brought forward		
1,599	1,599	(8,492)
Retained profit/(loss) carried forward	<u>40,675</u>	<u>1,599</u>

5. Analysis of total resources expended

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total £
Costs of generating fund				
Expenditure of trading subsidiary	3,808,775	-	-	3,808,775
Charitable expenditure				
Ice rink	608,361	-	85,798	694,159
Community events	116,973	-	4,767	121,739
Leases and concessions	76,375	-	3,575	79,949
Repairs & maintenance of building/park	1,813,419	1,364,228	784,139	3,961,786
Security of building/park	580,858	-	57,199	638,057
	<u>3,195,986</u>	<u>1,364,228</u>	<u>935,478</u>	<u>5,495,692</u>
Governance costs				
Audit fee	-	-	29,700	29,700
Total for Group	<u>7,004,761</u>	<u>1,364,228</u>	<u>965,178</u>	<u>9,334,167</u>

6. Support costs

	Group 2006 £	Group 2005 £
Management costs	919	850
Wages and salaries	134,580	43,535
Overheads	799,978	351,875
	<u>935,478</u>	<u>396,260</u>

7. Deficit on current year activities

	Group 2006 £	Group 2005 £
Operating deficit is stated after charging:		
Auditors' remuneration: audit fee	29,700	25,200
Operating lease rentals – land & buildings	35,896	120,359
Operating lease rentals – vehicles	-	8,339
Depreciation	127,039	110,157
	<u>192,635</u>	<u>264,055</u>

The trustees received no remuneration (2005:-£Nil) from the charity and were not reimbursed for any of their expenses by the charity during the year (2005:-£Nil).

8. Analysis of costs by activity

	Ice rink £	Community events £	Leases & concessions £	Repairs & maintenance £	Security of the building & park £
Management	85,798	4,767	3,575	784,139	57,199

The management costs above have been allocated based on the staff time spent on the activity with specific allocation of development costs to repairs and maintenance of the building and park.

9. Staff costs	Group 2006 £	Group 2005 £	Trust 2006 £	Trust 2005 £
Wages and salaries	1,626,208	1,621,764	534,117	466,125
Social security costs	130,130	132,440	31,295	29,716
Pension costs	120,304	131,113	56,555	53,604
Agency staff costs	789,657	778,721	470,940	418,460
	<u>2,666,299</u>	<u>2,664,038</u>	<u>1,092,907</u>	<u>967,905</u>

The number of employees whose emoluments as defined for taxation purposes amounted to over £50,000 in the year was as follows:

	Group 2006 Number	Group 2005 Number	Trust 2006 Number	Trust 2005 Number
£50,001 - £60,000	1	3	1	1
£60,001 - £70,000	1	-		-

The trust employee earning more than £50,000 received employer contributions into the defined benefit pension scheme (see note 23(a)). The trading company employees earning more than £60,000 received employer contributions into the stakeholder pension scheme (see note 23(b)).

The average number of employees, analysed by function, including both permanent employees and casual staff calculated on a full-time equivalent basis (number of permanent employees only illustrated by the bracketed figures) was:

	Group 2006 Number	Group 2005 Number	Trust 2006 Number	Trust 2005 Number
Ice rink	23 (6)	18 (4)	23 (6)	18 (4)
Repairs and maintenance inc. park	3 (3)	4 (4)	3 (3)	4 (4)
Community events	1 (1)	1 (1)	1 (1)	1 (1)
Cost of generating funds	43 (27)	39 (25)	- -	- -
Support costs	2 (2)	1 (1)	2 (2)	1 (1)
Management and administration	1 (1)	1 (1)	1 (1)	1 (1)
	<u>73 (40)</u>	<u>64 (36)</u>	<u>30 (13)</u>	<u>25 (11)</u>

10. Taxation

Alexandra Park and Palace Charitable Trust is a registered charity. As such its sources of income and gains, received under Section 505 of the Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992, are exempt from taxation to the extent that they are applied exclusively to its charitable objectives. The trading subsidiary donates all taxable profits to the Trust under Gift Aid. No tax charge has arisen in the year.

11. Tangible fixed assets	Improvements to park	Plant & Machinery	Office equip, furniture & fittings	Total
Trust only:				
Cost:	£	£	£	£
At 1 st April 2005	197,346	450,930	215,820	864,096
Additions	-	31,567	100,223	131,790
At 31 st March 2006	<u>197,346</u>	<u>482,497</u>	<u>316,043</u>	<u>995,886</u>
Depreciation:				
At 1 st April 2005	19,735	98,061	89,555	207,351
Charge for the year	19,735	48,250	56,624	124,609
At 31 st March 2006	<u>39,470</u>	<u>146,311</u>	<u>146,179</u>	<u>331,960</u>
Net book value:				
At 31 st March 2006	<u>157,876</u>	<u>336,186</u>	<u>169,864</u>	<u>663,926</u>
At 31 st March 2005	<u>177,611</u>	<u>352,869</u>	<u>126,265</u>	<u>656,745</u>
	Improvements to park	Plant & Machinery	Office equip, furniture & fittings	Total
Group:				
Cost:	£	£	£	£
At 1 st April 2005	197,346	450,930	248,332	896,608
Additions	-	31,567	100,223	131,790
At 31 st March 2006	<u>197,346</u>	<u>482,497</u>	<u>348,555</u>	<u>1,028,398</u>
Depreciation:				
At 1 st April 2005	19,735	98,061	112,346	230,142
Charge for the year	19,735	48,250	59,054	127,039
At 31 st March 2006	<u>39,470</u>	<u>146,311</u>	<u>171,400</u>	<u>357,181</u>
Net book value:				
At 31 st March 2006	<u>157,876</u>	<u>336,186</u>	<u>177,155</u>	<u>671,217</u>
At 31 st March 2005	<u>177,611</u>	<u>352,869</u>	<u>135,986</u>	<u>666,466</u>

12. Fixed asset investments

	Trust only	
	2006	2005
Shares in trading subsidiary:	£	£
At 1 April and 31 March	<u>2</u>	<u>2</u>

The Trust owns the entire share capital of its trading subsidiary (see note 3).

13. Stock	Group 2006 £	Group 2005 £	Trust 2006 £	Trust 2005 £
China and cutlery	58,309	63,360	58,309	63,360
Food and beverages	104,698	110,649	-	-
Publications and stationery	18,628	21,749	6,406	6,648
	181,635	195,758	64,715	70,008
14. Debtors	Group 2006 £	Group 2005 £	Trust 2006 £	Trust 2005 £
Trade debtors	162,623	142,374	-	-
Amounts due from subsidiary undertaking	-	-	157,406	187,640
Deed of covenant/gift aid due from subsidiary undertaking	-	-	1,000,000	1,211,868
Other debtors	41,866	45,571	34,060	45,571
Prepayments and accrued income	600,636	858,127	545,186	711,590
	805,125	1,046,072	1,736,652	2,156,669
15. Creditors: amounts falling due within one year	Group 2006 £	Group 2005 £	Trust 2006 £	Trust 2005 £
Trade creditors	181,644	331,264		-
Other taxes and social security costs	192,302	35,788		-
Other creditors	419,962	579,555	419,962	579,555
Accruals	498,813	701,164	406,636	477,493
Income in advance	458,497	385,468	200	2,977
Haringey Council: Bank Account	131,153	230,352	131,153	230,352
	1,882,371	2,263,591	957,951	1,290,377

Income in Advance is payments received for events that will take place in future years. The Trust's bank account is part of Haringey Council's pooled account, and the amount is shown both as an asset and a liability to the Trust as the bank account is owed in its entirety to the Council. The difference between the two sums of £8,842 (2005: £9,240) relates to the Trust's cash float and is not part of that liability.

16. Provision	Group 2006 £	Group 2005 £	Trust 2006 £	Trust 2005 £
Haringey Council: Indemnification	33,022,439	31,347,426	33,022,439	31,347,426
Reconciliation of movement:				
Balance brought forward	31,347,426	27,683,927	31,347,426	27,683,927
Amount charged to SOFA	251,722	2,470,161	251,722	2,470,161
Transfers to bank less VAT debtor	1,423,291	1,193,338	1,423,291	1,193,338
Balance carried forward	33,022,439	31,347,426	33,022,439	31,347,426

16. Provision (continued)**The relationship between the Trust and the London Borough of Haringey:**

The Council of the London Borough of Haringey is Trustee of the Trust. The Council delegates the entire function of trustee to the Alexandra Park and Palace Board. The Council elects individual members to sit on the Alexandra Park and Palace Board to act as the charity trustees. The charity trustees are those persons having the general control and management of the administration of the Trust. All employees of the Trust are employees of Haringey Council as trustee and are included in the Council's pension arrangements.

Due to the nature of the relationship between the Trust and Haringey Council there are a number of significant related party transactions. These amounts are consolidated into the Trust's financial statements however, due to the unique nature and structure of the relationship it is thought appropriate to disclose these items: Interest charged of £Nil (2005: £2,087,000); rates of £42,200 (2005: £42,864); central administration of £30,000 (2005: £29,826); entertainment licences of £52,247 (2005: £49,698); public liability insurance £33,731 (2005: £32,124); provision of park patrol service £40,800 (2005: £32,000); legal expense £10,154 (2005: £2,398); printing and other sundry items of £3,210 (2005: £3,987). Vivienne Manheim wishes to voluntarily declare that she receives £9,500 as a Special Responsibility Allowance payment from Haringey Council's Corporate Funds (not charged to the Trust) with Charity Commission knowledge and consent.

In view of the uncertainty created by the complex legislative position, the Council has resolved to seek the Directions of the Court regarding its precise duties as Trustees of Alexandra Park and Palace Charitable Trust. The time scale for the legal directions is uncertain.

The analysis of the current year's figure is as follows:

		Accumulated Balances	Interest	Total
		£'000	£'000	£'000
Haringey Council:				
Indemnification: 1991/92 to 1994/95	(1)	5,005	9,881	14,886
Indemnification: 1995/96 to 2005/06	(2)	9,886	4,854	14,740
Provision: 1988/89 to 1990/91	(3)	755	2,641	3,396
		<u>15,646</u>	<u>17,376</u>	<u>33,022</u>

1. This is the amount which the Attorney General has agreed that Haringey Council is entitled to, in respect of expenditure incurred from operational deficits in the financial years 1991/92 to 1994/95.
2. This is the amount relating to the operational deficits for 1995/96 to 2005/06 which the Attorney General has agreed in principle that Haringey Council is entitled to. The final value has yet to be formally agreed. (The operational deficit is calculated as the deficit for the year before interest and the increase in working capital in the year).
3. Haringey Council may also be entitled to indemnification for the operational deficits from 1988/89 to 1990/91, so this amount has also been provided for.

17. Accumulated unrestricted funds	Group 2006	Group 2005	Trust 2006	Trust 2005
	£	£	£	£
Trust deficit funds:				
Balance brought forward	29,519,576	26,645,992	29,521,175	26,637,500
Deficit in year	1,831,257	2,873,584	1,870,333	2,883,675
	<u>31,350,833</u>	<u>29,519,576</u>	<u>31,391,508</u>	<u>29,521,175</u>

The above amounts represent the deficit equity of the Trust. The Group figure includes £40,675 (2005: £1,599) of the trading subsidiary retained profit/(losses) carried forward.

18. Restricted Funds	Balance 1 April 2006	Movement in resources		Balance 31 March 2006
	£	Incoming Resources	Expenditure & transfers	£
Lottery Grant Fund	-	1,364,228	1,364,228	-
Environment Agency Grant		10,000		10,000
Organ Appeal Fund	5,776			5,776
Theatre Fund	212	20		232
BBC Studios Fund	400		-	400
	<u>6,388</u>	<u>1,374,248</u>	<u>1,364,228</u>	<u>16,408</u>

The restricted fund balances at 31 March 2005 are represented by cash at bank and in hand of £16,408 (2005: £6,388).

19. Total Funds	Group 2006	Group 2005	Trust 2006	Trust 2005
	£	£	£	£
Balance brought forward	29,153,188	26,645,992	29,514,787	26,637,500
Deficit in year	1,821,237	2,867,196	1,860,313	2,877,287
Balance carried forward	31,334,425	29,513,188	31,375,100	29,514,787

20. Commitments under operating leases	Group 2006	Group 2005	Trust 2006	Trust 2005
	£	£	£	£
Vehicles:				
Payments due within one year on leases expiring within 1 year		8,114	-	-
Land & Buildings:				
Payments due within one year on leases expiring within 1 year	35,896	-	-	-
leases expiring within 2-5 years				

21. Audit fees

The Charity Commission requires the Board to appoint an independent Registered Auditor to carry out a full statutory audit of the financial statements. The audit fee for the year was £29,700, (2005: £25,200). The Audit Commission, as part of the external audit of the Council's accounts, reviews the financial statements for Alexandra Park and Palace Charitable Trust. The Council meets the fee of the Audit Commission.

22. Private developer

In 1996/97, the Trust carried out a competition to find a private developer to take over the running of Alexandra Park and Palace. The development proposals could only be progressed following parliamentary approval of amendments to the 1985 Alexandra Park and Palace Act to allow a 125 year lease. The amendments passed into law in February 2004. The trustees returned to the preferred developer to establish the level of interest given the passage of time and changes to the leisure market since the development competition. The preferred developer has advised that they have no continuing interest in developing Alexandra Palace. The charity trustees appointed a professional advisory team to provide advice on both the process and the selection of an investment partner. The process concluded with the selection of the Firoka Group on the 30th January 2006. Negotiations on heads of terms, lease details and a development agreement continue. Once concluded the board of charity trustees will formally resolve to request an order under sec. 36 of the Charities Act 1993 from the Charity Commission.

23. Pension schemes**Trust:****a) Defined benefit scheme**

The Trust operates a defined benefit pension scheme for the benefit of the employees. The assets of the Scheme are in a fund independent from the Trust and are administered by Haringey Council under the provisions of the Local Government Superannuation Act on 12 June 2000.

The Fund is independently valued every three years by a firm of actuaries to assess the adequacy of the Fund's investments and contributions to meet its liability. The last valuation took place in March 2004. The last actuarial valuation was carried out in accordance with Guidelines GN9: Retirement Benefit Schemes - Actuarial reports published by the Institute of Actuaries and the Faculty of Actuaries. The last actuarial valuation was carried out using the Projected Unit Method. Economic and statistical assumptions were used. The assumptions which have the most significant effect on the results of the valuation are:

	Nominal % per annum
Rate of investment - equities	- 6.70% per annum compound
Rate of investment - bonds	- 4.905% per annum compound
Rate of pensionable salary increases (excluding increments)	- 4.40% per annum compound
Rate of price inflation/pensions increases	- 2.90% per annum compound
Discount rate	- 6.30% per annum compound

The level of funding as a whole at 31 March 2004 was 69.0%, and the market value of the Fund at the time of the last valuation was £441 million. The employer's contribution is 18% of salary, increasing to 22.9% with effect from 1 April 2005 as a result of the past service adjustment to fund the deficit over 20 years which accounts for 10.1% of this increased contribution rate. The pension contribution for the year was £56,555 (2005: £53,604).

Additional disclosures regarding the defined benefit pension scheme are required under the transitional provisions of FRS 17 "Retirement benefits". In accordance with FRS 17, the Trust will account for its contributions to the scheme as if it were a defined contribution scheme because it is not possible to identify the Trust's share of the assets and liabilities in the scheme on a consistent and reasonable basis.

Trading company:**a) Defined benefit scheme**

The trading company operates a defined benefit pension scheme for the benefit of 22 scheme members who transferred to the trading company, from the Trust, on 1 November 1999. There are 9 (2005: 11) scheme members still in the employment of the trading company as at 31 March 2005. The assets of the Scheme are in a fund independent from the trading company and are administered by Haringey Council under the provisions of the Local Government Superannuation Act.

The Fund is independently valued on a regular basis by a firm of actuaries. The last valuation took place in March 2004. The purpose is to assess the adequacy of the Fund's investments and contributions. The last actuarial valuation was carried out using the Projected Unit Method.

Economic and statistical assumptions were used. The assumptions which have the most significant effect on the results of the valuation are:

	Nominal % per annum
Rate of investment - equities	- 7.40% per annum compound
Rate of investment - bonds	- 4.60% per annum compound
Rate of pensionable salary increases (excluding increments)	- 4.60% per annum compound
Rate of price inflation/pensions increases	- 3.10% per annum compound
Discount rate	- 4.90% per annum compound

The level of funding as a whole at 31 March 2004 was 69.0%, and the market value of the Fund at the time of the last valuation was £405 million for the whole of the scheme of which £1,010,000 is the share for Alexandra Palace Trading Limited. Alexandra Palace Trading Limited employer's contribution is 16.5% of salary, decreasing to 16.2% with effect from the 1 April 2005. Alexandra Palace Trading Limited is also paying additional monetary amounts of £114,000 for the year ended 31 March 2006, £119,000 for the year ended 31 March 2007 and £125,000 for the year ended 31 March 2008. The pension contribution for the year was £39,095 (2005: £48,462).

23. Pension schemes (continued)**Trading company:****a) Defined benefit scheme (continued)**

Additional disclosures regarding the company's defined benefit pension scheme are required under the transitional provisions of FRS 17 "Retirement benefits" and these are set out below. The disclosures relate to the third year of the transitional provisions. They provide information which would be necessary if full implementation of FRS 17 in the year ending 31 March 2006 was effected

The parent charity, as stated in note 22 has selected the Firoka Group as its preferred investment partner. Once the 125 year lease has been concluded the 9 staff that retain membership of the Local Government Pension Scheme will transfer to the Firoka Group which then assumes responsibility for all terms and conditions of employment including pension provision.

The trading company will cease trading and the procedures to achieve closure of the company will be undertaken. In the circumstances and given the fundamental changes that are about to take place it has been decided that full adherence to FRS 17 would be unduly onerous and not properly reflect the true position of the company given its limited lifespan which is envisaged to be concluded within the 2nd or 3rd quarter of 2006/7

The actuarial valuation described above has been updated at 31 March 2006 by a qualified actuary using revised assumptions that are consistent with the requirements of FRS 17. Investments have been valued, for this purpose, at fair value.

The major assumptions used for the actuarial valuation were:

	Nominal % per annum compound		
	2006	2005	2004
Price increases	3.10	2.90	2.90
Rate of pensionable salary increases (excluding increments)	4.60	4.40	4.40
Rate of price inflation/pensions increases	3.10	2.90	2.90
Discount rate	4.90	5.40	5.50

The fair value of the assets in the scheme, the present value of the liabilities in the scheme and the expected rate of return at the balance sheet date were:

	2006	2006	2005	2005	2004	2004
	%	£	%	£	%	£
Equities	7.4	1,092,000	7.7	755,000	7.7	720,000
Bonds	4.6	274,000	4.8	215,000	5.1	219,000
Property	5.5	72,000	5.7	52,000	6.5	52,000
Cash	4.6	46,000	4.0	36,000	4.0	19,000
Total fair value of assets		<u>1,484,000</u>		<u>1,058,000</u>		<u>1,010,000</u>
Present value of scheme liabilities		<u>2,028,000</u>		<u>(1,643,000)</u>		<u>(1,557,000)</u>
Net pension liability		<u>(544,000)</u>		<u>(585,000)</u>		<u>(547,000)</u>

Alexandra Palace Trading Limited employer's contribution is 16.5% of salary, decreasing to 16.2% with effect from the 1 April 2005. Alexandra Palace Trading Limited is also paying additional monetary amounts of £114,000 for the year ended 31 March 2006, £119,000 for the year ended 31 March 2007 and £125,000 for the year ended 31 March 2008. The pension contribution (service cost) for the year was £39,095 (2005: £48,462).

For the year ended 31 March 2006, the expected return on the above assets was £78,000 (2005: £72,000) less the interest on pension scheme liabilities of £90,000 (2005: £87,000) gives a net return of (£12,000) (2005: £(15,000)) as the amount credited from other finance income. Therefore overall the net cost to the revenue account for the year ended 31 March 2006 is £57,000 (2005: £66,000) after deduction of the service cost.

Analysis of Amount Recognised in Statement of Total Recognised Gains and Losses (STRGL):		
	2006	2005
	£	£
Actual return less expected return on pension scheme assets	194,000	38,000
Experience gains and losses arising on the scheme liabilities	(1,000)	(16,000)
Changes in financial assumptions underlying the present value of the scheme liabilities	(259,000)	(42,000)
Actuarial gain/(loss) in pension plan	(66,000)	(20,000)
Increase in irrecoverable surplus from membership fall and other factors	-	-
Actuarial gain/(loss) in recognised in STRGL	(66,000)	(20,000)

23. Pension schemes (continued)**Trading company:****a) Defined benefit scheme (continued)**

Movement in Deficit during the year:		
	2006	2005
	£	£
Deficit at beginning of the year (552,000)	(585,000)	(547,000)
Current service cost (49,000)	(45,000)	(51,000)
Employers contributions 45,000	164,000	48,000
Net return on assets (17,000)	(12,000)	(15,000)
Actuarial gains/(losses) 26,000	(66,000)	(20,000)
Deficit at the end of the year	(544,000)	(585,000)

History of Experience Gains and Losses

	2006	2005
	£	£
Difference between the expected and actual return on assets	194,000	38,000
Value of assets	1,484,000	1,058,000
Percentage of assets	13.0%	3.6%
Experience losses on liabilities	(1,000)	(16,000)
Present value of liabilities	2,028,000	1,643,000
Percentage of the present value of liabilities	(0.0%)	(1.0%)
Actuarial gains/(losses)	(66,000)	(20,000)
Present value of liabilities	2,028,000	1,643,000
Percentage of the present value of liabilities	(3.3%)	(1.2%)

The scheme is a closed scheme and therefore under the projected unit method the current service cost would be expected to increase as the members of the scheme approach retirement.

b) Stakeholder personal pension scheme

For new employees to the trading company since 1 September 1999, the trading company has established a stakeholder pension and contributes personal pension contributions into this scheme. The employer's contribution is 10% of salary and the pension contribution for the year was £ 24,654(2005: £29,047). Included within creditors is an amount of £0 (2005: £85) in respect of accrued employer contributions.

Glossary

Asset Management Revenue Account - an account to ensure that the non cash accounting transactions for capital and fixed assets are eliminated and do not impact on the level of council tax or housing rents.

Capital Expenditure - expenditure on the acquisition of a fixed asset or expenditure which adds to the value, or extends the useful life, of an existing asset.

Capital Receipts - these arise from the sale of long-term assets and from the repayments of capital advances for home purchases and housing associations.

CIPFA - The Chartered Institute of Public Finance and Accountancy

Collection Fund - the Fund shows the income due from Council tax and national non-domestic rates and the application of the proceeds.

Deferred Capital Receipts - amounts derived from sales of long-term assets which will be received in instalments over agreed periods of time. They arise for example from mortgages on sales of Council dwellings.

Deferred Charges - expenditure on assets that do not belong to the Council.

Finance & Operating Leases - a finance lease transfers substantially all the risks and rewards of ownership to the lessee. An operating lease has the character of a rental agreement with the lessor usually being responsible for repairs and maintenance of the asset.

General Fund - the fund contains the income and expenditure relating to the services of the Council, other than Council housing, paid for by council tax revenues.

Housing Revenue Account (HRA) - the account which records the income and expenditure relating to the provision of Council housing.

LASAAC - Local Authority (Scotland) Accounts Advisory Committee

National Non-Domestic Rate (NNDR) - the level of NNDR (Business Rate) is determined by central government. Amounts collected by local authorities are paid into a national pool and the total is redistributed by Central Government.

Precepts and Levies - as well as providing services directly, the Council gives money to other organisations who provide services in the borough. These include the Greater London Authority (GLA).

Private Finance Initiative (PFI) - a contracting method with the private sector to deliver a public service on a long term basis. The private sector body takes on the risks of providing that service working to an agreed specification prepared by the Council.

Provisions - amounts set aside in the accounts for liabilities which are certain to arise in the future, but the amount and timing of which cannot be accurately quantified.

Public Works Loan Board (PWLB) - a government body which provides loans to local authorities for financing capital expenditure.

Revenue Support Grant - this is the amount of general government grant support for local authority expenditure.

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General Purposes Committee on 29 June 2006

Report Title: Amendments to the Constitution relating to Licensing	
Report of: The Head of Legal Services and Monitoring Officer	
Wards affected: All	Report for: Recommendation to Council
<p>1. Purpose</p> <p>1.1 To consider amendments to the Constitution already approved by the Licensing Committee on 6 June and to recommend them to full Council for adoption</p>	
<p>2. Recommendations</p> <p>2.1 That Members recommend to full Council the adoption of the changes to the Scheme of Delegation to Officers, set out in Appendix 1 to this report, to have effect as amendments to Part F.7 of the Council's Constitution</p> <p>2.2 That Members recommend to full Council the adoption of the changes to the Council's Licensing Procedure Rules, set out in Appendix 2 to this report, to have effect as amendments to Part C.9 of the Council's Constitution</p>	
<p>Report authorised by:</p> <p>Davina Fiore Head of Legal Services and Monitoring Officer</p>	
<p>Contact officer: Terence Mitchison – Senior Project Lawyer, Corporate Telephone: 020 8489 5936 terence.mitchison@haringey.gov</p>	
<p>3.1 Executive Summary and Reasons for Change</p> <p>This report sets out the decisions of the Licensing Committee on 6 June when</p>	

Members approved (i) the continued delegation of power to the Head of Member Services, in consultation with the Chair of the Licensing Committee, to appoint substitute Members of the Licensing Sub-Committee for individual meetings and (ii) the addition of new Licensing Procedure Rules to provide for late evening time limits for hearings. The General Purposes Committee is asked to agree these changes and to recommend them to full Council for adoption as amendments to the Constitution.

4. Access to information:

Local Government (Access to Information) Act 1985

The following background papers were used in the preparation of this report and can be inspected at the Alexandra House, 10 Station Road, Wood Green, London N22 7TR by contacting Terence Mitchison on 020 8489 5936:

The Council's Constitution.

5. Report

- 5.1 On 6 June the Licensing Committee agreed the establishment of three Licensing Sub-Committees to hear contested cases under the Licensing Act 2003. By law these Sub-Committee must have three Members each.
- 5.2 If any of the appointed permanent Members of a Sub-Committee were to be unexpectedly absent or seriously late, it would be necessary to appoint a substitute Member probably at very short notice. On occasions a permanent member of a Sub-Committee cannot take part in a particular hearing because of a conflict of interest that may come to light only at the hearing.
- 5.3 The Members appointed as substitutes would be trained Members of the parent Licensing Committee who were able to make themselves available at short notice. Legally, the power to appoint substitutes cannot be given to the Chair as a single non-executive Member cannot make such decisions. The power to appoint would, however, be exercised in consultation with the Chair.
- 5.4 The delegated power is set out in Appendix 1 to this report at page 4 of that Appendix. It would be inserted into the existing powers of the Head of Member Services in section 9 of Part F.7 of the Council's Constitution.
- 5.5 The Licensing Committee also agreed to amend the Local Licensing Procedure Rules that govern the holding of hearings by the Licensing Sub-Committees in order to make provision for late evening time limits.
- 5.6 At 9.30 p.m. the Chair of the Sub-Committee would have to assess progress with the outstanding business. If there was a good prospect of completing the hearing in hand by or shortly after 10.00 p.m. then the Sub-Committee would agree to waive the normal rules to permit the hearing to be concluded that evening. If there was

obviously too much business to complete that evening then the case in hand and/or other business on the agenda would be adjourned until another date to be fixed.

5.7 The amendments needed to give effect to this are set out as paragraphs 63 and 64 on page 11 in the Local Licensing Procedure Rules attached as Appendix 2 to this report. Members of the General Purposes Committee should note that the Licensing Committee must determine its own Procedure Rules but the formal process of incorporating any changes within the Constitution requires the agreement of full Council.

6. Recommendations

6.1 That Members recommend to full Council the adoption of the changes to the Scheme of Delegation to Officers, set out in Appendix 1 to this report, to have effect as amendments to Part F.7 of the Council's Constitution.

6.2 That Members recommend to full Council the adoption of the changes to the Council's Licensing Procedure Rules, set out in Appendix 2 to this report, to have effect as amendments to Part C.9 of the Council's Constitution.

7. Equalities Implications

7.1 There are no specific equalities implications

8. Comments of the Director of Finance

8.1 There are no specific financial implications

9. Comments of the Head of Legal Services

9.1 The legal implications are set out in the main part of the report.

10. Use of Appendices

10.1 Appendix 1 to this report is Section 9 of Part F.7 of the Constitution showing the recommended delegation to the Head of Member Services on page 4.

10.2 Appendix 2 to this report is Part C.9 of the Constitution showing the recommended additional paragraphs 63 and 64 about late evening time limits.

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APPENDIX 1

[the words recommended for addition or insertion are shown in italics and underlined]

PART F.7 of the Constitution – Scheme of Delegation to Officers

[this extract starts at page 172 of Part F.7 in the version of the Constitution updated in June 2005]

Section 9 Proper Officer and Specified Officer Functions

1.1 Chief Executive

The Chief Executive is appointed Proper Officer and specified officer in relation to:

- (a) Any reference in any enactment, passed before or during the 1971/72 sessions of Parliament (other than the Local Government Act 1972) or in any instrument made before 26th October 1972, to the Clerk of the Council or the Town Clerk of the Borough;
- (b) Any statutory function of a Proper Officer, or other specified officer, in any legislation, whenever made, not otherwise expressly provided for in this Constitution;
- (c) The Local Government Act 1972, Sections 83, 84, 88(2), 89(1)(b), 96, 225 and Schedule 12, Part I, paragraphs 4(2)(b) and 4(3) (notices relating to Members and meetings);
- (d) The Representation of the People Act 1983, Sections 8 (Registration Officer) and 35(3) (Returning Officer at an election of Councillors);
- (e) The Local Government and Housing Act 1989, Sections 4 (Head of Paid Service), and notifications pursuant to sections 15 to 17 and Schedule 1 and Regulations made thereunder (Political Balance);
- (f) Section 234 of the Local Government Act 1972. This authorises the Chief Executive to sign any notices or other documents which the Council is statutorily empowered to

give, make or issue. This delegation is in addition to, and does not reduce, the power of individual senior officers to sign such notices or other documents, as provided for elsewhere in this Constitution.

In addition the Chief Executive is empowered:

- (g) To authorise Officers' attendance at any conference/seminar/symposium etc. * after consultation with the appropriate Executive Member, where the conference / seminar / symposium etc. is outside Great Britain;
- (h) To authorise Members' attendance at any conference/ seminar/ symposium etc.* in consultation with the Leader, where the conference / seminar / symposium etc. is outside Great Britain.

1.2 **Director of Finance**

The Director of Finance has been appointed Proper Officer and specified officer in relation to:

- (a) The proper administration of the Council's financial affairs under Section 151 of the Local Government Act 1972;
- (b) Sections 115 and 146 of the Local Government Act 1972 (receiving monies due from other officers and certifying changes in name or area of Council);
- (c) Part VIII (sections 111 to 116) of the Local Government Finance Act 1988;
- (d) Responsibility for the overall management of the internal audit function in accordance with the Accounts and Audit Regulations 2003;
- (e) Budget calculations and budget monitoring under Part 2 of the Local Government Act 2003.

1.3 **Head of Legal Services**

The Head of Legal Services has been appointed Proper Officer and specified officer in relation to:

- (a) Sections 229 and 238 of the Local Government Act 1972 (certification of documents);
- (b) Schedule 29, paragraph 41(3) of the Local Government Act 1972 (appointment of interim Registrar of Births, Marriages & Deaths on vacancy);
- (c) Section 30(5) of the Local Government Act 1974 (public notice of Ombudsman's reports);
- (d) Authorising any officer to appear on behalf of the Council in proceedings before a Magistrates Court under Section 223(1) of the Local Government Act 1972 and in proceedings before a County Court under Section 60 of the County Courts Act 1984. This includes the power to certify such authorisation under Section 41(3) of the Local Government (Miscellaneous Provisions) Act 1976;
- (e) Signing on behalf of the Council to certify a contract under the Local Government (Contracts) Act 1997;
- (f) The functions of the Monitoring Officer under sections 5 and 5A of the Local Government and Housing Act 1989 and sections 66 and 81 of the Local Government Act 2000 and Regulations made thereunder.

1.4 **Head of Members' and Democratic Services**

The Head of Members and Democratic Services has been appointed Proper Officer and specified officer in relation to:

- (a) Part VA and Schedule 12A of the Local Government Act 1972 (Access to Information) and the Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2000-2002 (Access to Information);
- (b) Except as provided in 1.6 below, section 191 (information to assist Ordnance Survey) of the Local Government Act 1972;
- (c) Sections 225 and 229 and Schedule 14, Part II, Paragraph 25 (7) of the Local Government Act 1972, and Section

41(1) of the Local Government (Miscellaneous Provisions) Act 1976 (custody of, and certifying, documents);

- (d) The Local Government and Housing Act 1989, Section 2(2) (Maintenance of list of politically restricted posts);
- (e) Section 19 of the Local Government & Housing Act 1989 and Regulations made thereunder (Members' Interests Regulations);
- (f) Section 8 of the Representation of the People Act 1983, as the officer who will act as Deputy to the Electoral Registration Officer in the event of the latter's incapacity or a vacancy arising.

In addition the Head of Members' and Democratic Services is empowered:

- (g) To determine the appointment of outside members to the "pool" from which the membership of School Admissions Appeals Panels and School Exclusions Appeals Panels are drawn;
- (h) To determine the membership of individual Appeals Panels (under (g) above) and the selection of Chairs of these Panels;
- (i) To make appointments of representative School Governors as notified by the Executive Member for Education or the Opposition Spokesperson, as appropriate;*
- (j) To make appointments to vacancies on the Standing Advisory Council on Religious Education and Conference Committees;
- (k) In consultation with the Chair of the Licensing Committee, to appoint substitute Members to Licensing Sub-Committees for one hearing or one meeting from among the membership of the parent Licensing Committee when any permanent Sub-Committee Member is unable to attend for any reason.

1.5 **Head of Personnel**

The Head of Personnel is authorised to provide the "Certificate of Opinion" for employees on SCP44 or above making application

for exemption from political restriction under section 3 of the Local Government and Housing Act 1989 – (Politically Restricted Posts).

1.6 **Director of Environmental Services**

The Director of Environmental Services is appointed the Proper Officer in relation to the functions of his Services for the purposes of Sections 191 Local Government Act 1972 (information to assist Ordnance Survey), Section 78(8) Building Act 1984 (urgent action on dangerous buildings) and section 205 of the Highways Act 1980 (certification under the private street works code).

1.7 **Director of Housing Services**

The Director of Housing Services is appointed the Proper Officer for the purposes of section 606 of the Housing Act 1985 (reports on unfit houses).

1.8 **Director of Social Services**

The Director of Social Services is authorised to appoint Review Panels to consider Stage 3 complaints in Social Services that fall within the National Health Service and Community Care Act 1990.

1.9 **General Provisions**

- (a) All Chief Officers have been appointed Proper Officers in relation to the functions of their respective Services for the purposes of section 234 of the Local Government Act 1972 (signing or authenticating any notice, order or other document which the Council are authorised or required to issue under any enactment);
- (b) Any reference to the function of a Proper Officer in relation to any legislation is to be taken as including subordinate legislation and any enactment for the time being amending or replacing such legislation;
- (c) If the office of any of the officers referred to above is vacant or the officer is absent or otherwise unable to act, his/her deputy,

or, failing that deputy, the most suitable senior officer, is hereby authorised to act as the Proper Officer.

1.10 **Attestation of Seal**

The Seal on documents shall be attested by any one of the following officers:

Chief Executive, Director of Finance, Head of Legal Services, Deputy Head of Legal Services or any officer authorised by the Head of Legal Services either in relation to a specific document or particular categories of documents.

APPENDIX 2

[the words recommended for addition or insertion are shown in italics and underlined]

Part C.9 of the Constitution

HARINGEY COUNCIL – LOCAL LICENSING PROCEDURE RULES FOR HEARINGS UNDER THE LICENSING ACT 2003

Interpretation

1. “Act” means the Licensing Act 2003

“Applicant” means a natural person or other legal entity making any application or giving any notice for any form of licence, certificate, consent or determination in accordance with the Act

“Application” means any type of application or notice for any form of licence, certificate, consent or determination for which provision is made under the Act

“Chair” means the Chair of the Licensing Committee or Licensing Sub-Committee determining the relevant application

“Committee clerk” means the officer(s) instructed by the Head of Members’ Services to attend Licensing Sub-Committee meetings to take the minutes and assist with the proper running of the meetings

“Council” means the Council of the London Borough of Haringey

“Hearings Regulations” means The Licensing Act 2003 (Hearings) Regulations 2005 (S.I. 2005 no. 44)

“Interested party” has the meaning prescribed in the Act

“Legal representative” means the officer(s) instructed by the Head of Legal Services to attend Licensing Sub-Committee meetings to advise on matters of law and procedure

“Licensing Committee” means the Council’s statutory Committee under the Act

“Licensing representative” means the officer(s) instructed by the Assistant Director, Enforcement to administer application

procedures and to attend Licensing Sub-Committee meetings to advise on licensing matters

“Licensing Service” means the Service under the Assistant Director, Enforcement responsible for administering the Council’s functions under the Act

“Member” means Haringey Councillor appointed to serve as a Member of the Licensing Committee or a Licensing Sub-Committee as the context requires

“Notice” means any notice made in accordance with the Act, or Regulations made thereunder, in relation to an application

“Objector” means each interested party, responsible authority, other natural person or legal entity who/which has made relevant representations or given any notice in relation to any application

“Party/Parties” means the applicant(s) and/or the objector(s) in relation to any particular application

“Premises” means any premises or land in respect of which an application is made

“Relevant Representation” means any relevant representation made in accordance with the Act, or Regulations made thereunder, in relation to an application

“Responsible authority” has the meaning prescribed in the Act

“Sub-Committee” means a Licensing Sub-Committee to which the Licensing Committee of the Council has delegated powers to determine applications. Unless the context otherwise requires, this shall be interpreted to include the Council’s Licensing Committee when that Committee is hearing an application within its terms of reference.

“Ward Councillor” means a Haringey Councillor representing a Ward within which are located any premises that are the subject of an application.

Scope and Application

2. These Rules apply to all applications made in accordance with the Act, or Regulations made thereunder.

3. These Rules should be read and interpreted in conjunction the Hearings Regulations and the Act.

Pre-Hearing Procedure

4. The Licensing Service will notify the relevant Ward Councillors of each application, notice or relevant representation relating to premises within their Ward within 2 working days of receiving such application, notice or relevant representation. This requirement is in addition to any requirement arising under the Hearings Regulations.
5. The Licensing Service may seek to mediate between the parties to an application with a view to securing: -
 - (a) the withdrawal of any relevant representation or notice,
or
 - (b) the agreement of the parties that a hearing is unnecessary.
6. If, in any case, the parties agree that a hearing is unnecessary, the Licensing representative, in consultation with the Chair, shall decide whether the Council consider that a hearing is unnecessary to determine the application and shall give notice of that decision to the parties forthwith.
7. In any case where it has been decided that a hearing is unnecessary, the Sub-Committee shall consider the application at an ordinary meeting. In reaching its decision, the Sub-Committee shall take into account the form of application and accompanying documents, any written relevant representations and notices that have not been withdrawn and any report or other documents that appear to be relevant.

Membership and Quorum for Hearings

8. Where an application relates to premises within a Ward, then a Ward Councillor shall not take part in the decision upon that application as a Member.
9. So far as practicable, hearings will be arranged so that the Sub-Committee determining the application does not include Members representing any Ward in which premises affected by the application are located

10. The quorum for any hearing of a Sub-Committee shall be three Members and the quorum for any hearing by the Licensing Committee shall be four Members.
11. Any Member arriving after the commencement of a hearing, or leaving during the course of a hearing, shall take no part, or no further part, in the conduct of that hearing or the decision on the application in question.

Councillors' Participation in Hearings

12. A Councillor, who is not a Member of the Sub-Committee determining the application in question, may participate in the hearing but only if the Councillor is an objector who has made relevant representations in accordance with the Hearings Regulations and the Act, or if the Councillor has been asked to attend by a party in order to act as a witness or a representative for that party.
13. A Councillor, who is a Member of the Sub-Committee determining the application in question, will have a prejudicial interest in that application if the he/she makes a relevant representation by way of objection to it and may well have a prejudicial interest if he/she has otherwise been involved in supporting or opposing the application. Any Member of a Sub-Committee who has a prejudicial interest for these or other reasons must not participate in the decision upon the application and must not be present at the hearing in any capacity or at all.
14. Any Member of a Sub-Committee who has made a relevant representation by way of objection to an application on behalf of his/her constituents and who cannot attend the hearing personally by reason of Rule 13, should arrange to be represented by an agent or a fellow Ward Councillor who is not a Member of the Sub-Committee.
15. A Councillor will have a personal interest in an application if it might reasonably be regarded as affecting that Councillor (or his/her spouse/partner, relatives, friends, employer or business) to a greater extent than other residents in the area. A Councillor with a personal interest shall not participate in decision-making on the application in question as a Member of the relevant Sub-Committee. This is in order to avoid any possible allegation of bias.

16. Whenever a Councillor, who is not a Member of the Sub-Committee, intends to participate in a hearing in accordance with Rule 12, the Councillor must consider whether he/she has a personal or a prejudicial interest before the hearing. A Councillor with a personal interest, who is not a Member of the Sub-Committee determining the application, may participate in a hearing in accordance with Rule 12 but must disclose such an interest first. A Councillor with a prejudicial interest, who is not a Member of the Sub-Committee determining the application, must not be present at the hearing in any capacity or at all. Members must be aware that their Code of Conduct applies to all Councillors at all times in whatever capacity they attend a hearing.
17. Where a Member of a Sub-Committee has had any form of personal or business involvement with a party to an application, which is to be determined by the Sub-Committee, or with any person connected to a party, then the Member must consider whether such involvement could amount to a personal or a prejudicial interest or whether such an interest could exist for any other reason. If there is any doubt on this matter, the Member must seek the advice of the Monitoring Officer or the legal representative.
18. A Councillor who has participated in a decision by the Council to make any application, or to support or assist an application made by another person, shall not participate in decision-making on the application in question as a Member of the relevant Sub-Committee.

Lobbying of Members and Expressions of Opinion by Members

19. If a Member of a Sub-Committee is approached by a party or a lobbyist for or against an application to be determined by that Sub-Committee, then the Member must: -
 - (a) explain that he/she cannot discuss the matter, and
 - (b) refer the lobbyist to another Councillor who is not a Member of the Sub-Committee or to the Licensing Service who can give further information on the process of dealing with the application, and
 - (c) keep an adequate written record of the approach, and

- (d) disclose the fact of the approach before the hearing in accordance with Rule 51 (c).
- 20. If a Member of a Sub-Committee receives any written representation either supporting or opposing an application to be determined by that Sub-Committee, then the Member shall pass the representation to the Licensing Service for appropriate action.
- 21. A Member of a Sub-Committee must avoid expressing any personal opinion about the merits of an application to be determined by that Sub-Committee and must not take any action that would bring into question the Member's capacity to consider the application objectively.
- 22. A Member of a Sub-Committee must not accept any gift, favour or free hospitality that could be seen as connected to any application to be determined by that Sub-Committee.
- 23. Members of Sub-Committees are not to be influenced by party political factors or pressures when determining any application.

Non-Attendance at Hearings

- 24. Where a party has not notified the Council that he/she does not intend to attend or to be represented at a hearing, and that party fails to attend the hearing then the Sub-Committee may either: -
 - (a) adjourn the hearing to a specified date where it considers this to be necessary in the public interest, or
 - (b) hold the hearing in the party's absence.
- 25. Normally, a party who fails to attend a hearing in the circumstances described in Rule 24 above, will be allowed one further opportunity to attend the hearing adjourned to a specified date.
- 26. Where an adjournment is granted, the Licensing representative shall make every reasonable endeavour to contact the party who failed to attend by telephone or in person in order to warn them of the new date for the adjourned hearing and the likelihood that the application will be determined in that party's absence in the event of further failure to attend.

Calling Witnesses

27. Where a party wishes to call a witness to give evidence at a hearing that party must give written notice to the Licensing Service of this intention no later than ten working days before the date of the hearing stating: -
 - (a) the name of the witness, and
 - (b) a brief description of the point or points upon which the witness' evidence may assist the Sub-Committee in making its decision on the application
28. Where a party has given notice under Rule 27, the Licensing Service shall forthwith communicate this notice to the other party/parties, if possible by electronic means or by the most rapid practicable alternative means.
29. Where a party has given notice under Rule 27, the Sub-Committee shall consider at the commencement of the hearing whether it will permit the party to call the witness for the purpose(s) notified. Such permission shall not be unreasonably withheld.

Documentary Evidence

30. Where a party wishes to rely upon documentary evidence at a hearing that party must give written notice to the Licensing Service of this intention no later than ten working days before the date of the hearing. This notice shall be accompanied by six copies for the Council and sufficient additional copies of all the relevant documentary evidence for each other party made known to the notifying party. Compliance with this Rule is especially important in relation to documents that are not easy to photocopy because, for example, they are coloured or not A4 size.
31. Where a party has given notice under Rule 30, the Licensing Service shall forthwith communicate all the relevant documentary evidence to the other party/parties if possible by electronic means or by the most rapid practicable alternative means.
32. Where a party has complied fully with Rule 30, that party shall have the right to have the relevant documentary evidence admitted and, subject to the provisions of the Hearings Regulations, the Sub-Committee shall take such evidence into account in making its decision.

33. In any case where a party wishes to rely upon documentary evidence but has not fully complied with Rule 30, then at the commencement of the hearing the Sub-Committee shall follow this procedure: -
- (a) the Chair shall establish whether the other party/parties consent to the documentary evidence being admitted, and
 - (b) if all the other parties so consent, then the documentary evidence shall be treated as if Rule 32 applied to it, or
 - (c) if any party does not so consent, then the Sub-Committee shall decide whether to admit the documentary evidence nonetheless
 - (d) in making its decision under Rule 33(c), the Sub-Committee shall have regard to any reasons given for the late production of the documentary evidence, or other non-compliance with Rule 30.
 - (e) in making its decision under Rule 33(c), the Sub-Committee shall consider how far any other party may be prejudiced by the late production of the documentary evidence, or other non-compliance with Rule 30, and also the extent of the prejudice to the party seeking to rely upon the evidence if its admission is refused.
 - (f) in making its decision under Rule 33(c), the Sub-Committee shall consider whether it would be desirable in the public interest to adjourn the hearing for any period of time, or to another date, in order to allow any other party a reasonable opportunity to consider the documentary evidence.
 - (g) in making its decisions under Rules 33(c) and 33(f) above, the Sub-Committee shall consider any representations by the parties and the advice of its legal representative.
34. Where a party wishes to rely upon documentary evidence at a hearing but considers that any details of that evidence should be treated as confidential, for example the name or address of the signatory of a letter, then the party may exclude such confidential details from any documentary evidence sent to the Licensing Service under Rule 30. This Rule does not apply to any notice given or relevant representation made, since the originator must state his/her name and address in order for it to be valid.
35. In any case where confidential details are excluded under Rule 34, the Licensing Service must be informed that a request will be made by the party under Rule 42. If permission is refused under Rule 43, the whole or part of the relevant documentary evidence

may be excluded from consideration. If permission is granted to exclude any confidential details, this may affect the weight to be given to the rest of the related evidence under Rule 58.

36. Where a party wishes to rely upon a model, or any form of evidence that cannot be photocopied, at a hearing that party must give written notice to the Licensing Service of this intention no later than ten working days before the date of the hearing. The party seeking to rely upon such evidence shall indicate in the notice, so far as practicable, the nature of that evidence and the purpose(s) of producing it.
37. Where a party has given notice under Rule 36, the Licensing Service shall forthwith communicate all relevant information about the evidence to the other party/parties if possible by electronic means or the most rapid practicable alternative means.
38. Rules 30 to 33 shall be applied flexibly to evidence of the type described in Rule 36 with a presumption that such evidence will be admitted if it materially helps the Sub-Committee to understand relevant issues between the parties at the hearing.

Petitions

39. Petitions shall on each page state their purpose and contain a warning to potential signatories that they are liable to be made public and that a copy will be supplied to other parties to the application. Each person signing should print their name and address legibly. At the end a petition must state the name(s) and address(es) of the persons circulating the petition and the dates on which this took place.
40. A petition must comply with Rule 39 unless the Sub-Committee decide to waive compliance with any requirement(s) for a good reason. A petition shall also be treated as documentary evidence and Rules 30 to 33 shall apply.

Private Hearings and Confidential Evidence

41. In accordance with the Hearings Regulations, hearings shall take place in public unless a decision to the contrary is made under Rule 43 in any case.
42. Where a party or a witness consider that any giving of evidence, or part of any evidence, or part of a hearing, should be held in

private, then the party or their witness shall make such request to the Chair at the commencement of the hearing.

43. The Sub-Committee may decide to exclude members of the public from any part of a hearing and/or treat any evidence as confidential where the Sub-Committee consider that the public interest in preserving the confidentiality of any evidence outweighs the public interest in that part of the hearing taking place in public.
44. For the purposes of Rule 43, a party, a witness and any person assisting or representing a party, may be excluded from any part of a hearing or from hearing or seeing any particular evidence. Where the Sub-Committee decide to hold part of a hearing in private, a party and/or his/her representative shall not be excluded except for very special reasons.
45. Where the Sub-Committee decide to hold part of a hearing in private, the officers of the Licensing Service will not be excluded except for very special reasons. The Committee Clerk and legal representative shall not be excluded.
46. Before making any decision under Rules 43 or 45, the Sub-Committee shall consider the advice of its legal representative.
47. Where any part of a hearing takes place in private, the hearing will be adjourned immediately thereafter for a period of time sufficient to enable the Committee clerk to prepare a fair summary of the evidence and proceedings heard in private. This summary will exclude all details that the Sub-Committee, acting with the advice of its legal representative, consider should remain confidential. Upon the resumption of the hearing, the summary will be read out publicly in the presence of all the parties.
48. Rules 41 to 47 shall apply as nearly as may be practicable to documentary evidence where, with the consent of the Sub-Committee, confidential details may be disclosed to the Sub-Committee but excluded from disclosure to the public or persons mentioned in Rule 44.
49. Rules 41 to 47 shall apply, as nearly as may be practicable, where a witness wishes to disclose his/her name and/or address or other details only to the Sub-Committee and Council officers but not to the public or persons mentioned in Rule 44.

50. Whenever any evidence or information has been treated as confidential under Rules 41 to 49, the Sub-Committee shall consider whether to alter the weight given to that evidence in accordance with Rule 58.

Commencement of the Hearing

51. At the commencement of each hearing the Sub-Committee shall follow this procedure but may omit or abridge any step or Rule as appropriate -
- (a) The Chair will introduce him/herself and invite the Members and officers to introduce themselves
 - (b) The Chair will invite the parties to introduce themselves and their representatives (if any)
 - (c) The Chair will invite Members to disclose any contacts they may have had before the hearing with the parties or lobbyists for them.
 - (d) If any party fails to attend the hearing, the Sub-Committee shall decide whether to proceed with the hearing in the absence of that party or whether to adjourn the hearing to another date. The Sub-Committee shall have regard to Rules 24 and 25 and Regulations 12 and 20 of the Hearings Regulations in making such decisions.
 - (e) The Chair will explain the procedure to be followed by reference to these Rules.
 - (f) The Chair will suggest the order of the topic headings for discussion at the hearing and will then invite the comments of the parties. In the light of such comments the Sub-Committee will confirm the order of the topic headings or amend them.
 - (g) The Chair will ascertain whether there are any requests by any of the parties to call a witness and the Sub-Committee will then determine any such request under Rule 29.
 - (h) The Chair will ascertain whether there is likely to be a request from any of the parties to cross-examine a witness called by another party and, if so, the reasons given for seeking a cross-examination. The Sub-Committee will then determine whether to allow such cross-examination in the interests of establishing relevant facts.
 - (i) The Chair will ascertain whether there are any requests by any of the parties to produce documentary evidence, including models etc., and whether there has been full compliance with Rules 30 to 37. In the event of any non-compliance these Rules, the Sub-Committee shall decide whether to admit the evidence and/or adjourn the hearing under Rules 33 and 38.

- (j) The Chair will ascertain whether there are any requests by any of the parties to treat any evidence as confidential or to hear any of the evidence, or hold any part of the hearing, in private. If so, the Sub-Committee shall decide the request under Rules 43 to 49.
- (k) In any case where the Licensing Service has informed a party that there are particular points on which the Sub-Committee will need clarification, the Chair will then invite the party to provide such clarification.

Procedure and Evidence at Hearing

- 52. In accordance with Hearings Regulations, the hearing shall take the form of a discussion led by the Chair. With permission of the Chair the other Members of the Sub-Committee may ask questions of the parties, their representatives and witnesses and may lead the discussion on specific topics or points.
- 53. The hearing shall follow the order of the topic headings determined under Rule 51 (f) unless there is a good reason to depart from this agreed by the Sub-Committee.
- 54. The Chair, or Member leading the discussion, shall endeavour to ensure that each party has a reasonable opportunity to explain their case under each topic heading. The parties, their representatives and witnesses have a duty to make their evidence and comments succinct and relevant to the issues under discussion.
- 55. A party shall not be permitted to cross-examine another party or their witness unless this has been allowed under Rule 51 (h). If a party has concerns relating to the evidence or comments of another party or their witness, this should be explained to the Sub-Committee so that the Chair can question the other party/witness about these concerns before completing that topic heading.
- 56. Where permission has been given to a party to call a witness, that witness may give evidence in one or more stages when the discussion covers the appropriate topic heading(s). Normally, a witness will be invited by the Chair to make a statement. The witness will then be subject to cross-examination by the other party/parties if this has been allowed under Rule 51 (h). Then the Sub-Committee may question the witness. A party shall not re-examine his/her own witness except with the consent of the Chair to clarify a significant point in earlier evidence.

57. At the end of each topic heading the Chair shall invite the Licensing Service or legal representative to make any comments that they may consider necessary. With the consent of the Chair, these officers may question parties or witnesses directly or put their questions through the Chair.
58. Strict legal rules of evidence shall not apply. However, in considering what weight to place on the evidence or comments of any party or witness, the Sub-Committee shall have regard to the extent to which information was:
 - (a) within a witness' direct knowledge, and
 - (b) clearly and specifically related to the points at issue in the hearing, and
 - (c) tested by questioning.
59. The Chair shall be responsible for the orderly conduct of the hearing. The Chair may require any person to be silent and may regulate the order in which persons speak at the hearing. The Chair will endeavour to prevent remarks which are repetitious or irrelevant or which amount to unsubstantiated offensive allegations against any person, present or not.
60. The Chair on his/her own motion may indicate the decision of the Sub-Committee on any procedural matter within the scope of these Rules notwithstanding that the decision is stated in these Rules to be that of the Sub-Committee. This is subject to the right of any Member, who makes an immediate request, to have the matter put to the vote of the Sub-Committee as a whole. Rule 66 will apply to such a vote.
61. In accordance with the Hearings Regulations, each party has the right to make a closing address to the Sub-Committee in order to summarise his/her case at the end of the hearing. Unless the applicant consents to a different order, the applicant shall have the right to make the final address.
62. Each party must be allowed an equal maximum period of time to make a closing address. Normally, the Chair will invite each party to state how much time that party will require. However, the Sub-Committee may fix a greater or lesser maximum time for each closing address provided that this is reasonable in relation to the weight and complexity of the issues at the hearing.

Time Limit for Hearings

63. At 9.30 p.m. the Chair must ask the Sub-Committee to agree –

- (a) to continue the hearing in hand and, if necessary, to suspend these Rules so as to allow it to continue for a reasonable time beyond 10.00 p.m. when this is necessary to complete the hearing and advisable in the interests of fairness, and/or
- (b) to adjourn the hearing and/or any other unfinished business on the agenda until a date to be fixed.
64. Hearings shall not normally continue later than 10.00 p.m. and no new hearing shall be commenced after 10.00 p.m.

Decision Making

65. At the end of a hearing the Sub-Committee may confer publicly and announce its decision on the application(s) immediately.
66. Alternatively, the Sub-Committee may defer reaching its decision until a later time or date, in so far as this accords with the Hearings Regulations.
67. In any case, and whether or not Rule 66 applies, the Sub-Committee may retire with the Committee clerk and legal representative to another room to deliberate in private.
68. The Sub-Committee, if making a decision at that time, must reach their decision by a majority vote. The Licensing Committee, if making a decision at that time, must reach their decision by a majority vote but, in the event of an equality of votes, the Chair shall have a second, or casting, vote.
69. The decision(s) will then be summarised in writing and the Sub-Committee will return to the public meeting so that the Committee clerk can read out the decision(s) in the presence of all the parties and their representatives.
70. If the Sub-Committee require any clarification of matters of fact before reaching their decision(s), the Sub-Committee shall return to the public meeting and put questions to the parties, their witnesses or the Licensing representative in the presence of all the parties and their representatives.

71. If the legal representative gives legal advice on any point(s) material to the Sub-Committee's decision(s), this advice will be summarised and read out by the legal representative in public before the Committee Clerk reads out the decision(s).

Waivers and Irregularities

72. The Chair may agree to waive any of these Rules, including any time limit, in the case of any individual application where he/she considers that there is good reason to do so. Excepted from this power to waive are Rules 8 to 23 (inclusive). Any permanent variation of these Rules must be decided by the Licensing Committee.
73. Any irregularity arising from any failure to comply with any provision of these Rules before the Sub-Committee has made a determination shall not of itself render the proceedings void.
74. In any case of such an irregularity the Sub-Committee shall, if Members consider that any person may have been prejudiced as a result of the irregularity, take such steps as Members think fit to cure the irregularity before reaching a determination of the application(s). In any such case the Sub-Committee shall consult the legal representative before deciding upon any steps to cure the irregularity.
75. In any case where it appears after the Sub-Committee's determination that the decision has been vitiated by incorrect information or any procedural or legal error, the Legal Representative shall advise the Chair of this and of the steps necessary to remedy the problem. With the consent of the Chair, the Sub-Committee may reconvene to take the steps advised and/or to amend its decision. With the consent of the Chair in an appropriate case, the Members of the Sub-Committee may signify their consent to any steps advised and/or any amended decision without reconvening in person. When the legal representative so advises, the parties affected shall be invited to a reconvened hearing or, where appropriate, to signify their consent to any steps proposed without attending in person.

Cases Remitted by the Magistrates on Appeal

76. On an appeal to the Magistrates Court, the Court may remit the case to the Council for it to determine in accordance with the Direction of the Court. The Chair of the Licensing Committee on legal advice may wish the Council to contest that Direction by

further legal proceedings. If not, the Chair will receive advice from the Head of Legal Services on how to comply with the Direction of the Court and will be requested to agree the appropriate procedure. So far as possible, these Rules will apply to any further hearing with such modifications as are advised to secure compliance with the Direction of the Court.

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Agenda Item

Council Joint Consultative Committee on 26 June 2006
General Purposes Committee on 29 June 2006
The Executive on 4 July 2006

Report title: **Delivering the HR Strategy 2004-2007**

Report of: **Head of Personnel**

1. Purpose: To advise committee of the work that HR have been doing to deliver on the HR Strategy.

2. Recommendations
 Note the contents of the attached HR Strategy report.

Report authorised by:

A handwritten signature in black ink, appearing to read "Stuart Young".

for Chief Executive

Contact officer: **Stuart Young, Head of Personnel**
 Telephone: **3174**

3. Access to information:
Local Government (Access to Information) Act 1985
 No documents that require to be listed were used in the preparation of this report.

4 Introduction

- 4.1 In 2004 we introduced an HR Strategy for the next 3-4 years for HR related services within the council. The vision is - 'To proactively improve service performance by ensuring that people perform and they work in a modern and healthy environment'.
- 4.2 To help achieve our vision we identified a number of strategic objectives under the following themes
- Recruitment and retention
 - Organisational development and building capacity
 - Performance management
 - Valuing diversity
 - Employee engagement
 - Promoting a modern and healthy work environment
- 4.3 This attached paper (Appendix A) looks at how we have delivered on the HR Strategy.
- 4.4 Outlined on pages 1-10 are summaries of how well we delivered on each of the themes. Under each theme we have identified the key Measures of Success, the Strategic Objectives for delivery of each theme and the actions taken and planned.
- 4.5 Page 11 outlines the Best Value Performance Indicators for HR and council performance, and pages 12- 27 provide key HR performance indicators that help measure our improvement.

5 Summary of delivery by theme

5.1 Recruitment and Retention

- 5.1.1 The Council provides a good employment package with competitive rates of pay and other benefits including flexible working to promote work-life balance.
- 5.1.2 In 2005 the Council was awarded the two ticks symbol for disability showing that Haringey positively encourages applications from those with a disability.
- 5.1.3 We have developed a number of recruitment schemes to encourage specific groups of applicants and potential workers including graduates, people aged 18-24, social work and teaching trainees.
- 5.1.4 We have worked to improve recruitment by redesigning the website and making it easier for applicants to apply on-line.

- 5.1.5 We have awarded a contract for the supply of agency temps, which is expected to deliver better control, information and savings in the region of £800k per annum.

5.2 Organisational Development and Building Capacity

- 5.2.1 The Council was awarded Investors in People (IiP) status in 2005. The IiP standard 'stimulates and challenges organisations to make the best of their people and recognise their contribution' and in so doing facilitate organisational change and improvements.
- 5.2.2 The Council Leadership scheme aims to give managers the tools and techniques to be successful leaders. The top 250 senior managers have completed the course.
- 5.2.3 There is a comprehensive range of learning and development courses covering business skills, people management, customer focus, information technology, procurement, which are all branded under the 'Smart Working' logo.
- 5.2.4 The 2005 staff survey showed that 74% of staff have positively learnt from the development activities and improved as a result.

5.3 Performance Management

- 5.3.1 77% of permanent staff confirmed that they had a performance appraisal and 68% confirmed they knew the performance measures for their team.
- 5.3.2 Personnel have updated a number of personnel policies over the last year including the Disciplinary Procedure, Code of Conduct, Violence at Work Policy, Acting Up policy and Secondment policy.
- 5.3.3 People Plans have been produced for each directorate to address the key workforce challenges such as recruitment, learning, skills and behaviours.
- 5.3.4 A set of Corporate Values have been introduced to help us achieve excellence in our ways of working.
- 5.3.5 Regular Employment Profile reports are produced for the Council as a whole and for directorates which contain key workforce statistics and information.

5.4 Valuing Diversity

- 5.4.1 The Council performs well on measured equality indicators (2004-05).
- 1st in London for Black & Minority Ethnic staff in the top 5% of earners (25.6%)

- 4th in London for proportion of workforce from B&ME groups (40.8%)
- 3rd in London for women in top 5% of earners (50%)
- 6th in London for proportion of staff with disabilities (4%)

5.5 Employee Engagement

- 5.5.1 The Council has good relations with its trade unions with regular meetings held with union representatives and the Head of Personne
- 5.5.2 Personnel have improved its intranet pages to make employment information more accessible
- 5.5.3 Employment tribunal claims have gone down over the past 2 years. Year 2004 = 49 claims (42 unfair dismissal). Year 2005 = 30 claims (21 unfair dismissal).
- 5.5.4 Approx. 26% of the Top 5% earners in the Council are from black & minority ethnic groups. This Best Value Performance Indicator puts the Council 1st in London.

5.6 Promoting a Modern and Healthy Work Environment

- 5.6.1 The council's overall sickness absence rate at the end of 2005-2006 stood at 10.4 days per person. This compares with an overall absence average across London of 10.7 days (source Association of London Government).
- 5.6.2 Personnel is working to improve absence and attendance management across the Council through a combination of targeting action of long-term sick staff; improving absence monitoring; promoting ongoing health and well being through health training, health fairs and health checks for staff.
- 5.6.3 The Council approved a new No Smoking Policy and a have run a series of smoking cessation workshops which have resulted in 29 staff quitting smoking so far.

6 Legal comments

- 6.1 The Head of Legal Services has been consulted on the content of this report. Success in achieving the objectives and outcomes identified in the report will assist the Council in meeting its various statutory and common law duties as an employer.

7 Financial implications

- 7.1 There are no financial implications that have not already been accounted for within the Council's cash limited budgets.

8. Equal opportunities implications

- 8.1 Equalities issues have been incorporated within the body of the report and in the attached Delivering the HR Strategy report at appendix A.
- 8.2 The information provided in the report will be utilised to help to ensure the Council continues its good work in promoting diversity and achieving Levels 3 and 4 of the Equality Standards for Local Government.

Delivering the HR Strategy 2004-2007

In 2004 we introduced an HR Strategy for the next 3-4 years for HR related services within the council.

The HR Vision is as follows:

‘To proactively improve service performance by ensuring that people perform and they work in a modern and healthy environment’.

To help achieve our vision we identified a number of strategic objectives under the following themes

- Recruitment and retention
- Organisational development and building capacity
- Performance management
- Valuing diversity
- Employee engagement
- Promoting a modern and healthy work environment

This paper looks at how we have delivered on the HR Strategy. The following pages detail Human Resources measures of success and how they link into the strategic objectives. It also details what actions have been done to help achieve these to date and what is planned in the future.

Recruitment And Retention

Measure of Success

- **Have an employment package that attracts and retains staff**
- **Have recruitment and retention policies that reflect the business needs of the Council**
- **Turnover levels within the accepted norms for the market place – comment**

Strategic Objectives

- **Promote Haringey as an employer of choice**
- **Develop terms and conditions that attract and retain talented people**
- **Promote a flexible workforce culture**
- **Ensure staff know and understand the goals, beliefs and purpose of the organisation**

Action taken

- Haringey provides a good employment package with competitive rates of pay and other non-financial benefits such as a flexible working scheme publicised in 2005 which promotes work-life balance.
- The Council was awarded Investors in People (IiP) status in 2005. The IiP standard ‘stimulates and challenges organisations to make the best of their people and recognise their contribution’ and in so doing facilitate organisational change and improvements.

- In 2005 the Council was awarded the two ticks symbol for disability showing that Haringey positively encourages applications from those with a disability.
- The Council has increased awareness advertising focussing on encouraging people with a disability to consider working for the Council. Recruitment looked into new ways of promoting Haringey by using advertising space at train and underground stations and in specific media targeting disabled applicants.
- TMP took over response handling for the recruitment section in 2005 in order improve the service provided to managers and applicants. TMP now collate, dispatch and receive all application forms freeing time for recruitment to concentrate on other aspects of the recruitment process.
- The recruitment website was re-designed to make it more user-friendly for potential applicants and the council implemented on-line recruitment.
- Recruitment attended the CommCare live exhibition and local job fairs as well as going out to local schools to give advice on how to obtain employment.
- The council has a Graduate recruitment programme which has been running well for the past 5 years. Each year we take on approx 9 Graduates for a 2 year programme and at the end many have stayed within the council in permanent jobs.
- We have developed a Pathways into Social Care and Teaching programme with the College of North East London, Strategic Health Authority and a number of London Boroughs including Barnet, Islington and Enfield. This has resulted in the recruitment of 23 Teaching Assistants and 20 trainees in Social Care who will hopefully progress into professional teaching and social care jobs.
- We have taken on 10-15 Social Work trainees each year over the past couple of years to undertake B.A.'s and M.A.'s in social care related studies. These are 1-3 year courses run jointly in partnership with Middlesex University.
- The New Start scheme that the council runs encourages apprentices and entry level administrative staff aged 18-24 into employment. The scheme appoints approx 12 admin level staff for a year and approx 8 craft apprentices for two years each September. The scheme gives these new starters training for a recognised national qualification and valuable work experience. Many of these young people have successfully applied for permanent jobs at the end of the scheme.
- Staff turnover for April 2004 – March 2005 was 17%, this is slightly above the average turnover for London Boroughs which is 15.2%. The current rate of turnover in the council stands at 15% as at end of March 2006.
- On-line recruitment will be developed by mid 2006, allowing applicants to complete all application forms on-line.
- We have recently awarded a contract for the supply of agency temporary staffing resources. Hays have been appointed as the single agency co-ordinator for the council and will start during April/ May 2006. It is expected that better control and information can be gained through use of a single co-ordinating agency and savings in the region of £800k per annum can be achieved.

Action planned

- A pay and conditions package will be negotiated with trade unions during 2006 to address equal value considerations and comply with the national pay agreement for Local Government Service workers.
- Staff benefit providers are being contacted to establish what kind of external benefits they can promote. The aim is to launch the staff benefits scheme with a dedicated internet site staff can access by April 2007. Benefits include Bikes for Work Salary Sacrifice Schemes which give tax and N.I savings.
- Consideration is also being given to implementing a childcare voucher scheme through salary sacrifice.
- The 2006 graduate recruitment scheme starts in July, 12 people will be appointed to the scheme, 6 people to the generic and 6 people to the professional posts, they will be supported in their posts.
- Work will be done on re-designing and improving the application form.
- The Council will widen its awareness advertising to other under-represented groups.
- Recruitment will be working with Children's Services examining their recruitment and retention strategy with an aim to providing a more tailored service to suit their needs.
- The Council will explore with its partners, arrangements for pooled recruitment and staff retention (redeployment schemes).

Organisational Development And Building Capacity**Measures of Success**

- **Become an 'Investors in People' authority**
- **Have a workforce with the skills and competencies to meet the needs of the organisation**
- **Improved performance across the council.**

Strategic Objectives

- **Develop a learning organisation and become an Investor in People**
- **Support leadership development of Members and Senior Managers**
- **Increase the capacity for all managers and staff to deliver**
- **Ensure staff know and understand the goals, beliefs and purpose of the organisation**

Action taken

- The Council was awarded Investors in People (IiP) status in 2005 ahead of the expected date. The IiP standard 'stimulates and challenges organisations to make the best of their people and recognise their contribution' and in so doing facilitate organisational change and improvements. The report by the assessor drew attention to numerous cases of good practice and commented on the "excellent level of enthusiasm and initiative" of staff.
- The Leadership scheme started in 2003 aiming to give staff the tools and techniques they need to be a successful leader.

The scheme comprises of

- 360 degree feedback
- Group and sustaining workshops
- Developmental coaching
- Personality profiling tools

By April 2006, the top 250 senior managers went through the programme and phase 2 has started for the next levels of 300 4th & 5th tier managers.

- The Council currently has 34 Social work trainees studying for BA's or MA's at Middlesex University.
- We have recently recruited another six graduates to our very successful generic Graduate Trainee scheme and, for the first time, three graduates who want careers in hard to recruit to technical professions (ie Traffic engineering; Benefits and Tax; and Surveying).
- Some 60 staff are undertaking skills for life courses which CONEL are running on the Council's behalf. Courses are targeted at those who want to improve their literacy and numeracy skills. We have successfully bid for funding for the project from the London Development Agency.
- The council has agreed the Haringey Way of Working. These values – service, improvement, integrity, passion, one council – sit at the heart of how the Council wants and expects its staff to behave. The Haringey of Working was the subject of the January staff event when 600 managers talked about the importance of values to an organisation and what our values will mean to us if they are to be lived, not laminated.
- 17 managers from across the council are participating in a certificate Coaching Programme.
- A comprehensive range of learning and development courses are offered to staff covering business skills, people and strategic management, customer and community focus, personal effectiveness, and information technology. These are branded under the 'Smart Working' logo.
- A mentoring scheme was piloted in May 2004. The Mentor and Mentee meet once a month for about 1-2 hours over a period of six months. In addition to this, staff also attend a short workshop on topics such as 'getting myself motivated' and 'setting goals'. Forty mentees are on the scheme with twenty one mentors.
- The pilot aiming high scheme was launched in June 2005. The council is keen for more diversity at senior management levels, bringing different views and approaches. This 12 month leadership programme is intended to support that aim by giving participants a nationally recognised qualification in Management through a programme that focuses on networking skills, management theory and self development.
- The 2005 staff survey showed that:
 - 86% of managers felt clear on their responsibilities for developing staff who report to them
 - 73% of managers felt their staff's performance has improved as a result of development activities
 - 74% of staff felt that they have learnt from the development activities they have undertaken

- 82% of staff felt that they understood Haringey's aims and objectives
- 88% of staff understand how the work they do helps the council achieve its aims

Action Planned

- The Council will be reassessed for liP accreditation in January 2007. The liP standard was revised in late 2005. The new and harder standard puts greater emphasis than before on empowerment and involvement at all levels; management capability to lead, manage and develop people; and planning and evaluation. We are working with managers and staff to ensure we fully meet all aspects of the standard.
- The twenty participants on the current Aiming High scheme will complete the scheme in October 2006. There is a new intake planned for July 2006.
- The leadership scheme will be rolled out to 300 4th and 5th tier managers, this will continue into 2008. The first 140 of these have recently started the programme.
- A core management programme of HR skills is currently being developed for managers. It covers 6 core HR disciplines – Recruitment, Conduct & Capability, Absence Management, Health & Safety, Managing Diversity and Performance Appraisal.
- Events for staff, senior management seminars and management events are planned throughout 2006 / 2007.
- A review of the competency scheme and the introduction of corporate values will be introduced in 2006.

Performance Management

Measures of Success

- **Timely and accurate employment information available to managers that helps with current and future service planning. Including annual employment profile reports with related performance indicator and benchmarking information.**
- **Improvement in information accuracy and related processes**
- **Improved performance across the council**

Strategic Objectives

- **Develop policies and procedures to effectively manage staff**
- **Identify the targets, actions and responsibility of services and staff to deliver**

Action taken

- Whilst assessing the Council for liP accreditation in 2005 the IIP assessor noted that supervision meetings were being routinely held and people confirmed that they receive regular feedback on their work activity.
- The 2005 staff survey showed that across the council staff felt they

- received feedback that helps them to improve their performance.
- 68% confirmed that they knew what performance measures for their team are.
 - 72% of staff confirmed that they have regular meetings with their manager
 - 77% of permanent staff confirmed that they have a work plan or appraisal that sets out their tasks for the year
 - Over half of staff positively felt that their manager coaches them to improve performance.
- Advice and Consultancy continued to provide advice and coaching to managers and staff on performance issues and training and development needs were supported through the excellent training courses run in partnership with OD& Learning.
 - A personnel policy and project programme is developed from issues identified in the HR Strategy and Personnel Business Plan at the beginning of each financial year. During this last year we have agreed and produced new and revised policies including – Disciplinary Procedure, Code of Conduct, Violence at Work Policy, Secondment Policy, Acting Up Policy, and a new Maternity pack for employees. We revised the redeployment process and this process is also used to manage the re-introduction of staff re-instated following dismissal. We have promoted various health programmes for staff, and also improved the personnel intranet pages.
 - People Plans are developed from Business Plans but with a focus on people. Key challenges and issues for each service are identified from the business plans and account is taken on the capacity of the workforce to deliver these plans based on workforce data and appraisal knowledge. Personnel and OD&L consultants then work with services to produce People plans and actions to address the challenges outlined taking account of the implications for staff numbers; roles; responsibilities; skills; knowledge; behaviours, etc.
 - Regular employment profile reports are produced for the Council as a whole and directorates. They contain information on ethnicity, gender, disability, grade, turnover, disciplinary and health and safety information.
 - As part of the SAP Realisation of Benefits project a comprehensive role analysis was conducted and Managers Desktop SAP training delivered. The training aimed to improve consistency in data entry and enable staff to utilise the SAP facilities. Feedback from staff indicates that the course was well received.
 - As part of the Business Process Re-design project undertaken in 2004-2005 the cleansing of employee and organisational data was identified as a key task. Employee validation forms have been sent out in both in a manual and newly designed electronic format. The electronic forms are designed to extract and update information out of and into SAP and will speed up the process of getting correct data into SAP.
 - An audit of the establishment structure was started in late 2005 and aims to ensure the structure recorded on SAP is accurate. Electronic forms have been developed to make managing the structure easier for managers.
 - Electronic forms have been designed. These support the maintenance

of an accurate organisational structure and improve the process. These draw out information from SAP and ensure managers complete the forms in the correct way

- Corporate values were introduced in 2006.

Action to be taken

- Personnel Services have identified a challenging policy programme for developing and amending policies including attendance management, redeployment, grievance and mediation, age and retirement.
- A core management programme of HR skills is currently being developed for managers. It covers 6 core HR disciplines – Recruitment, Conduct & Capability, Absence Management, Health & Safety, Managing Diversity and Performance Appraisal.
- The staff survey has been circulated, the deadline for responses is end of the end of June. A report on the findings will be published later in the year.
- Coaching skills for managers leading to a Certificate in Coaching and Mentoring is taking place over the Summer.
- Work is currently being done on revising the competency framework
- The Agency Review project aims to have the new procedure implemented in April 2006. This will use an external provider to source agency staff. Benefits include more accurate information on costs and numbers of agency staffing and will enforce tighter restrictions on agencies used. It will result in significant cost saving across the council.
- A further business process re-design task will be undertaken in 2006 to aid the centralisation of the HR/Pay services which will streamline the HR/Pay processes and make them more transparent.

Valuing Diversity

Measures of Success

- **Have a workforce that reflects the community we serve**
- **Achieved Level 3 of the Equality Standard in race, gender and disability**

Strategic Objectives

- **Secure a workforce representative of the community**
- **Integrate valuing diversity into every aspect of working lives**
- **Achieve level 3 of the equality standard and implement the Council's Race Equality Scheme**
- **Implement national diversity legislation**

Action taken

- The council performs well on measured equality indicators (2004-2005)
 - 1st in London for BME in the top 5% of earners (25.6%)
 - 4th in London for proportion of workforce from BME groups (40.8%)
 - 3rd in London for women in top 5% of earners (50%)

- 6th in London for proportion of staff with disabilities (4%)
- The national pay agreement 2004 requires implementation of local pay reviews by 31 March 2007. An Equal Pay and Conditions Review has been undertaken to ensure that the Council meets its obligations under the pay agreement and address equal pay issues. As a result an employment package of terms and conditions has been developed that meets the needs of the organisation and attracts and retains talented people by rewarding them appropriately.
- In October 2006 new legislation on age discrimination will come into effect. New age retirement processes have been agreed to ask people if they wish to continue working past the age of 65. Lunch time seminars were organised to inform staff about the legislation and proposed changes to council practice. Approx 180 staff attended and feedback was good.

Action planned

- The council has achieved level 2 of the Equalities standards with plans for levels 3 and 4 to be achieved by 2007.
- Personnel will implement changes required to comply with age discrimination legislation.
- The Equal Pay and Conditions Review is on schedule and will be completed in 2007. Regular meetings with management and Trade Union representatives have been scheduled.

Employee Engagement

Measures of Success

- **Have excellent industrial relations with few disputes**
- **Have an informed and engaged workforce**

Strategic Objectives

- **Ensure staff or their representatives are consulted or negotiated with, as appropriate, about changes to their work or employment terms and conditions**
- **Ensure staff are aware of key information to enable them to perform their jobs**
- **Develop effective channels of communication to keep staff or their representatives engaged and informed**
- **Reduction in the number of tribunals**

Action taken

- The Council has good relations with its trade unions with regular meetings held with union representatives and the Head of Personnel.
- Over 2400 staff attended a series of staff events at Alexandra Palace in May. The Leader of the Council and the Chief Executive spoke to staff about the challenges ahead and thanked them for their effort, energy and hard work. Participants at the event spent time looking at how the council has improved over the years, and what more needs to be done.

A public service approach to everything we do, efficiency and effectiveness and customer focus were major topics of discussion.

- Personnel have improved its intranet pages to make employment information more accessible.
- At induction new starters are given an induction by Personnel and key procedures are gone through.
- Regular contributions are made from personnel related services to the staff newsletter – ‘Smart talk’
- Employment tribunal claims have gone down over the past 2 years. Year 2004 = 49 claims (42 unfair dismissal). Year 2005 = 30 claims (21 unfair dismissal).
- 87% of staff understand how they contribute to achieving the organisations aims and objectives.

Action planned

- Personnel will continue to work with trade unions. A new HR policy programme will be set for the next financial year and there will be continuing talks around the Equal Pay and Conditions Review.
- Personnel will continue to develop the intranet site.

Promoting a Modern and Healthy Work Environment

Measures of Success

- **Have pro-active health services including health promotion, screening, awareness and tests**
- **Have well developed and comprehensive health and safety policies across the council**
- **Reduction in numbers and types of accidents and working days lost through accidents**
- **Be in the upper quartile of London Borough’s for absence management.**

Strategic Objectives

- **Reduce ill health and sickness absence**
- **Promote a healthy lifestyle and work life balance**
- **Promote safe systems of working and compliance with health and safety regulations**
- **Promote fast, flexible and efficient working practices**
- **Motivate empower and celebrate our people**
- **Create a modern, accessible and flexible working environment**

Action taken

- The council’s overall sickness absence rate at the end of 2005-2006 stood at 10.4 days per person. This compares favourably to an overall absence average across London of 10.7 days (source Association of London Government).
- HR is focussing on improving absence management and has achieved a reduction in outstanding long-term cases by 33%.

- We have worked hard to improve sickness absence input over the last year and this improved by 23% over the last year.
- Occupational Health Services have been reviewed. We have a different clinical team, new business processes, and better records. As a result the turnaround time for a medical referral has reduced by more than **25%**, the quality of doctor advice has improved, and the rate of ill-health retirement has reduced dramatically
- Personnel is looking to improve absence management across the council through a combination of
 - Targeting the resolution of long-term sickness absence – in the first instance.
 - Improved absence monitoring
 - Improved employee and management support in dealing with sickness cases through better Occupational Health services
 - Promoting an ongoing health and well being agenda with the workforce through initiatives such as Health for Life training, staff Health Fair, Health checks for staff.
- The successful Health for Life self development programme run in partnership with the College for North East London was popular and successful. 70 successfully completed level 1 last year and 150 staff are currently enrolled on this year's programme.
- A new 'No Smoking Policy' has been agreed.
- In March 2006 the Council held a Health Fair for staff which provided health advice to over 500 staff as well as highlighted the sports and leisure facilities the borough has. For this Occupational Health, Health and Safety and the Sports and Leisure Service teamed up to promote different aspects of a healthy lifestyle
- The Council held a series of smoking cessation workshops in a move to encourage staff to improve their health by quitting smoking, so far 29 staff have successfully quit smoking.

Action planned

- In 2006 changes to the Occupational Health area in SAP will allow for the recording of immunisation and health surveillance data to be possible. This will also allow for reporting when immunisations are required again and follows the recommendations of the Health and Safety Executive inspection.
- An action plan based on the HSE recommendations has been finalised and will be implemented over the following 12 months.
- A new Health and Safety policy will be finalised by July 2006 incorporating recommendations of the Health and Safety Inspections.
- Stress management and vaccination policies are being worked on, to be agreed by mid-late 2006.

PERFORMANCE INDICATORS**April 2005 – March 2006****BEST VALUE PERFORMANCE INDICATOR'S**

BV11a Percentage of top 5% earners that are women (excluding schools)
FTE

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Target
50%	52.43%	56.11%	55.88%	50%

BV11b Percentage of top earners from black and ethnic minority groups
(excluding schools) FTE

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Target
24.71%	25.40%	23.48%	21.05%	25%

BV11c Percentage of top earners with a disability (excluding schools) FTE

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Target
4.88%	4.96%	4.77%	4.06%	n/a new

BV12 Numbers of working days lost due to sickness absence (including
teachers and excluding temporary and agency staff) FTE

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Target
8.71	9.36	9.31	10.37	8.8 days

BV14 Percentage of employees retiring early (excluding ill health) as a
percentage of total workforce by headcount including schools maintained by
the authority

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Target
0.01%	0.03%	0.05%	0.09%	0.20%

BV15 Percentage of employees retiring on the grounds of ill-health as a
percentage of the total workforce, permanent and FTC over a year

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Target
0.04%	0.01%	0.06%	0.13%	0.30%

BV16a Percentage of local authority employees with a disability (headcount)

Annual
3.77%

BV17a Percentage of local authority employees from minority ethnic
communities (headcount)

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Target
41.74%	41.61%	41.52%	44.61	40.8%

HR PERFORMANCE AND SYSTEMS

Sickness reports to be issued by 20th of the month

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Average
100%	100%	100%	100%	100%

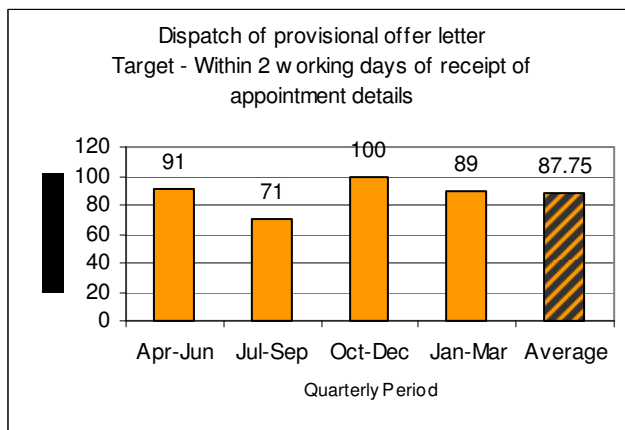
SAP training provided within agreed timescale

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Average
100%	100%	100%	100%	100%

RECRUITMENT

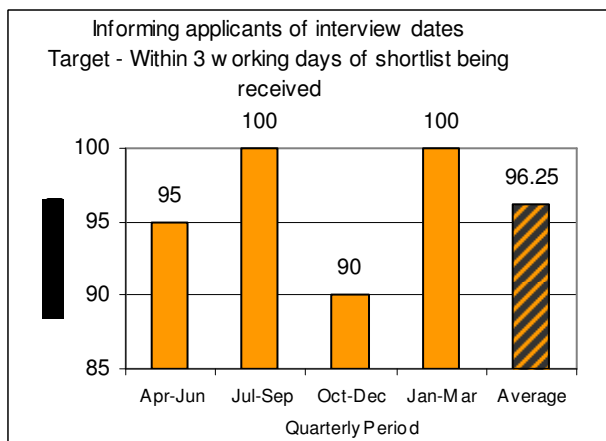
Dispatch of provisional offer letter – within 2 days of receipt of appointment details

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Average
91%	71%	100%	89%	87.75%
Sample 41/45	Sample 7/10	Sample 20/20	Sample 40/45	
-	-20% on previous quarter	+29% on previous quarter	-11% on previous quarter	



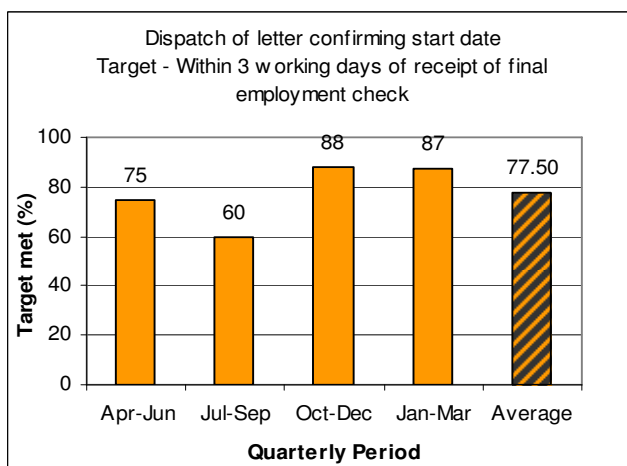
Informing applicants of interview dates within 3 working days of shortlist receipt

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Average
95%	100%	90%	100%	96.25%
Sample 43/45	Sample 10/10	Sample 18/20	Sample 45/45	
	+5% on previous quarter	-10% on previous quarter	+10% on previous quarter	



Dispatch of letter confirming start date within 3 working days of final employment check

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Average
75%	60%	88%	87%	77.5%
Sample 17/20	Sample 6/10	Sample 14/16	Sample 39/45	
	-15% on previous quarter	+28% on previous quarter	-1% on previous quarter	

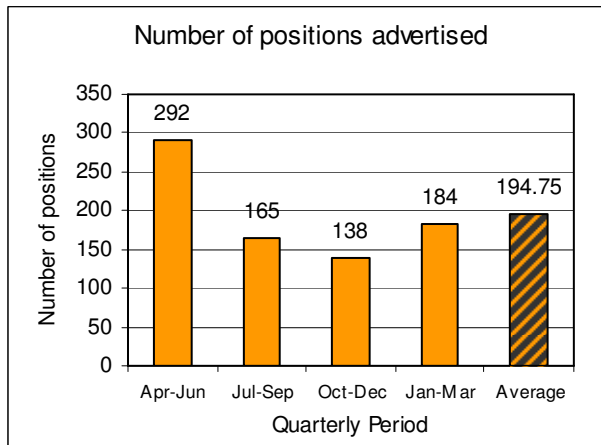


Personnel file to HR Support within 2 working days of start date confirmation

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Average
100%	100%	100%	100%	100%
Sample 20/20	Sample 20/20	Sample 16/16	Sample 45/45	

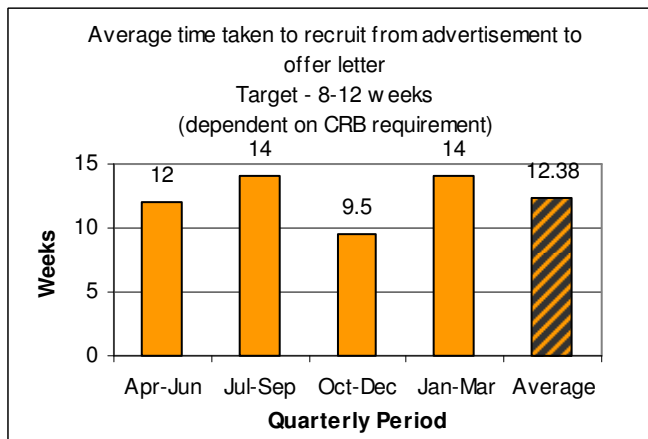
Number of positions advertised

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Average
292	165	138	184	194.75



Average time taken to recruit from advertisement to offer letter – target 8-12 weeks depending on CRB requirement

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Average
12	14	9.5	14	12.37



Average number of vacancies as a percentage of total workforce per year 10-11%

PAY CONTROL

Process of pay advances and other emergency payments – payments received by 5pm Friday paid into employees account by following Thursday

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Average
100%	100%	99%	100%	99.75%

Process of employee loans – cheques/CHAPS issued within 5 days of receipt of application

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Average
100%	100%	99%	100%	99.75%

Payment of AVC's to Pension Providers – cheques for payroll deductions to be issued to pension providers within 5 days of each run

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Average
100%	100%	99%	100%	99.75%

Overall number of errors listed on the payroll error log

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar
289 errors	250 errors	345 errors	193 errors
Error rate	Error rate	Error rate	Error rate
-1.07%	-13 %	+38%	-44%

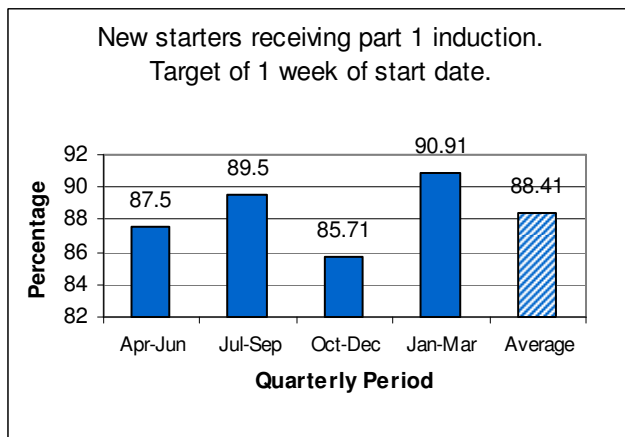
Gross to net payroll runs – target 98%

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Average
99.52%	99.65%	99.32%	99.55%	99.51%

HR SUPPORT

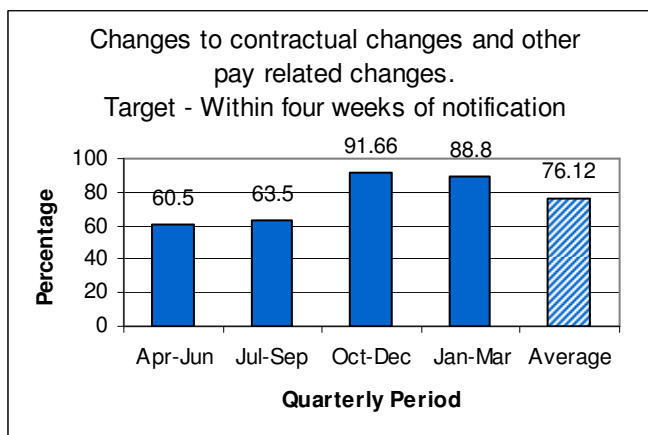
New starters receiving part 1 induction within 1 week of start date

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Average
87.5%	89.5%	85.71%	90.91%	88.40%
Sample 20% of new starters	Sample 20% of new starters	Sample 20% of new starters	Sample 20% of new starters	
-	+2% on previous quarter	-3.79% on previous quarter	+5.2 on previous quarter	



Contractual and other pay related changes done issued within four weeks of notification

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Average
60.5%	63.5%	91.66%	88.8%	76.11%
Sample 20% of changes	Sample 20% of changes	Sample 20% of changes	Sample 20% of changes	
-	+3% on previous quarter	+28.16% on previous quarter	-2.86% on previous quarter	



ADVICE AND CONSULTANCY

Employment tribunals, won, lost, settled

Settled	Withdrawn	Struck-out	No outcome as yet	Total
4	3	2	16	25

Job evaluations completed within 10 working days

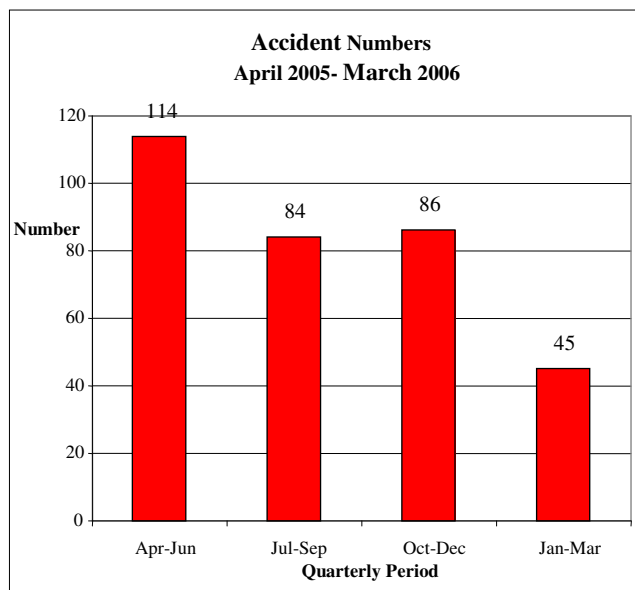
Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Average
94.61%	90%	100%	100%	96.15%

* Figures not provided from all Directorates

HEALTH AND SAFETY

Accident statistics – reduction in number of accidents when comparing to previous quarter

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Average
114	84	86	45	82.25
	-30 compared to previous quarter	+2 compared to previous quarter	-41 compared to previous quarter	



PENSIONS

Maintenance of pensions database compared to SAP – target 100% accuracy

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Average
96%	90%	94%	94.9%	93.72%
	-6% compared to previous quarter	+4% compared to previous quarter	+0.9% compared to previous quarter	

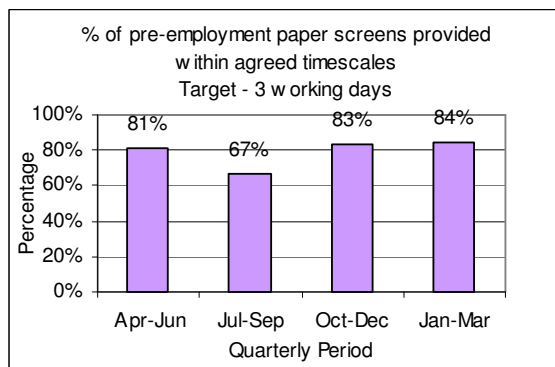
Calculations for scheme members and managers – within 10 working days of request

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Average
88%	90%	96%	92%	91.5%
	-2% compared to previous quarter	+6% compared to previous quarter	-4% compared to previous quarter	

OCCUPATIONAL HEALTH

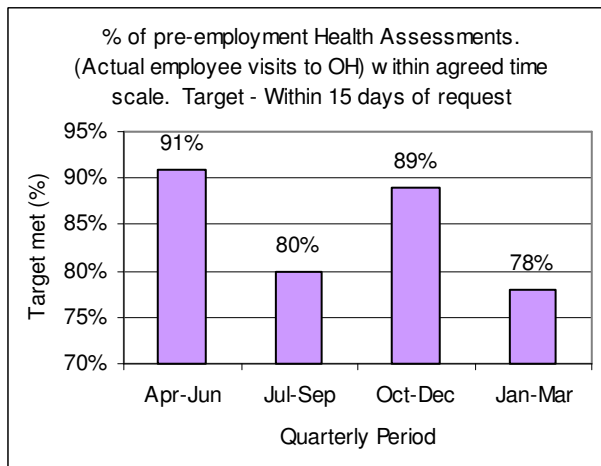
Percentage of pre-employment paper screens provided within 3 working days

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Average
81%	67%	83%	84%	78.75%
	+14% compared to previous quarter	+16% compared to previous quarter	+1% compared to previous quarter	



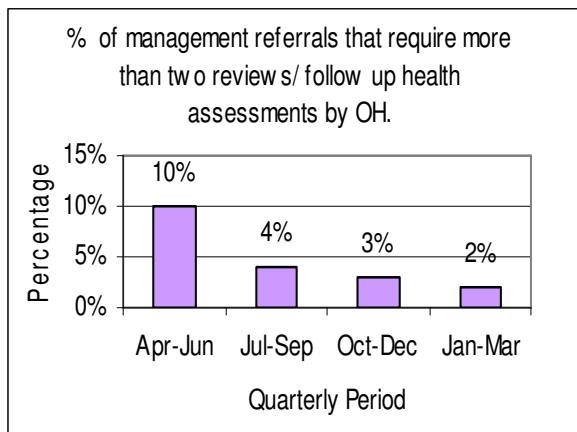
Percentage of pre-employment health assessments (actual visits to OHU) within 15 days of request

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Average
91%	80%	89%	78%	84.5%
	-11% compared to previous quarter	+9% compared to previous quarter	-11% compared to previous quarter	



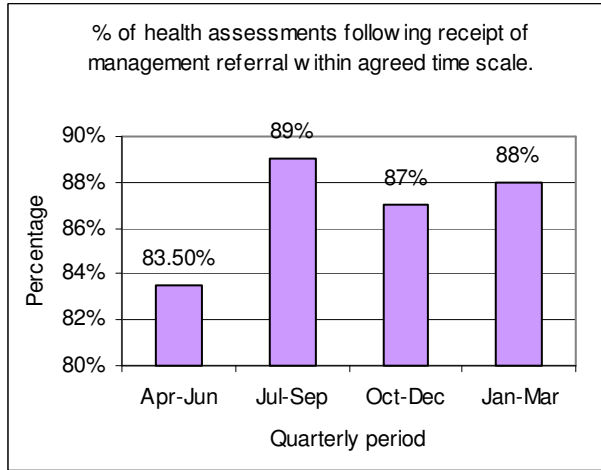
Percentage of management referrals that require more than two reviews/follow up assessments

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Average
10%	4%	3%	2%	4.75%



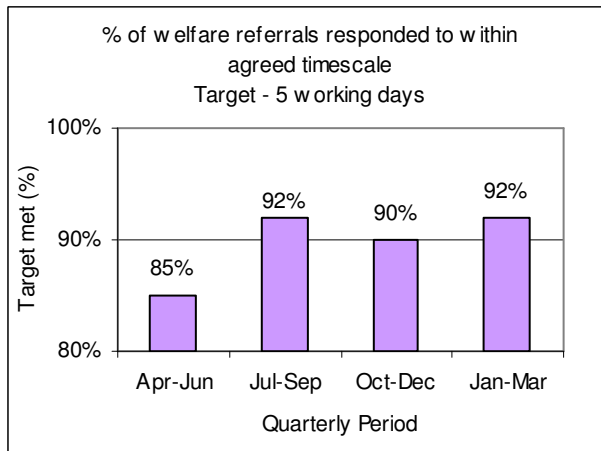
Percentage of health assessments following receipt of management referral within 20 working days of request

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Average
83.5%	89%	87%	88%	86.87%



Percentage of welfare referrals responded to within 5 working days

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Average
85%	92%	90%	92%	89.75%

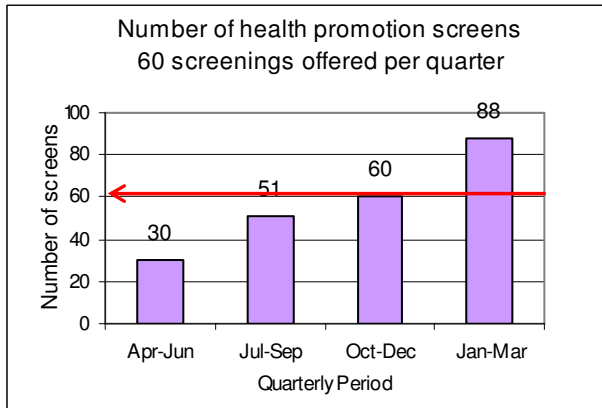


Percentage of welfare assessments conducted within 10 working days of request

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Average
88%	96%	93%	91%	92%

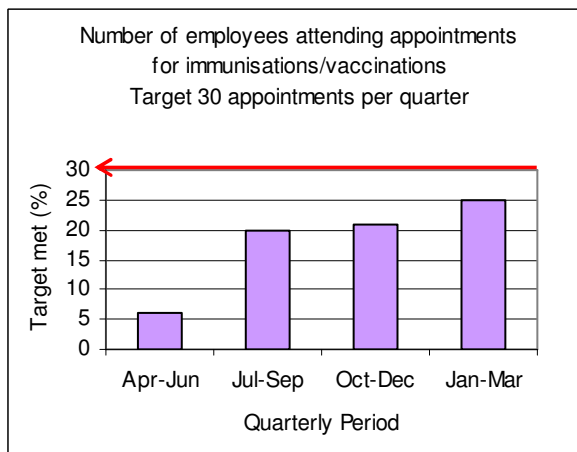
Number of health promotion screens – target 60 per quarter

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Average
50%	92%	100%	146% (screenings offered above target)	97%



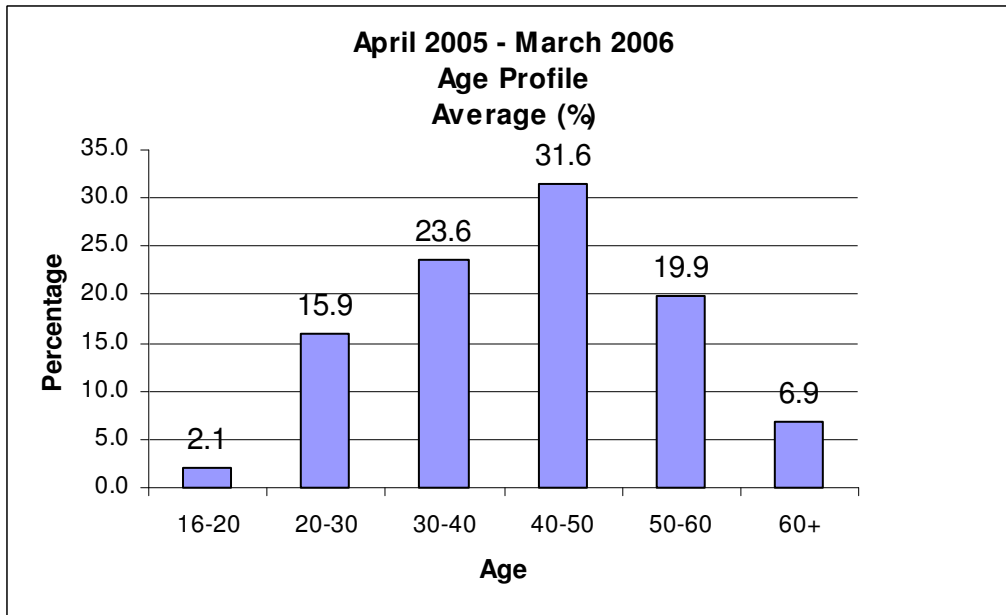
Number of employees attending appointments for immunisations/vaccinations – target 30 per quarter

Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Average
20%	66%	70%	92%	62%

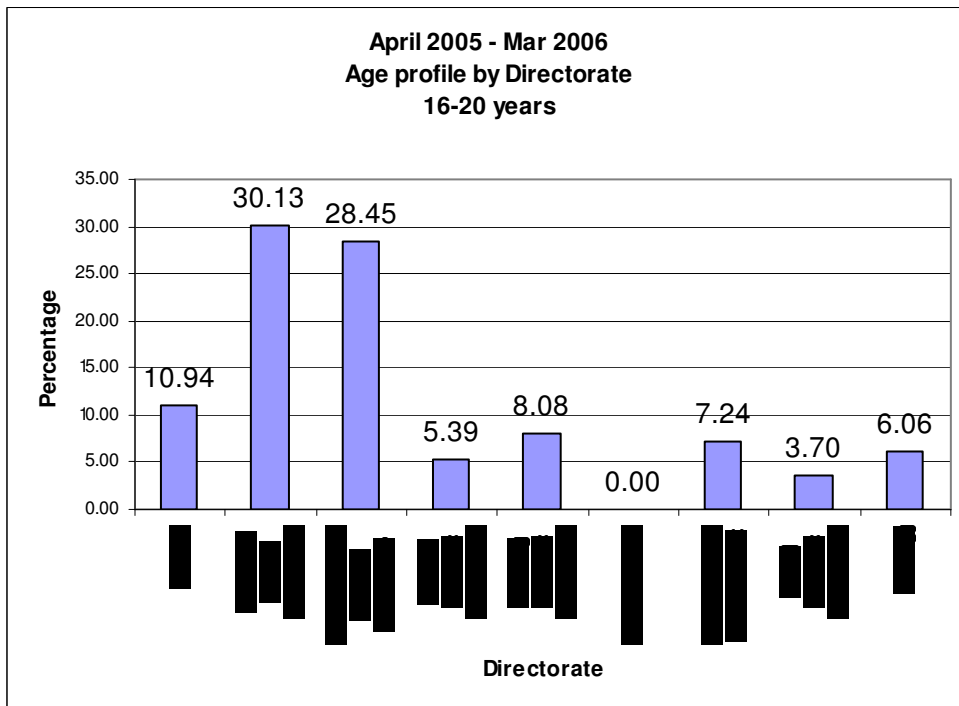


Age profile across the Council (excluding schools) based on average percentage figures.

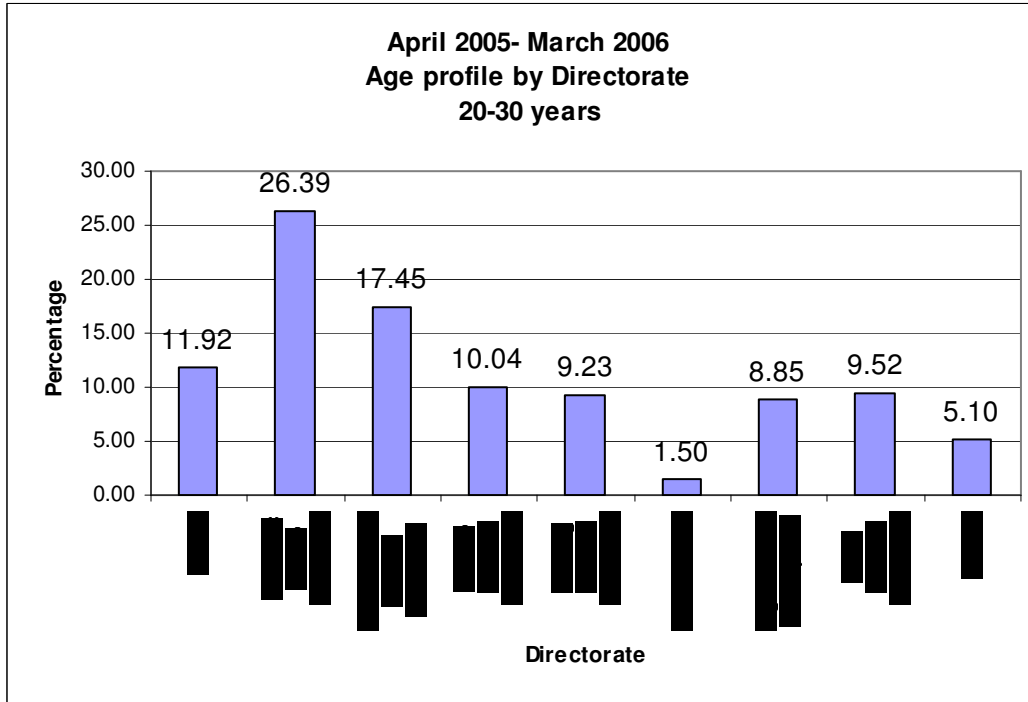
Overall age profile across the Council



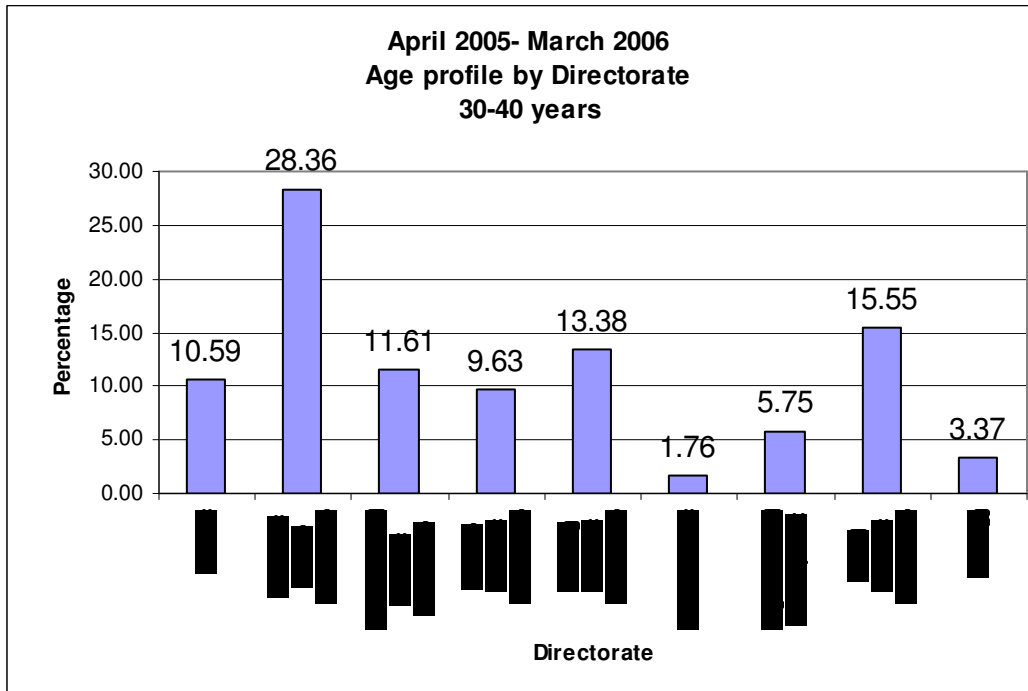
Profile for 16-20 year olds by Directorate



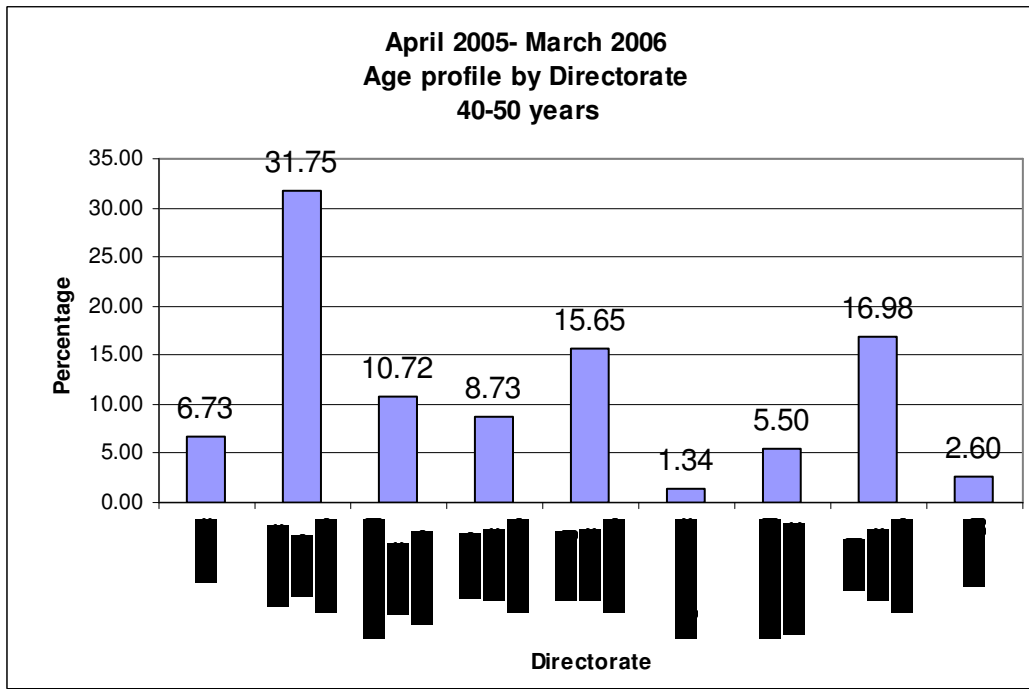
Profile for 20-30 year olds by Directorate



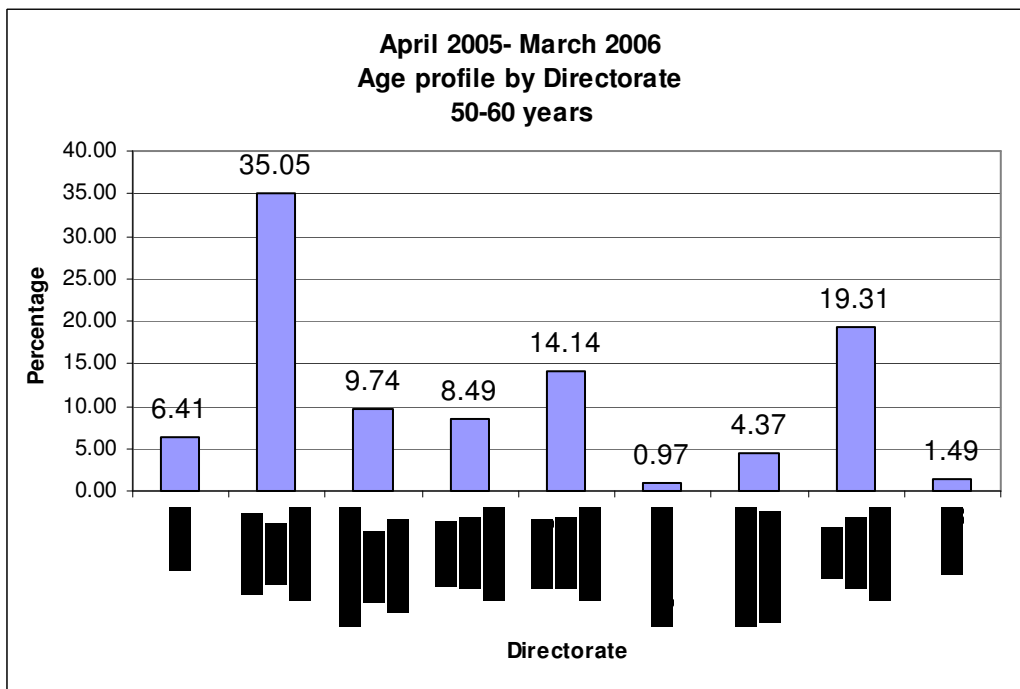
Profile for 30-40 year olds by Directorate



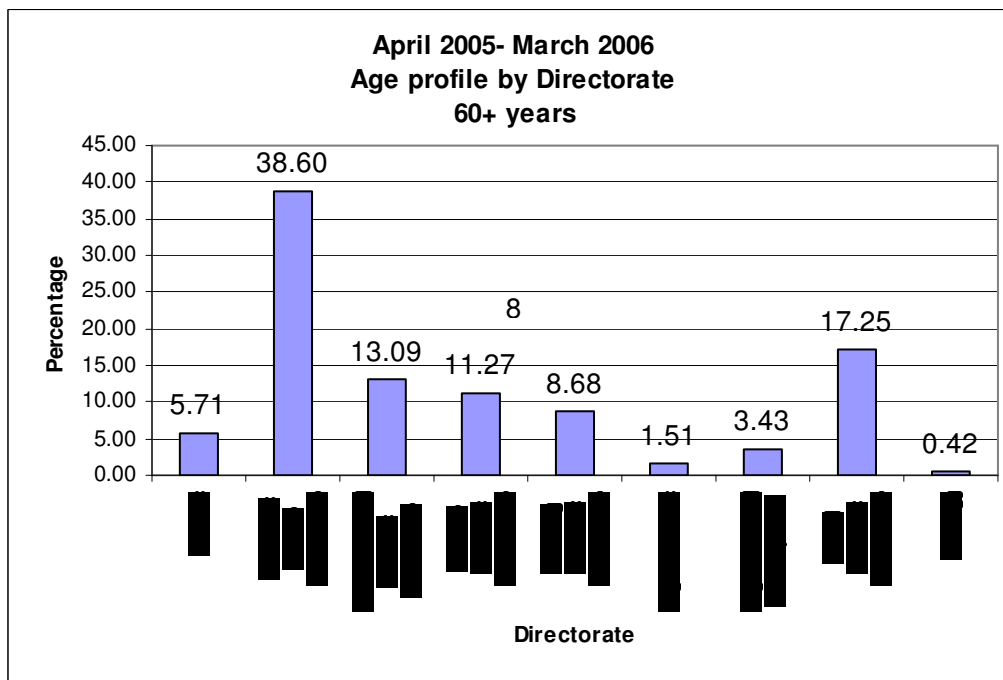
Profile for 40-50 year olds by Directorate



Profile for 50-60 year olds by Directorate

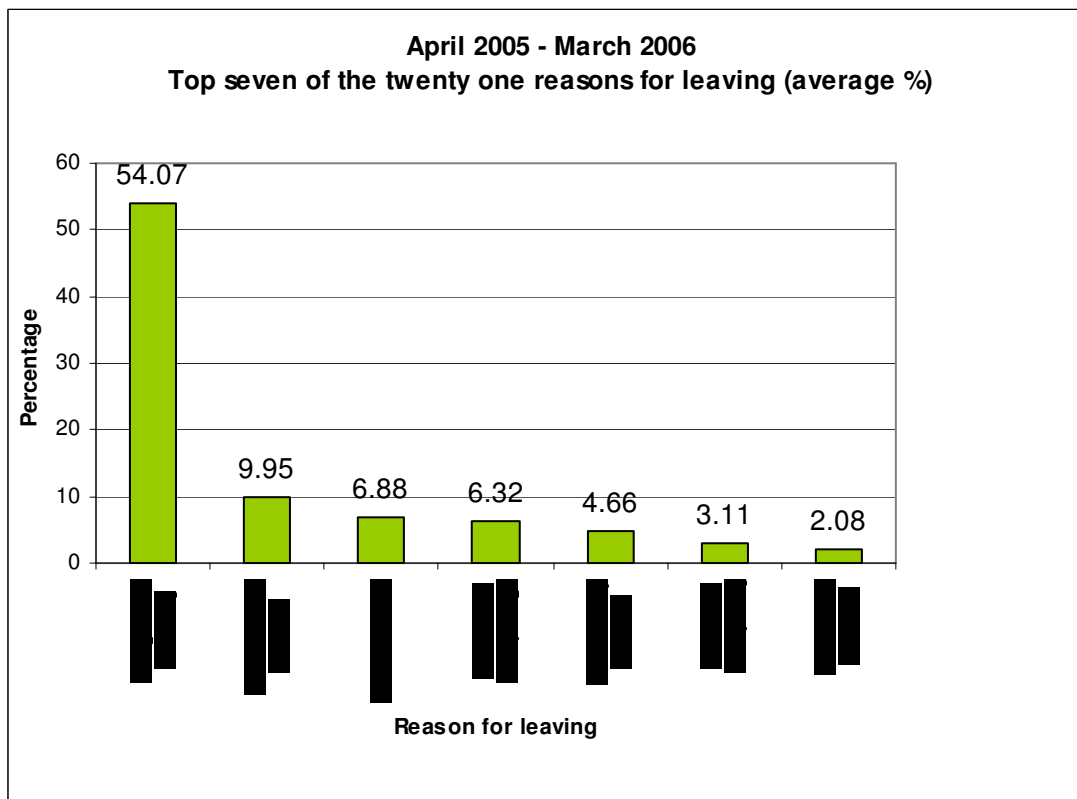


Profile for 60+ year olds by Directorate

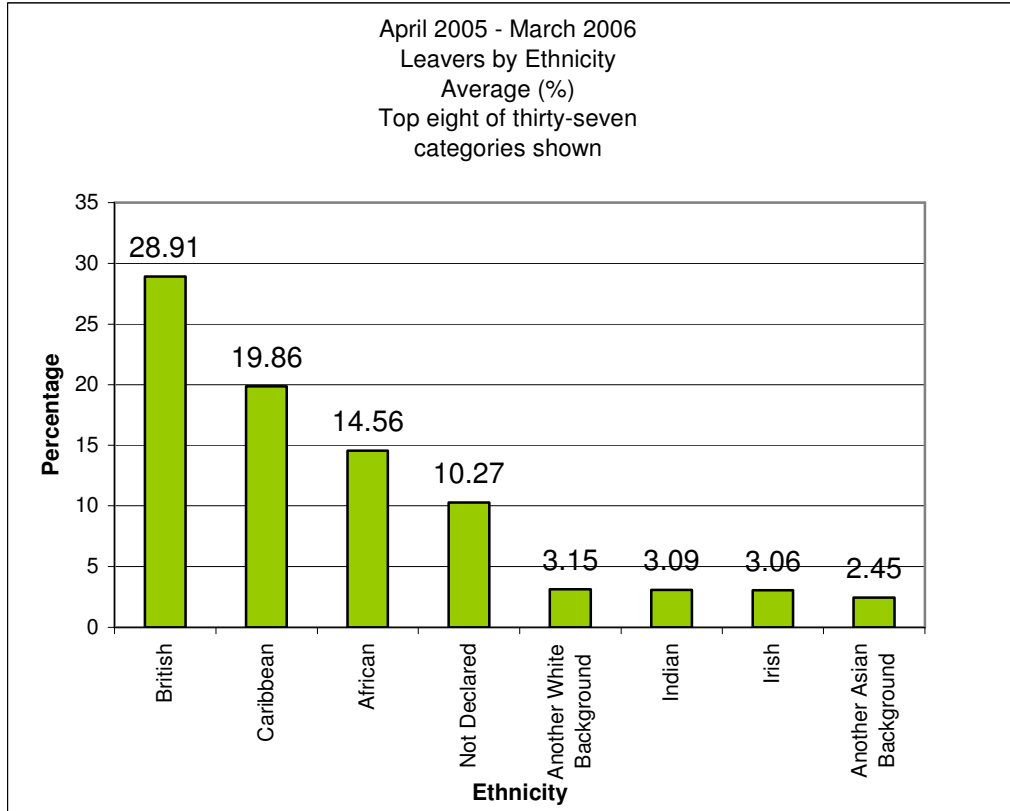


Leavers - Reasons for leaving and equalities information, across the Council (excluding schools) based on average percentage figures.

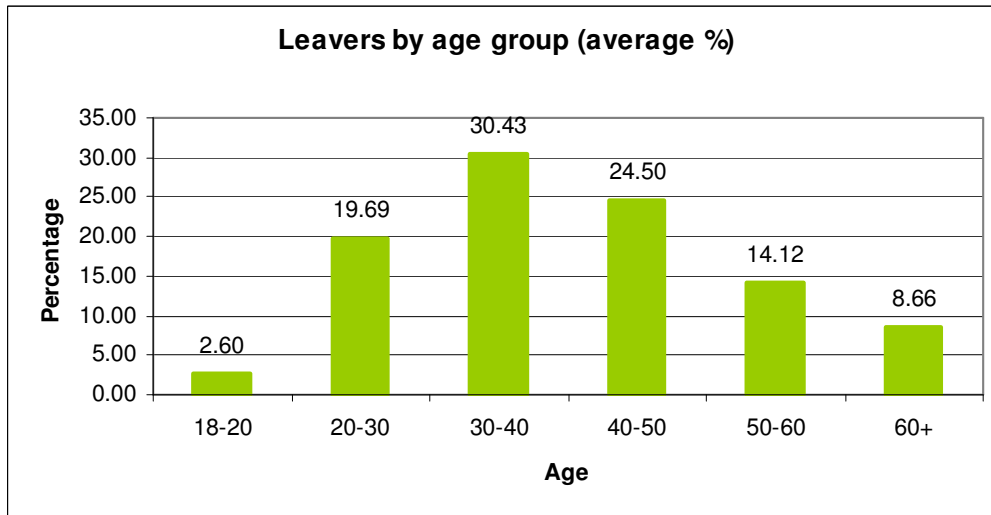
Reasons for leaving



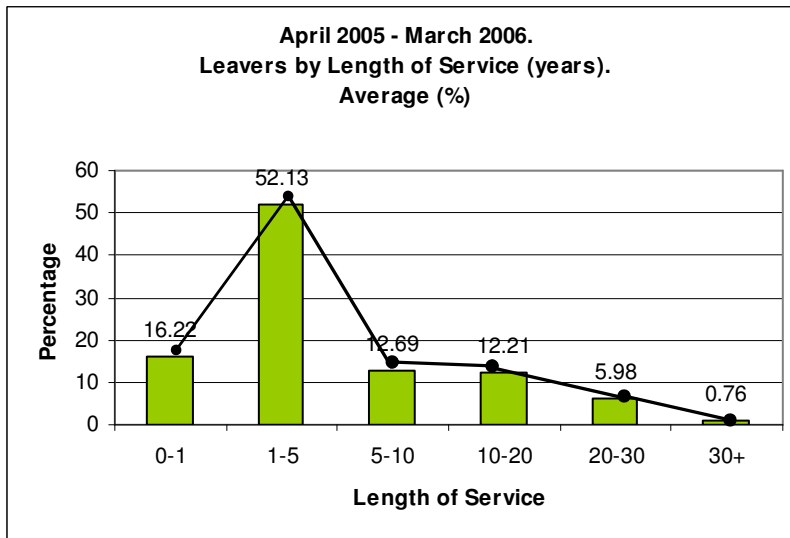
Leavers by Ethnicity



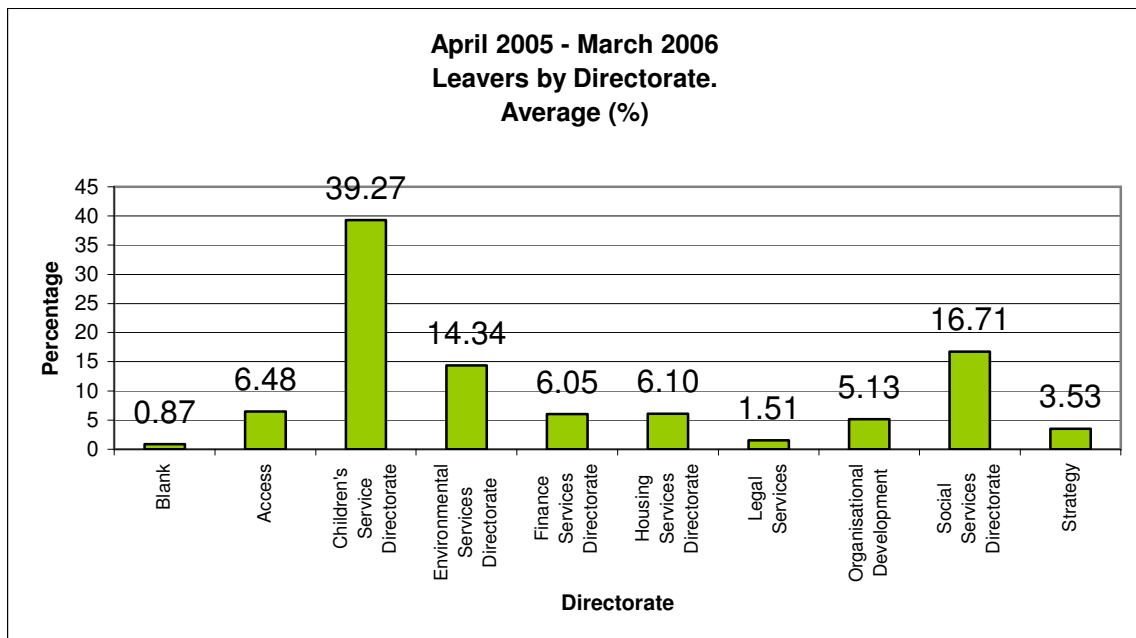
Leavers by age group



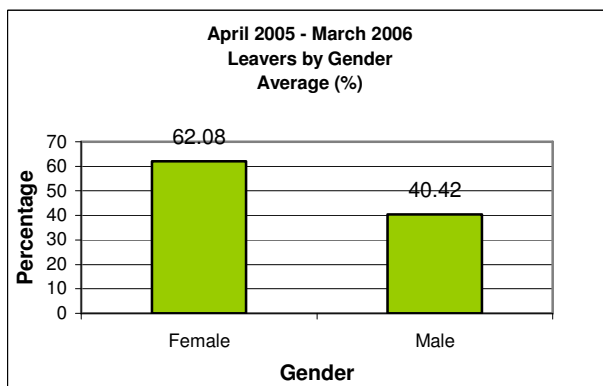
Leavers by length of service



Leavers by Directorate



Leavers by Gender





Agenda Item

Council Joint Consultative Committee on 26 June 2006
General Purposes Committee on 29 June 2006
The Executive on 4 July 2006

Report title: **Employee Profile Analysis**

Report of: **Head of Personnel**

1. Purpose: To advise the Committee of the key workforce statistics for the last financial year 1 April 2005 to 31 March 2006.

2. Recommendations

Note the contents of the attached Employee Profile Analysis in appendix A.

Report authorised by:

A handwritten signature in black ink, appearing to read "Stuart Young".

for Chief Executive

Contact officer: **Stuart Young, Head of Personnel**

Telephone: **3174**

3. Access to information:

Local Government (Access to Information) Act 1985

No documents that require to be listed were used in the preparation of this report.

4 Introduction

- 4.1 The Employee Profile has been produced using information from the Council's management information system SAP.
- 4.2 It provides key information about the workforce for the period 1 April 2005 to 31 March 2006.
- 4.3 The data is for Haringey employees excluding teachers, casual staff and agency workers.
- 4.4 The Employee Profile helps the Personnel Service to plan and target actions that will improve the Council's workforce profile, ensure the Council has a workforce that is representative of the community it serves, and that the objectives of the HR Strategy are achieved.
- 4.5 The Employee Profile attached at Appendix A provides a wealth of information about the workforce including ethnic breakdown, age analysis, turnover, sickness absence, disciplinary and accident statistics.
- 4.6 The Profile is broken down into sections to make it easier to digest.
 - At the front is a contents page.
 - On pages 2-5 are key 'At a Glance' tables and charts that summarise key statistics about the council workforce
 - There are 5 sections covering Workforce Statistics, Employee Turnover, Sickness Absence Management, Disciplinary Cases, Health & Safety.
 - Each section has a summary at the front which provides a brief analysis of the key headline data in the section and actions Personnel Services have taken or plan to take to improve the workforce profile.
 - The summaries for each section can be found on pages 6, 18, 24, 30 and 36.

5 Key Information

- 5.1 The Employee Profile is based on information for 7556 staff. This excludes teachers and casual staff. Note - the Council employs approx 2200 Teachers.
- 5.2 Approximately 70% of the workforce are women.
- 5.3 Approx. 46% of the workforce are from black & minority ethnic groups compared with the Haringey population of approx 34% black & minority ethnics.
- 5.4 The Council is one of only 3 Inner London authorities with black & minority ethnic representation over 40%.

- 5.5 Approx. 26% of the Top 5% earners in the Council are from black & minority ethnic groups. This Best Value Performance Indicator puts the Council 1st in London.
- 5.6 Approx. 46% of the workforce work part time (less than 36 hours per week).
- 5.7 The average age of the workforce is 43 years old.
- 5.8 Employee turnover rates stood at 15% over the last year. This is broadly in line with turnover levels in other London boroughs.
- 5.9 The Council's sickness absence levels stand at 10.4 days average per employee. This puts the Council in the bottom quartile of London Borough performance.
- 5.10 Personnel Services have been working to improve absence management. Long term sickness absence accounts for 50% of overall sickness levels. Personnel have worked hard with managers to reduce outstanding long term absence cases by 33% over the last 6 months. It should be noted however, that this reduction will not improve the statistics for several months because absence levels are based on the last 12 months performance.
- 5.11 Personnel have worked hard to improve sickness absence input and this has improved by 23% over the last year.
- 5.12 There were 124 disciplinary cases handled over the last year. This accounts for only 2.3% of the workforce.

6 HR Strategy

- 6.1 The information provided by the Employee Profile Analysis will feed into the strategic plans and actions that HR develops for workforce planning purposes.
- 6.2 The HR Strategy 2004-2007 provided a vision to improve service performance by ensuring people perform. Many of the actions and work undertaken by HR over the past 2 years has helped to improve the workforce profile.
- 6.3 The work undertaken by HR services in delivering on the HR Strategy is the subject of a separate committee report on this agenda.

7. Legal comments

- 7.1 The Head of Legal Services has been consulted on the content of this report. While the statistics set out in the report and its appendix are for noting, the strategic plans and actions referred to as being informed by

the content of these statistics will assist the Council in meeting its statutory and common law duties as an employer.

8. Financial implications

- 8.1 There are no financial implications that have not already been accounted for within the Council's cash limited budgets.

9. Equal opportunities implications

- 9.1 Equalities issues have been incorporated within the body of the report and in the attached Employee Profile at appendix A.
- 9.2 The information provided in the report will be utilised to help to ensure the Council continues its good work in promoting diversity and achieving Levels 3 and 4 of the Equality Standards for Local Government.

HARINGEY COUNCIL EMPLOYEE PROFILE ANALYSIS

APRIL 2005 – MARCH 2006 EDITION

A Personnel Services Report produced by

HR PERFORMANCE & SYSTEMS TEAM

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Introduction

The information in this report is taken from SAP. It covers the period 01 April 2005 - 31 March 2006.

The data is based on Haringey Council employees who

- hold Permanent, Temporary or Fixed Term Contracts
- are considered as Supernumerary (employees that have been on a Temporary Contract for more than 52 weeks)

Note that this data excludes:

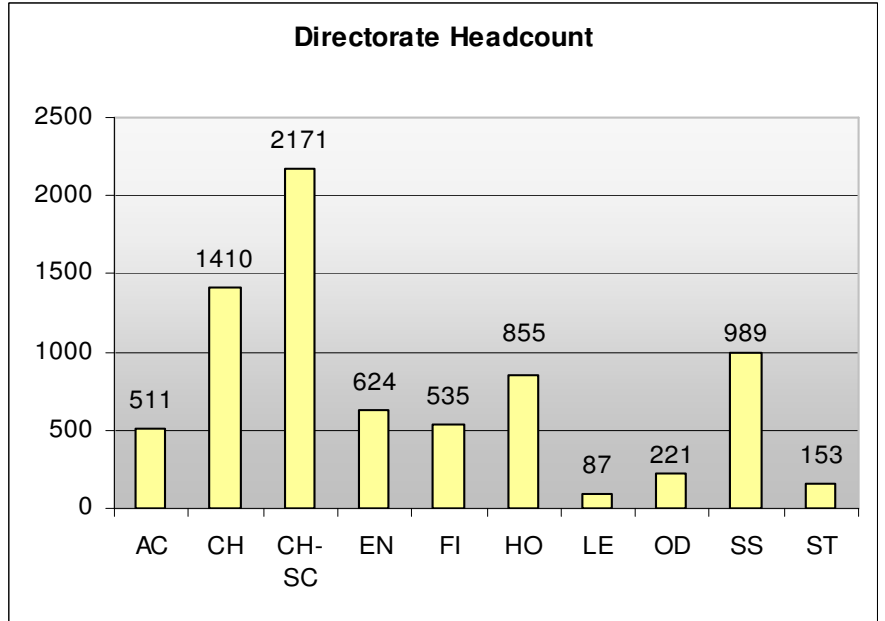
- Casual or Sessional Workers
- Teachers
- Agency Workers

Legend	
Access	AC
Children's Services	CH
Children's Services Schools	CH-SC
Environmental Services Directorate	EN
Finance Services Directorate	FI
Housing Services Directorate	HO
Legal Services	LE
Organisational Development	OD
Social Services Directorate	SS
Strategy Services	ST

At a Glance

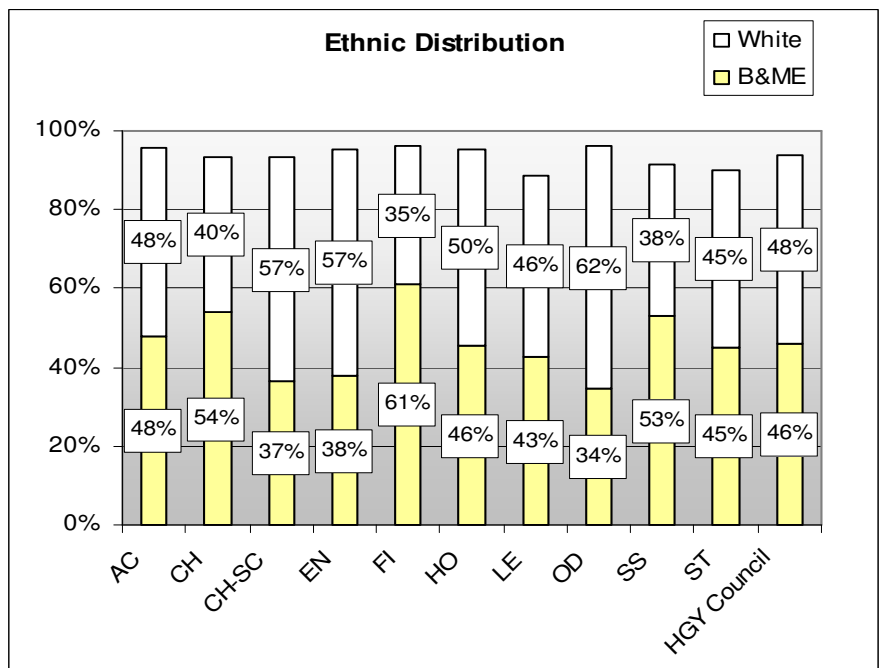
Headcount

Headcount by Directorate		
Directorate	Headcount	%
AC	511	6.8%
CH	1410	18.7%
CH-SC	2171	28.7%
EN	624	8.3%
FI	535	7.1%
HO	855	11.3%
LE	87	1.2%
OD	221	2.9%
SS	989	13.1%
ST	153	2.0%
HGY Council	7556	100%



White and B & M E

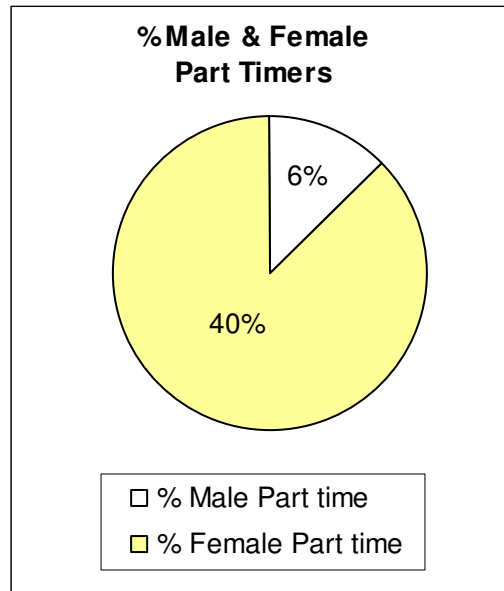
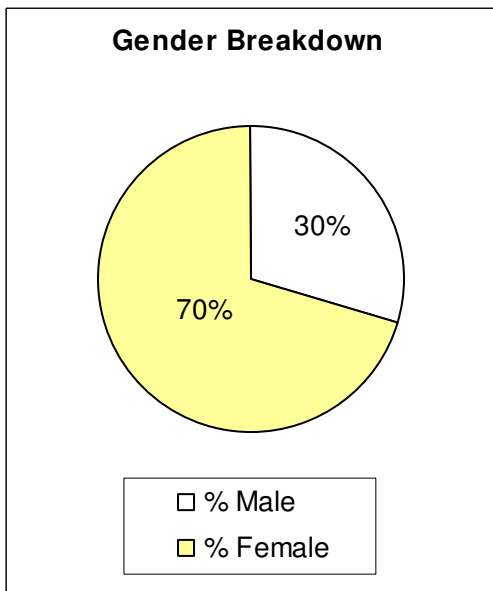
White and B & M E by Directorate		
Directorate	White	B & M E
AC	48%	48%
CH	40%	54%
CH-SC	57%	37%
EN	57%	38%
FI	35%	61%
HO	50%	46%
LE	46%	43%
OD	62%	34%
SS	38%	53%
ST	45%	45%
HGY Council	48%	46%
HGY Pop.	66%	34%



At a Glance

Gender and Part-time Breakdown

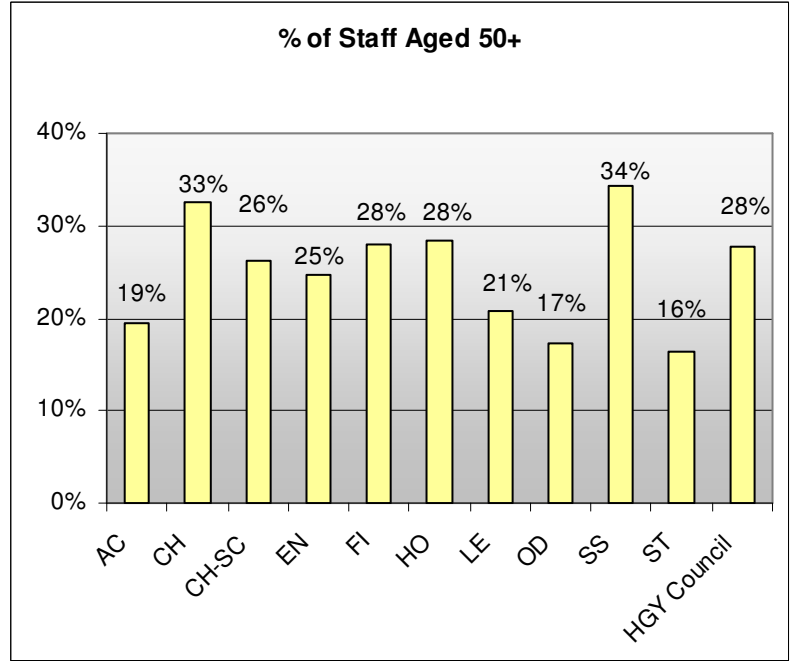
Gender and Part-time Breakdown by Directorate				
Directorate	% Male	% Male Part-time	% Female	% Female Part-time
AC	33%	8%	67%	32%
CH	30%	0%	70%	12%
CH-SC	29%	1%	71%	14%
EN	37%	3%	63%	8%
FI	19%	6%	81%	44%
HO	13%	8%	87%	76%
LE	62%	6%	38%	8%
OD	42%	11%	58%	24%
SS	64%	1%	36%	5%
ST	21%	4%	79%	35%
HGY Council	30%	6%	70%	40%



At a Glance

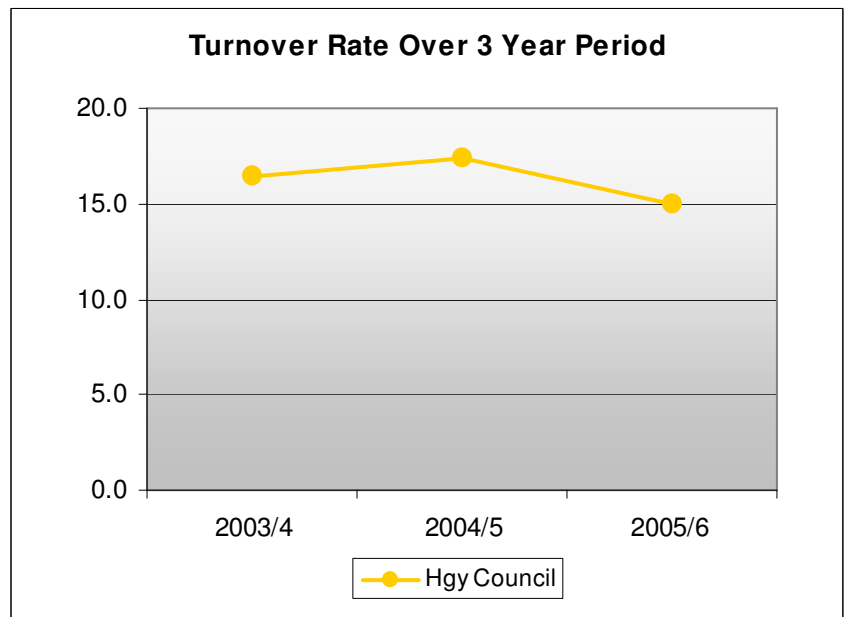
Age Summary

Age Summary by Directorate			
Directorate	% Under 25 Yrs	% 50+	Ave. Age
AC	9%	19%	39
CH	3%	33%	44
CH-SC	6%	26%	43
EN	7%	25%	41
FI	4%	28%	42
HO	5%	28%	43
LE	3%	21%	41
OD	7%	17%	40
SS	3%	34%	45
ST	8%	16%	38
HGY Council	5%	28%	43



Turnover

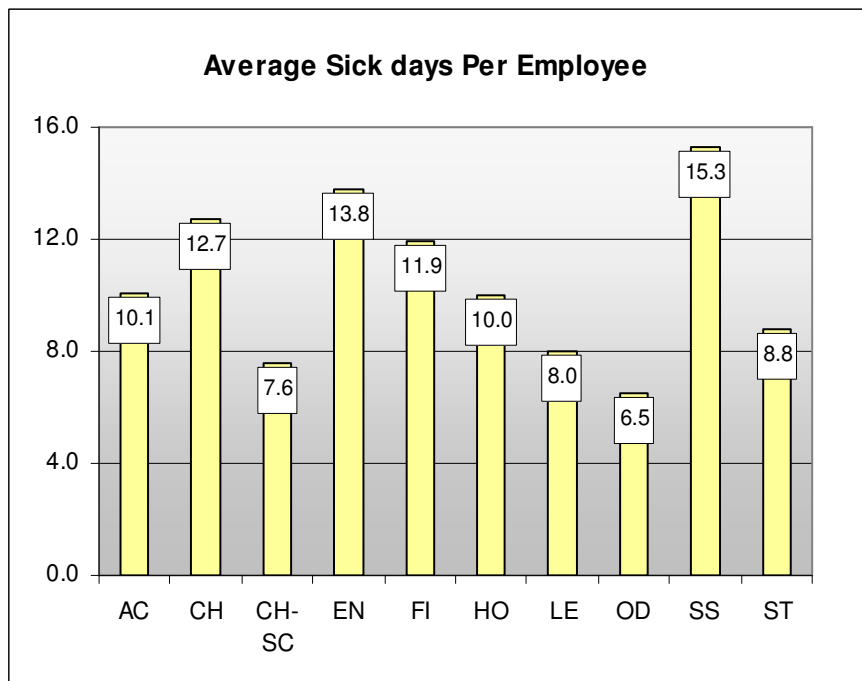
Turnover Rate by Directorate	
Directorate	Turnover Rate %
AC	10.5
CH	16.6
CH-SC	21.2
EN	11.7
FI	10.2
HO	7.7
LE	9.2
OD	14.7
SS	12.1
ST	16.5
HGY COUNCIL	15



At a Glance

Sickness Absence

Average Sickness Days by Directorate	
Directorate	Average Sick days
AC	10.1
CH	12.7
CH-SC	7.6
EN	13.8
FI	11.9
HO	10.0
LE	8.0
OD	6.5
SS	15.3
ST	8.8
HGY Council	10.4
Inner London Average 2005	9.1



Section One – Workforce Statistics

Summary

Headcount, Gender and Ethnic Breakdown

Haringey employs 7556 staff (excluding teachers and casual staff).

- 70.4% of the workforce are women
- 45.8% of the council workforce are from black & minority ethnic groups (B & M E). This compares well with the Haringey population of 34.4% black & minority ethnics (B & M E). It also compares well with the percentage of 48% white staff in the council
- The Council is one of only 3 inner London authorities with B & M E representation over 40%.
- 33.1% of the council are B & M E women, which compares well with the percentage of 33% white staff
- 4.1% B & M E staff are paid more than £32,000. This compares with 7.1% white staff paid £32,000 or more. The proportion of black & ethnic minority staff to white staff is therefore not as good as other comparators
- Of the Top 5% earners in the council 21.1% are B & M E staff. At the end of financial year the Council had 25.7% B & M E staff and this put the council 1st in London for B & M E in the top 5% of earners

The above statistics show that we have met our stated HR Strategy objective of having a workforce that reflects the community we serve.

However, we are still continuing to strive for better representation where appropriate. We have achieved level 2 of the local government Equalities Standard and we have plans in place to achieve levels 3 & 4 by 2007.

Earnings Growth

The Council's workforce has not increased substantially in size over the last 2 years. However, there has been a large increase in earnings over the last 2 years.

This is evidenced by the fact that the number of staff in grades PO4 and above (£32k+) have increased by more than 20% over the past 2 years. Whilst, the number of staff in grades below Scale 5 (less than £21k) have gone down by more than 5%.

Personnel are leading on the Equal Pay and Conditions Review which will address issues of harmonising the pay and conditions of former manual and officer staff and address any equal pay issues. This review will ensure that the correct levels of pay are awarded across the organisation. The review is due for implementation from April 2007.

Full-time and Part-time

- 46.1% of the workforce is classed as part time workers. Of these 40.3% are female and the remaining 5.8% are male
- The largest groups of female part timers work in Access, Finance, Housing, Organisational Development and Strategy Directorates

Section One – Workforce Statistics

Summary (Continued)

Age Profile

- The average age of the workforce is 43 years old
- 5% of staff are aged under 25 compared with 15% in whole economy
- 28% of staff are aged 50 plus compared with 24% in whole economy
- The percentage of 50 plus workers increases in the higher pay grades. This is to be expected since with increased experience the opportunity to get better paid jobs increases

In October 2006 new Age Discrimination legislation will come into effect.

Personnel have conducted lunch time seminars for staff to inform them about the changes the legislation will bring. Committee have approved new retirement processes which will give people the opportunity to work longer than age 65.

Personnel are developing new policies to take account of the opportunities that changes to the pension scheme will bring to older workers to continue working whilst drawing a pension.

We will also continue with a variety of entry schemes to attract new employees at the lower end of the age range. Examples are the New Start scheme and the Graduate scheme.

Disabled staff

- 2.1% of the workforce are disabled. This is an increase from 1.9% last year
- 4.1% of the Top 5% of earners have a disability.

Although the number of disabled staff increased from last year it is important to continue this trend and improve representation across the organisation.

The Council was awarded the two ticks symbol for promoting disabled employment in 2005.

The Council has increased awareness advertising focussing on encouraging people with a disability to consider working for the Council. Recruitment looked into new ways of promoting Haringey by using advertising space at train and underground stations and in specific media targeting disabled applicants. The Council will widen its awareness advertising to other under-represented groups.

Section One – Workforce Statistics

Headcount & Ethnic Breakdown

This section contains data on the number of employees employed by Haringey Council.

Haringey Council employed **7556** employees (excluding Teachers and Casual/Sessional employees) at the end of the 01 April 2005 - 31 March 2006 period.

The table below shows the different ethnic groups by gender and salary bands (see appendix A for Salary information).

Ethnic Comparison by Gender & Salary Bands (Percentages against total number of staff in Haringey Council)															
*Ethnic Group	Gender	MAN & CFT		SC1-SC5		SC6-SO2		PO1-PO3		PO4-PO7		PO8+		TOTALS	
		Total	%	Total	%	Total	%	Total	%	Total	%	Total	%	Total	%
White	Male	301	4	204	2.7	219	2.9	189	2.5	154	2	71	0.9	1138	15.1
	Female	556	7.4	799	10.6	586	7.8	250	3.3	215	2.8	85	1.1	2491	33
	Total	857	11.3	1003	13.3	805	10.7	439	5.8	369	4.9	156	2.1	3629	48
+B & M E	Male	303	4	235	3.1	214	2.8	110	1.5	84	1.1	14	0.2	960	12.7
	Female	835	11.1	648	8.6	630	8.3	185	2.4	177	2.3	28	0.4	2503	33.1
	Total	1138	15.1	883	11.7	844	11.2	295	3.9	261	3.5	42	0.6	3463	45.8
- Black	Male	250	3.3	175	2.3	145	1.9	64	0.8	53	0.7	5	0.1	692	9.2
	Female	641	8.5	440	5.8	453	6	128	1.7	125	1.7	17	0.2	1804	23.9
	Total	891	11.8	615	8.1	598	7.9	192	2.5	178	2.4	22	0.3	2496	33
- Asian	Male	24	0.3	27	0.4	49	0.6	28	0.4	14	0.2	5	0.1	147	1.9
	Female	116	1.5	128	1.7	90	1.2	38	0.5	28	0.4	6	0.1	406	5.4
	Total	140	1.9	155	2.1	139	1.8	66	0.9	42	0.6	11	0.1	553	7.3
- Mixed	Male	12	0.2	18	0.2	9	0.1	9	0.1	8	0.1	2	0	58	0.8
	Female	33	0.4	50	0.7	46	0.6	9	0.1	13	0.2	4	0.1	155	2.1
	Total	45	0.6	68	0.9	55	0.7	18	0.2	21	0.3	6	0.1	213	2.8
- Other	Male	17	0.2	15	0.2	11	0.1	9	0.1	9	0.1	2	0	63	0.8
	Female	45	0.6	30	0.4	41	0.5	10	0.1	11	0.1	1	0	138	1.8
	Total	62	0.8	45	0.6	52	0.7	19	0.3	20	0.3	3	0	201	2.7
Not Declared	Male	39	0.5	45	0.6	24	0.3	11	0.1	14	0.2	6	0.1	139	1.8
	Female	72	1	154	2	52	0.7	18	0.2	22	0.3	7	0.1	325	4.3
	Total	111	1.5	199	2.6	76	1	29	0.4	36	0.5	13	0.2	464	6.1
HGY Council	Male	643	8.5	484	6.4	457	6	310	4.1	252	3.3	91	1.2	2237	29.6
	Female	1463	19.4	1601	21.2	1268	16.8	453	6	414	5.5	120	1.6	5319	70.4
	Total	2106	27.9	2085	27.6	1725	22.8	763	10.1	666	8.8	211	2.8	7556	100

* = See Appendix B for ethnic group's composition.

+ = Black & Minority Ethnic Groups

Section One – Workforce Statistics

Headcount & Ethnic Breakdown (Continued)

The above table provides a wealth of data but it is appreciated that it may be difficult to pick out key information. Therefore the table below summarises key information from the table above and allows for quick comparison of key data by ethnic group, females and salary level.

Level 1 – picks out the overall percentages for ethnic groups across the council

Level 2 – drills down to identify the percentage of females within these ethnic groups

Level 3 – drills down the ethnic groups into summarised salary levels and also provides the percentage of ethnic females within each salary level

Summary of Ethnic Comparison by Gender and Salary								
	Level 1	Level 2	Level 3					
Ethnic group	% Workforce	% Females	£32k+ (PO4 and above)		£21k – 32k (Sc6 to PO3)		Less than £21k (Manual to Sc5)	
			% Staff	% Females	% Staff	% Females	% Staff	% Females
Black	33	23.9	2.7	1.9	10.4	7.7	19.9	14.3
Asian	7.3	5.4	0.5	0.5	2.7	1.7	4	3.2
Mixed	2.8	2.1	0.4	0.3	0.9	0.7	1.5	1.1
Other	2.7	1.8	0.3	0.1	1	0.6	1.4	1
B & M E	45.8	33.1	4.1	2.7	15.1	10.7	26.8	19.7
White	48	33	7	3.9	16.5	11.1	24.6	18

- 45.8% of the council workforce are from black & minority ethnic groups. This compares well with the percentage of 48% white staff
- 33.1% of the council are black & minority ethnic women, which compares well with the percentage of 33% white women
- 4.1% black & minority ethnic staff are paid more than £32,000, compared with 7% of white staff. The proportion of black & minority ethnic staff to white staff is therefore not as good as previous comparators

Section One – Workforce Statistics

Headcount & Ethnic Breakdown (Continued)

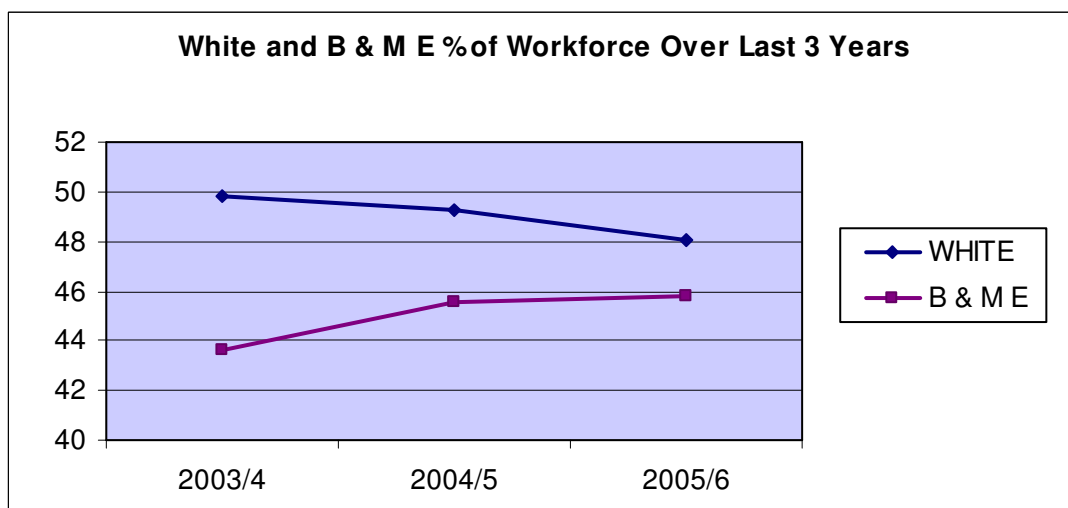
Haringey serves a multicultural community of around 217,000 with **34%** coming from black & minority ethnic communities. With over 7500 staff (approximately 9000 including teachers), Haringey Council is the largest employer in the borough. Most employees live locally and overall the Council's black & minority ethnic workforce is representative of the diverse community Haringey serves.

The following table shows the % of ethnic groups per Directorate compared with Haringey's population.

Ethnic Distribution % (Percentages against total number of staff in directorate)								
Directorate	White	B & M E	Black	Asian	Mixed	Other	Not Dec.	Total Staff
AC	47.9	47.9	28.2	10.6	4.5	4.7	4.1	511
CH	39.5	54	42.8	6.8	2	2.4	6.5	1410
CH-SC	56.9	36.7	22.9	8.8	3.2	1.8	6.4	2171
EN	57.1	38	29	5.1	1.8	2.1	5	624
FI	35	61.1	43.9	10.1	3	4.1	3.9	535
HO	49.6	45.7	36	5.4	2.2	2.1	4.7	855
LE	46	42.5	25.3	5.7	1.1	10.3	11.5	87
OD	62	34.4	21.3	7.2	5	0.9	3.6	221
SS	38.3	53	41.3	5.6	2.6	3.5	8.7	989
ST	45.1	45.1	33.3	2.6	5.9	3.3	9.8	153
HGY Council	48	45.8	33	7.3	2.8	2.7	61	7556
HGY Population	65.6	34.4	20	6.7	4.6	3.1	0	216,507

* = See Appendix B for ethnic breakdown.

+ = Haringey's Population. Figures taken from Census 2001



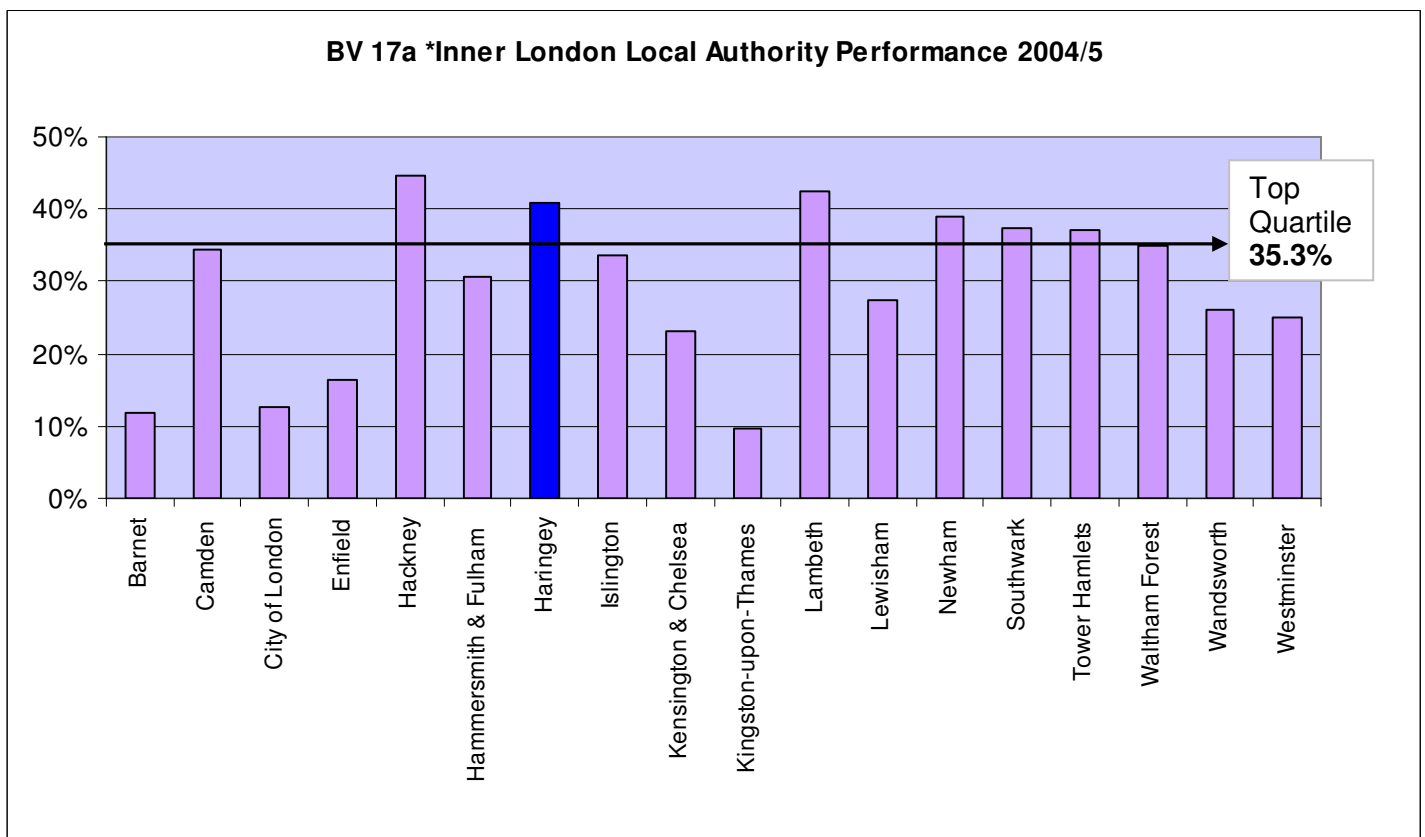
Section One – Workforce Statistics

Headcount & Ethnic Breakdown (Continued)

Haringey has consistently performed well for BVPI 17A - % of B & M E staff, and are 1 of only 3 Inner London Local Authorities, which had a representation of over **40%** for 2004/5. The table below displays the performance over the last 3 years.

BVPI 17a - % B & M E Staff					
	2003/4	Change %	2004/5	Change %	2005/6
BVPI 17A	39.3	3.8	40.8	9.3	44.6

Again, Haringey achieved higher than its target of **39.3%** with **44.6%**. Based on current standings, Haringey would be joint top Inner London Local Authority for it's representation of B & M E staff in the workforce.



* = Members of the North London Strategic Alliance are also included: Barnet, Enfield & Waltham Forest

Section One – Workforce Statistics

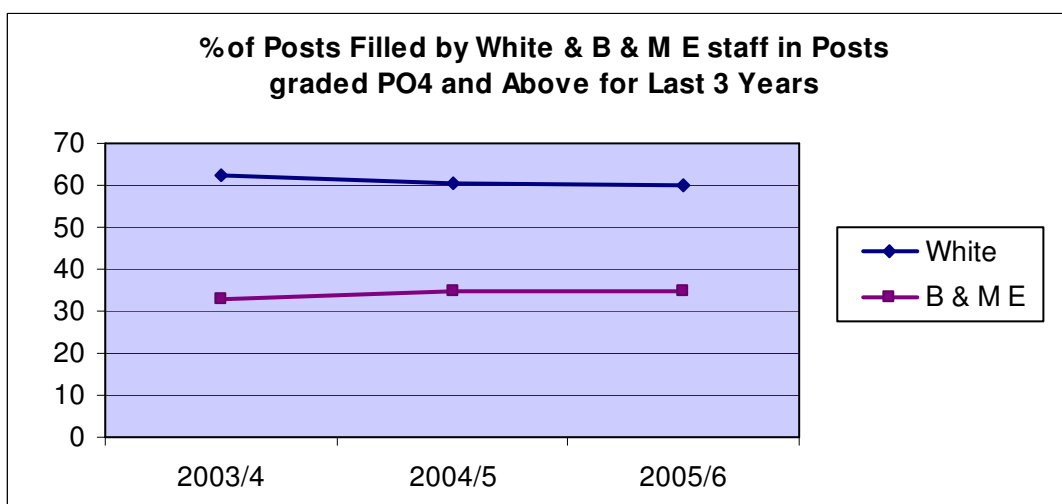
Headcount & Ethnic Breakdown (Continued)

The table below highlights that Haringey Council is employing more staff at the higher end of the salary scales than it did in 2003/4. Though the actual number of staff increased by only 2 people from last year, staff graded in the PO4-PO7 band had the largest increase of **18.7%**, which is also **23.3%** more than 2003/4. Staff within the PO8+ band also had a large increase of **21.3%** from 2003/4.

Earnings Growth Over Last 3 Years						
Salary Band	2003/4	Change %	2004/5	Change %	2005/6	Change % 2003/4 – 2005/6
MAN & CFT £10,983 - £14,514	2211	0.5	2223	-5.3	2106	-4.7
SC1-SC5 £12,780 - £20,649	2230	0	2230	-6.5	2085	-6.5
SC6-SO2 £21,267 - £26,964	1483	7.7	1597	8	1725	16.3
PO1-PO3 £26,262 - £32,208	718	3.9	746	2.3	763	6.3
PO4-PO7 £32,208 - £41,910	540	3.9	561	18.7	666	23.3
PO8+ £43,032+	174	13.2	197	7.1	211	21.3
TOTALS	7356	2.7	7554	0	7556	2.7

The table below shows the % of workforce occupied by ethnic groups at posts graded PO4 (32K+) and above.

Change in % of Posts Filled by White & B & M E Staff in Posts Graded PO4 and Above (32K+) for Last 3 Years					
Ethnic Group	2003/4	Change %	2004/5	Change %	2005/6
White	62.2	-2.6	60.6	-1.2	59.9
B & M E	32.9	5.2	34.7	-0.6	34.5



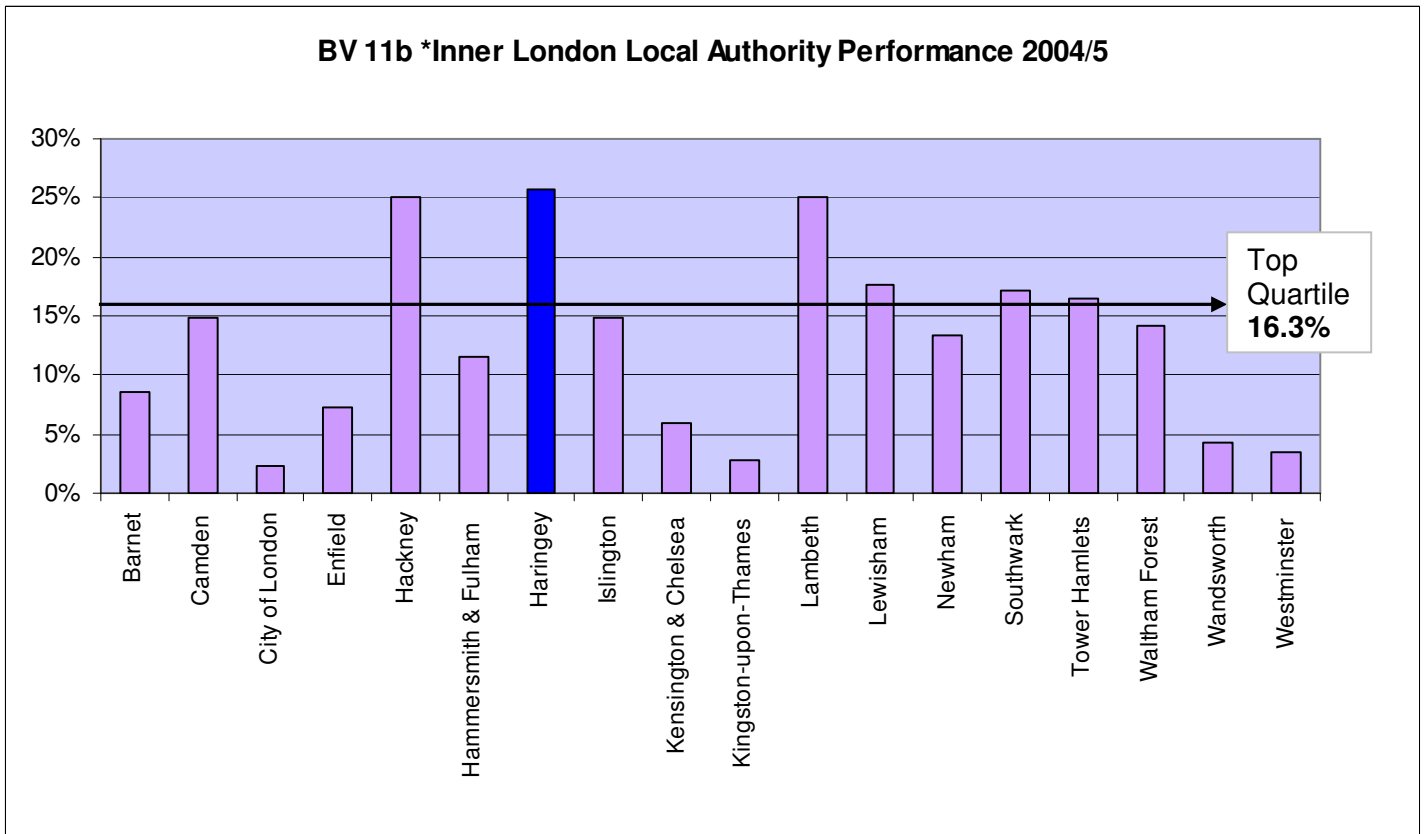
Section One – Workforce Statistics

Headcount & Ethnic Breakdown (Continued)

Haringey is currently the best performing local authority for its representation of B & M E staff in the top 5% of earners (BVPI 11b 2004/5). The table and chart displays the performance over the last 3 years.

BVPI 11b - % B & M E Staff in Top 5% of Earners					
	2003/4	Change %	2004/5	Change %	2005/6
BVPI 11B	22.9	12.2	25.7	-17.9	21.1

Though the figure was lower this year, based on current standings the Council would still remain in the top quartile of local authorities.



* = Members of the North London Strategic Alliance are also included: Barnet, Enfield & Waltham Forest

Section One – Workforce Statistics

Full Time / Part Time Distribution

This section shows the distribution of employees who are considered to be full-time (employees working the full standard week – 36 hours) and part-time (employees who work less than 36 hours).

Full Time & Part Time Employees by Directorate & Gender (Percentages against total number of staff in directorate)							
Directorate	Gender	Full-Time		Part-Time		All Employees	
		Total	%	Total	%	Total	%
AC	Male	127	24.9	42	8.2	169	33.1
	Female	177	34.6	165	32.3	342	66.9
	Total	304	59.5	207	40.5	511	100
CH	Male	26	29.9	0	0	26	29.9
	Female	51	58.6	10	11.5	61	70.1
	Total	77	88.5	10	11.5	87	100
CH-SC	Male	62	28.1	2	0.9	64	29
	Female	126	57	31	14	157	71
	Total	188	85.1	33	14.9	221	100
EN	Male	52	34	5	3.3	57	37.3
	Female	84	54.9	12	7.8	96	62.7
	Total	136	88.9	17	11.1	153	100
FI	Male	175	12.4	89	6.3	264	18.7
	Female	530	37.6	616	43.7	1146	81.3
	Total	705	50	705	50	1410	100
HO	Male	121	5.6	166	7.6	287	13.2
	Female	234	10.8	1650	76	1884	86.8
	Total	355	16.4	1816	83.6	2171	100
LE	Male	352	56.4	36	5.8	388	62.2
	Female	188	30.1	48	7.7	236	37.8
	Total	540	86.5	84	13.5	624	100
OD	Male	166	31	57	10.7	223	41.7
	Female	185	34.6	127	23.7	312	58.3
	Total	351	65.6	184	34.4	535	100
SS	Male	542	63.4	6	0.7	548	64.1
	Female	268	31.3	39	4.6	307	35.9
	Total	810	94.7	45	5.3	855	100
ST	Male	170	17.2	41	4.1	211	21.3
	Female	433	43.8	345	34.9	778	78.7
	Total	603	61	386	39	989	100
HGY COUNCIL	Male	1793	23.7	444	5.9	2237	29.6
	Female	2276	30.1	3043	40.3	5319	70.4
	Total	4069	53.9	3487	46.1	7556	100

- **46.1%** of the workforce are considered to be part-time
- **70.4%** of the workforce are women

Section One – Workforce Statistics

Age Analysis

This section highlights the age distribution throughout Haringey Council using Age Bands.

The following table displays the % of staff in each age band per Directorate.

Age Analysis by Directorate													
(Percentages against total number of staff in directorate. All Employees against total)													
Directorate	16-24		25-39		40-49		50-64		65+		Total		Avge. Age
	Total	%	Total	%	Total	%	Total	%	Total	%	Total	%	
AC	45	8.8	223	43.6	144	28.2	99	19.4	0	0	511	6.8	39
CH	42	3	400	28.4	509	36.1	459	32.6	0	0	1410	18.7	44
CH-SC	125	5.8	688	31.7	789	36.3	542	25	27	1.2	2171	28.7	43
EN	41	6.6	234	37.5	195	31.3	145	23.2	9	1.4	624	8.3	41
FI	22	4.1	189	35.3	174	32.5	143	26.7	7	1.3	535	7.1	42
HO	42	4.9	237	27.7	333	38.9	241	28.2	2	0.2	855	11.3	43
LE	3	3.4	36	41.4	30	34.5	18	20.7	0	0	87	1.2	41
OD	15	6.8	84	38	84	38	38	17.2	0	0	221	2.9	40
SS	25	2.5	265	26.8	359	36.3	337	34.1	3	0.3	989	13.1	45
ST	12	7.8	68	44.4	48	31.4	24	15.7	1	0.7	153	2	38
HGY Council	372	4.9	2424	32.1	2665	35.3	2046	27.1	49	0.6	7556	100	43

- The average age of a Haringey Council employee is **43**

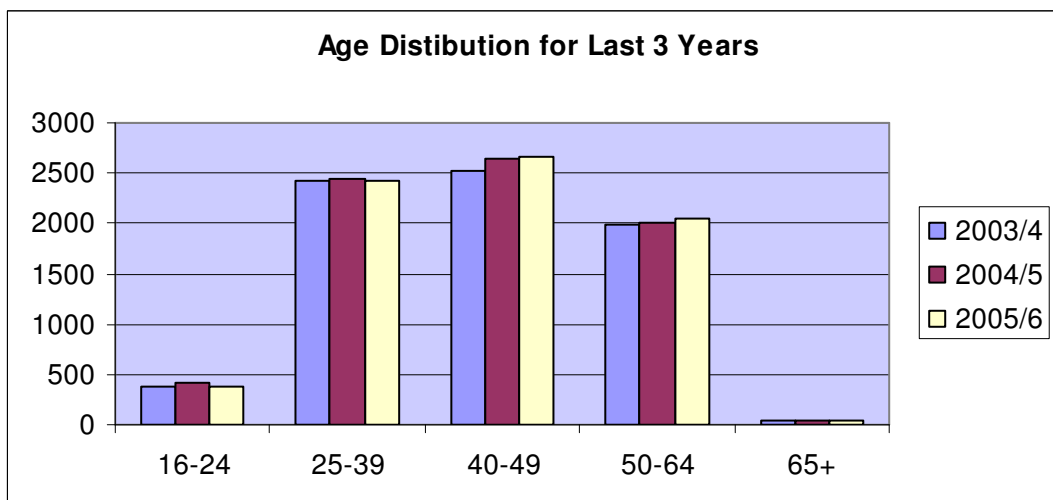
Age Analysis by Salary Bands													
(Percentages against total number of staff in Salary Band. All Employees against total)													
Salary Bands	16-24		25-39		40-49		50-64		65+		All Employees		
	Total	%	Total	%	Total	%	Total	%	Total	%	Total	%	
MAN & CFT	69	3.3	521	24.7	732	34.8	753	35.8	31	1.5	2106	27.9	
SC1-SC5	219	10.5	719	34.5	683	32.8	452	21.7	12	0.6	2085	27.6	
SC6-SO2	72	4.2	686	39.8	594	34.4	369	21.4	4	0.2	1725	22.8	
PO1-PO3	12	1.6	272	35.6	284	37.2	194	25.4	1	0.1	763	10.1	
PO4-PO7	0	0	185	27.8	278	41.7	202	30.3	1	0.2	666	8.8	
PO8+	0	0	41	19.4	94	44.5	76	36	0	0	211	2.8	
Totals	372	4.9	2424	32.1	2665	35.3	2046	27.1	49	0.6	7556	100	

Section One – Workforce Statistics

Age Analysis (Continued)

As shown in the table and chart below, Haringey Council now employs a slightly older workforce than in 2003/4. Between 2004/5 and 2005/6, the number of staff aged within the 16-39 age range decreased by **62**, with the number of staff aged over 50 increasing by **41**.

Age Profile Over Last 3 Years					
Age Band	2003/4	Change %	2004/5	Change %	2005/6
16-24	382	9.7	419	-11.2	372
25-39	2420	0.8	2439	-0.6	2424
40-49	2533	4.3	2642	0.9	2665
50-64	1979	1.6	2010	1.8	2046
65 +	42	4.8	44	11.4	49
Total	7356	2.7	7554	0	7556
Below 50	5335	3.1	5500	-0.7	5461
Above 50	2021	1.6	2054	2	2095



Section One – Workforce Statistics

Disability Analysis

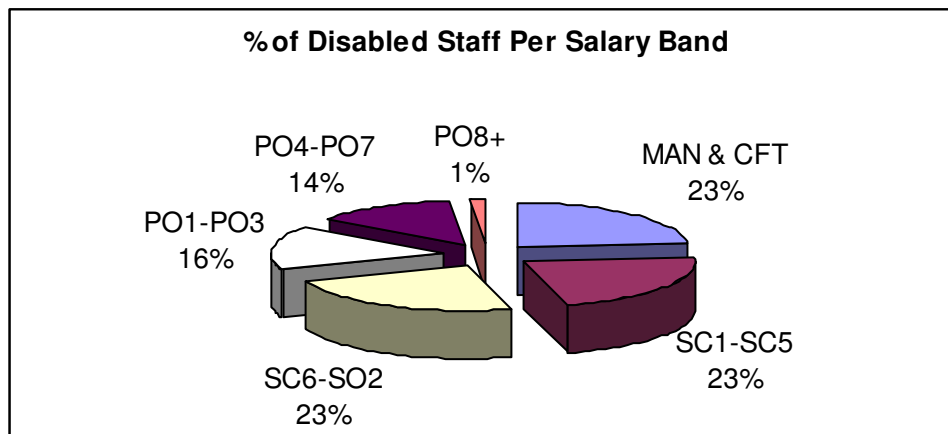
This section gives a snapshot of the number of employees who have declared that they have a disability.

The table below shows the Directorate distribution of employees declaring they have a Disability by Salary Band. The number of staff has risen to **2.1%** of the workforce, from **1.9%** last year.

The Audit Commission has introduced a new best value performance indicator, BVPI 11c – % of Top 5% of earners declaring they have a disability. We achieved **4.1%** for 2005/6 and have a target of **4.9%** for 2006/7.

Disabled Employees by Directorate & Salary Bands (Percentages against total number of disabled staff)											
*Salary Bands	AC	CH	CH-SC	EN	FI	HO	LE	OD	SS	ST	HGY COUNCIL
MAN & CFT	0	0	0	0	2	8	8	1	12	5	36
SC1-SC5	5	1	1	0	3	5	5	7	4	4	35
SC6-SO2	8	1	3	0	7	1	3	4	3	6	36
PO1-PO3	2	0	4	0	3	1	5	1	4	5	25
PO4-PO7	1	1	2	1	7	0	2	1	4	2	21
PO8+	0	0	0	1	0	0	0	0	0	1	2
Totals	16	3	10	2	22	15	23	14	27	23	155
Totals %	10.3	1.9	6.5	1.3	14.2	9.7	14.8	9	17.4	14.8	100
% of Haringey Council Workforce (7556)											+ 2.1

* = This figure is different from the 3.8% published in relation to BVPI 16a 2005/6, which is based on those staff who have a 'Yes' or 'No' held against their record on SAP.



Section Two – Employee Turnover

Summary

Employee Turnover

The Council's turnover rate stood at 15% for the last year. This is broadly in line with turnover levels in London Boroughs. In 2004/5 the turnover rate in London Boroughs was 15.2%.

The percentage of leavers within the 16-24 age group was 8.7% last year, which is a higher than the percentage of staff in the council in this age range of 4.9%. This points toward a net balance loss of staff within the 16-24 age range. For all other age groups the percentage of staff leaving were less than the percentage of staff within the age band.

44.4% of leavers were in the Black & Minority Ethnic groups. This compares favourably with the percentage of staff in the B & M E group (45.8%).

Dismissal turnover rates of staff at 0.6% are lower in Haringey compared with London borough averages of 0.8%.

We have successfully reduced the number of ill health retirements over last 2 years by more than 80%, down to 0.13% due to improved redeployment and absence management arrangements set up within the Council.

The council has a number of retention and retention initiatives to keep turnover rates at healthy levels.

Haringey provides a good employment package with competitive rates of pay and other non-financial benefits such as a flexible working scheme publicised in 2005 which promotes work-life balance.

The Council was awarded IIP accreditation in 2005 showing a commitment to training and development.

The Council has a number of schemes to improve the intake of staff into specific areas of work. We have a graduate programme that is into it's 5th year. Each year the Council recruits 9 graduates.

We have a New Start scheme that encourages apprentices and entry level administrative staff aged 18-24 into employment. We appoint between 10-20 staff each year under this scheme. Many of these young people have successfully applied for permanent jobs at the end of the scheme.

We have a programme called Pathways into Social Care and Teaching that was setup with conjunction with College of North East London, the Strategic Health Authority and a number of London boroughs. This has resulted in the recruitment of 23 Teaching Assistants and 20 trainees in Social Care. It is hoped both these groups will go on to get permanent work in teaching and social work.

We also take on between 10-15 social work trainees each year studying for B.A.'s and M.A.'s in social work. This successful programme is run jointly with Middlesex University.

In 2005 the Council was awarded the two ticks symbol for disability showing that Haringey positively encourages applications from those with a disability.

A pay and conditions package will be negotiated with trade unions during 2006 to comply with the national pay agreement for Local Government Service workers and address equal value considerations.

Staff benefit providers are being contacted to establish what kind of external benefits they can promote. The aim is to launch the staff benefits scheme with a dedicated internet site that staff can access to promote discount schemes for staff. Consideration is also being given to implementing a childcare voucher scheme through salary sacrifice.

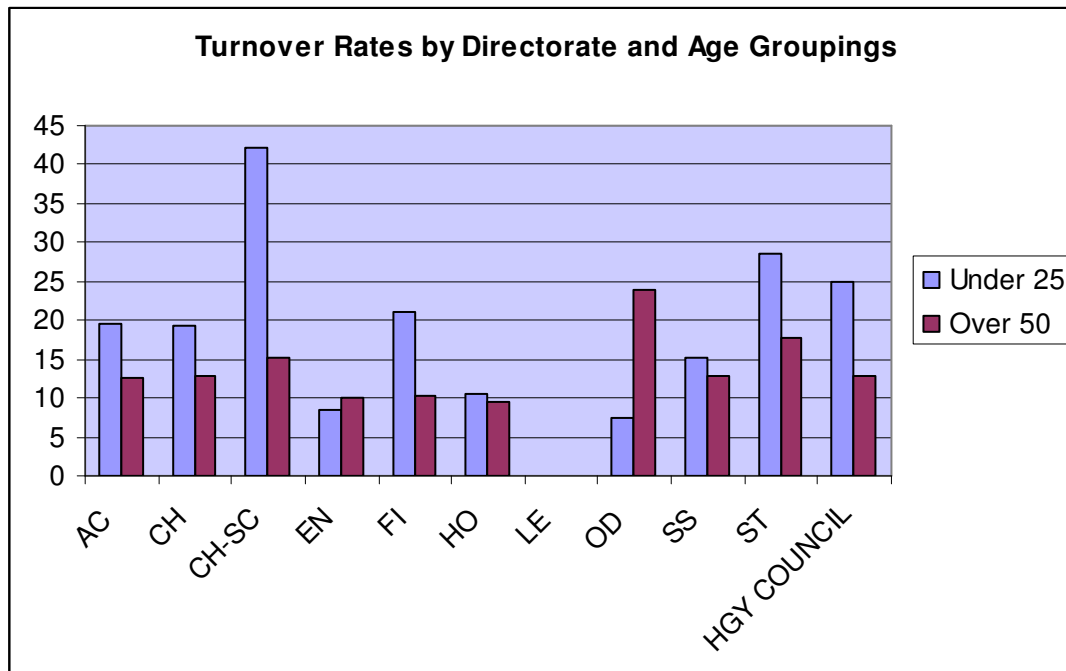
Section Two – Employee Turnover

Turnover & Leavers

This section looks at Turnover rates by Directorate, ethnic group and specified age band groupings and Leavers by Ethnicity and Age Bands. The Housing Turnover rate excludes ALMO Leavers.

Turnover Rate % by Directorate, Ethnic Group and Age Bands					
Directorate	Overall	White	B & M E	Under Age 25	Over Age 50
AC	10.5	9.5	10.2	19.4	12.7
CH	16.6	16.3	16.8	19.4	12.7
CH-SC	21.2	21.1	21.2	42.1	15.3
EN	11.7	11.2	11.8	8.6	10
FI	10.2	8.5	11.3	21.1	10.3
HO	7.7	6.6	7.1	10.5	9.5
LE	9.2	7.6	6.9	0	0
OD	14.7	6.8	16.3	7.4	24
SS	12.1	11.8	12.3	15.1	12.8
ST	16.5	18.9	9.9	28.6	17.8
HGY COUNCIL	15	14.6	14.5	25	12.9

The formula used to calculate the overall Turnover Rate is
 'No. of Leavers in year' / Average number of Employees in Same Period * 100



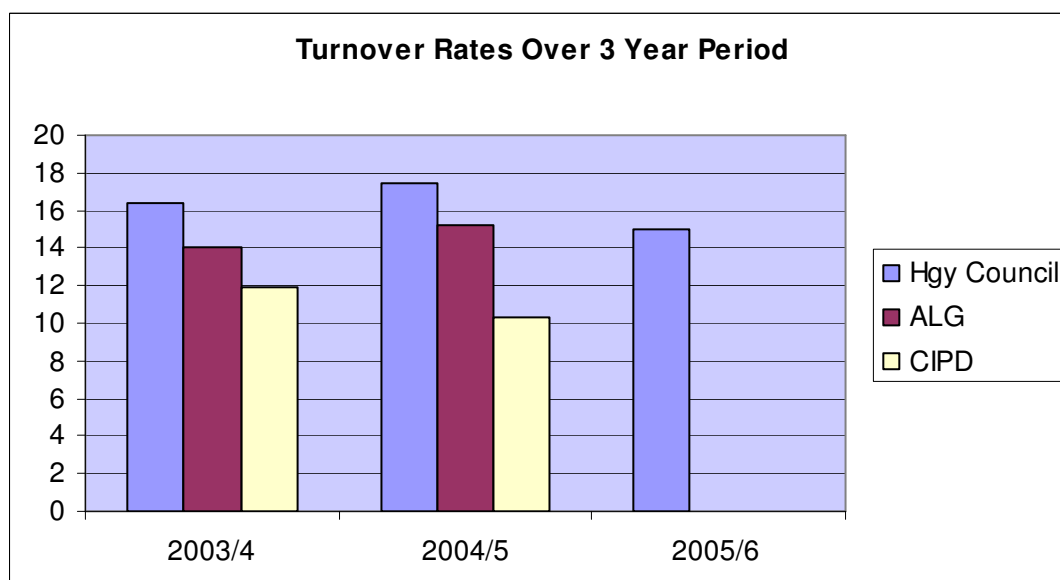
- Haringey Council's turnover rate for this period was **15%**
- Childrens Services Schools have the highest turnover rate of **21.2%**
- Haringey has an almost identical turnover rate for both White and B & M E staff
- The organisation has a higher turnover rate of staff under 25 then it does for staff over 50 and this is a prominent trend in the majority of Directorates

Section Two – Employee Turnover

Turnover & Leavers (Continued)

The table below illustrates Haringey's Turnover rate for the last 3 years and comparable data from the ALG (*Association of London Government*) and CIPD (*Chartered Institute of Personnel Development*).

Turnover Rates Over 3 Year Period			
Turnover Rate	2003/4	2004/5	2005/6
Haringey Council	16.4	17.4	15
ALG <i>Employee Turnover Survey 04/05</i>	14	15.2	0
CIPD <i>Recruitment, Retention and Turnover Survey 2005</i>	11.9	10.3	0



- Haringey's Turnover rate has decreased compared with previous years and appears to be slightly higher in comparison with the ALG and CIPD

“There is no set level of employee turnover above which effects on the employing organisation become damaging. Everything depends on the type of labour markets in which you compete. Where it is relatively easy to find and train new employees quickly and at relatively little cost (i.e. where the labour market is loose), it is possible to sustain high quality levels of service provision despite having a high turnover rate. By contrast, where skills are relatively scarce, where recruitment is costly or where it takes several weeks to fill a vacancy, turnover is likely to be problematic from a management point of view”.

(CIPD, Employee turnover and retention fact sheet, August 2005)

In the future we will be able to report on turnover rates not only by Directorate and leaving reasons but also by Job Families, focusing and providing analysis on key occupational groups with current recruitment and retention difficulties e.g. Social Workers, Environmental Health, and Planning etc.

Section Two – Employee Turnover

Turnover & Leavers (Continued)

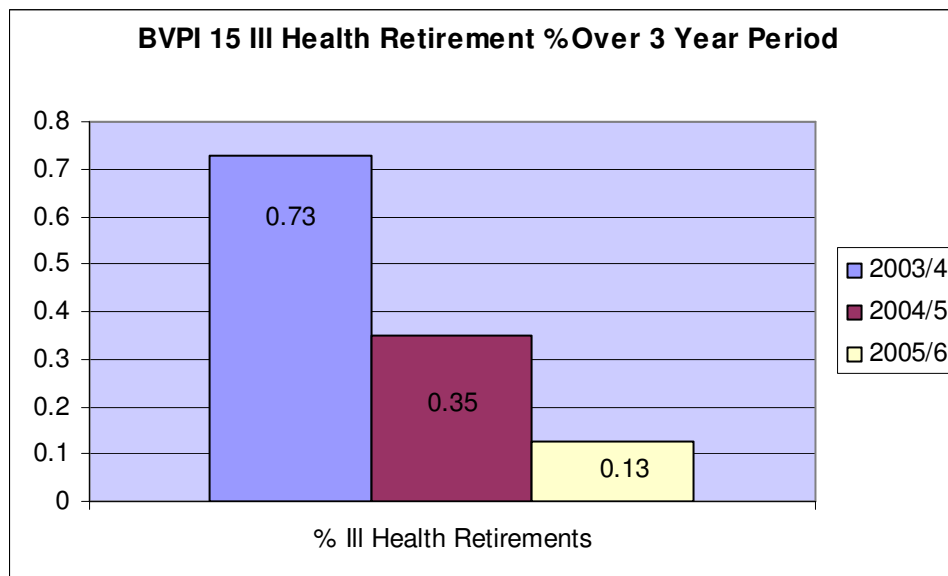
Haringey's Turnover rates by leaving reason are in line with ALG findings.

Turnover Rates by Leaving Reasons			
Reason	HGY 2005/6	ALG 2004/5	CIPD 2004/5
Voluntary Resignation	8.8	9.1	7.9
*TUPE Transfers	0.9	0.8	
+Retirements	1.4	1.3	
Dismissal	0.6	0.8	
Redundancies	0.1	0.7	
Other/Not Known	3.2	2.4	
Total Turnover	15	15.2	10.3

* = If staff made leavers due to the ALMO were included in this data then the turnover rate based on TUPE Transfers would have been **9%**. This percentage would be significantly high compared to ALG findings and would have affected Haringey's overall turnover rate increasing it from **15%** to **23.1%**

+ = **0.13%** of these retirements were due to Ill Health. Haringey had a target to reduce the number of ill health retirements and we have successfully done so, this is reflective in our BVPI 15 results shown below

BVPI 15 Ill Health Retirement % Over 3 Year Period				
BVPI 15	2003/4	2004/5	2005/6	Target 2005/6
% of Ill Health Retirements	0.73	0.35	0.13	0.30



Ill Health retirements have significantly reduced as a result of improved redeployment and absence management arrangements set up within the Council.

Section Two – Employee Turnover

Turnover & Leavers (Continued)

In this period there were a total of **1124** Leavers (excluding staff made leavers due to the ALMO).

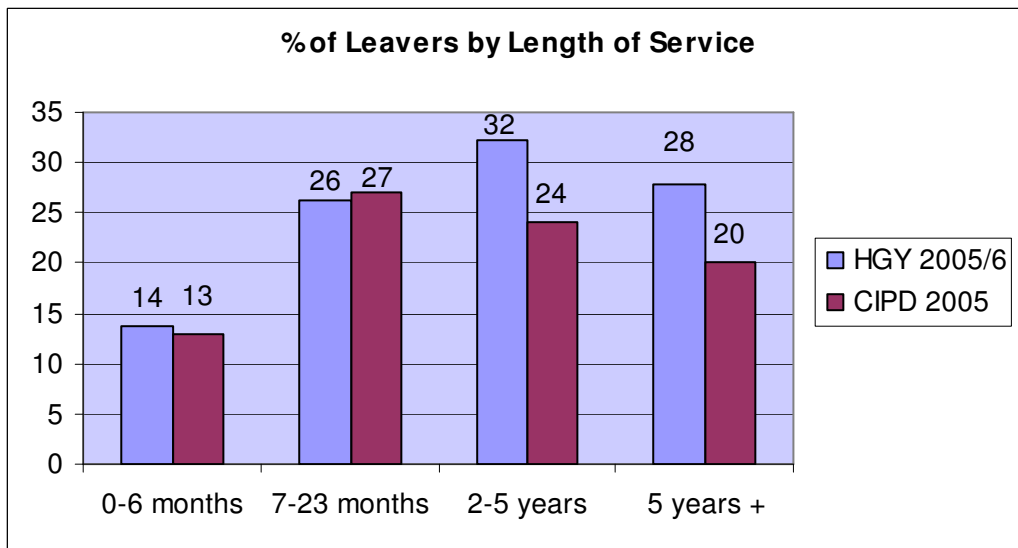
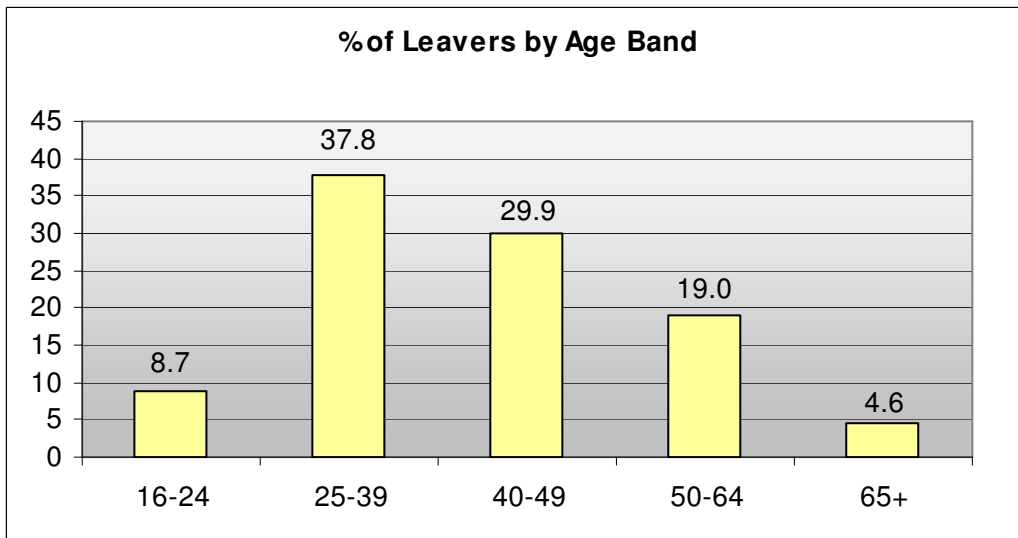
Please note that the Leavers identified in the table below have left Haringey Council and this data does not take into account any internal movement of Leavers between Directorates.

Leavers by Directorate & Ethnicity								
Directorate	White		B & M E		Not Declared		Totals	
	Total	%	Total	%	Total	%	Total	%
AC	23	42.6	25	46.3	6	11.1	54	4.8
CH	94	39.2	132	55	14	5.8	240	21.4
CH-SC	262	57	165	35.9	33	7.2	460	40.9
EN	39	55.7	27	38.6	4	5.7	70	6.2
FI	16	30.8	35	67.3	1	1.9	52	4.6
HO	26	43.3	25	41.7	9	15	60	5.3
LE	3	42.9	2	28.6	2	28.6	7	0.6
OD	9	29	12	38.7	10	32.3	31	2.8
SS	49	38.6	70	55.1	8	6.3	127	11.3
ST	12	52.2	6	26.1	5	21.7	23	2
HGY COUNCIL	533	47.4	499	44.4	92	8.2	1124	100

Leavers by Directorate & Age Band												
Directorate	16-24		25-39		40-49		50-64		65+		Totals	
	Total	%	Total	%	Total	%	Total	%	Total	%	Total	%
AC	10	18.5	20	37	12	22.2	10	18.5	2	3.7	54	4.8
CH	9	3.8	93	38.8	80	33.3	49	20.4	9	3.8	240	21.4
CH-SC	57	12.4	173	37.6	144	31.3	72	15.7	14	3	460	40.9
EN	3	4.3	31	44.3	21	30	11	15.7	4	5.7	70	6.2
FI	6	11.5	23	44.2	8	15.4	10	19.2	5	9.6	52	4.6
HO	4	6.7	16	26.7	19	31.7	15	25	6	10	60	5.3
LE	0	0	3	42.9	4	57.1	0	0	0	0	7	0.6
OD	1	3.2	15	48.4	6	19.4	9	29	0	0	31	2.8
SS	4	3.1	45	35.4	33	26	33	26	12	9.4	127	11.3
ST	4	17.4	6	26.1	9	39.1	4	17.4	0	0	23	2
HGY COUNCIL	98	8.7	425	37.8	336	29.9	213	19	52	4.6	1124	100

- **47.4%** of Leavers were in the White ethnic group
- **37.8%** of Haringey Leavers within the last year fell within 25-39 age band

Section Two – Employee Turnover

Turnover & Leavers (Continued)

Vacancy Rate by Directorate				
Directorate	Total Posts	No. Filled	No. Vacant	*% Vacant
AC	697	511	186	26.7
CH	2078	1516	562	27.0
CH-SC	4535	3705	830	18.3
EN	812	624	188	23.2
FI	690	535	155	22.5
HO	1061	855	206	19.4
LE	115	87	28	24.3
OD	275	222	53	19.3
SS	1292	988	304	23.5
ST	215	153	62	28.8
HGY COUNCIL	11770	9196	2574	21.9

* = The vacancy rate is based against all SAP positions, excluding ones marked as casual. Positions filled with an agency member of staff has been counted as vacant.

Section Two – Employee Turnover

Starters

This section looks at the number of Starters by Directorate, Ethnicity and Age Band. In this period there were a total of **1159** Starters with **33.7%** of Starters being within Children Schools.

Please note that the Starters identified in the table below are new to Haringey Council and this data does not take into account any internal movement of Starters between Directorates.

Starters by Directorate & Ethnicity								
Directorate	White		B & M E		Not Declared		Totals	
	Total	%	Total	%	Total	%	Total	%
AC	20	43.5	21	45.7	5	10.9	46	4
CH	41	27.2	55	36.4	55	36.4	151	13
CH-SC	226	57.8	159	40.7	6	1.5	391	33.7
EN	51	44	42	36.2	23	19.8	116	10
FI	19	22.4	59	69.4	7	8.2	85	7.3
HO	21	30	27	38.6	22	31.4	70	6
LE	6	20.7	18	62.1	5	17.2	29	2.5
OD	21	42.9	15	30.6	13	26.5	49	4.2
SS	44	24.3	102	56.4	35	19.3	181	15.6
ST	21	51.2	14	34.1	6	14.6	41	3.5
HGY COUNCIL	470	40.6	512	44.2	177	15.3	1159	100

Starters by Directorate & Age Band												
Directorate	16-24		25-39		40-49		50-64		65+		Totals	
	Total	%	Total	%	Total	%	Total	%	Total	%	Total	%
AC	13	28.3	20	43.5	8	17.4	5	10.9	0	0	46	4
CH	11	7.3	83	55	41	27.2	16	10.6	0	0	151	13
CH-SC	62	15.9	192	49.1	105	26.9	32	8.2	0	0	391	33.7
EN	23	19.8	69	59.5	13	11.2	11	9.5	0	0	116	10
FI	13	15.3	45	52.9	19	22.4	8	9.4	0	0	85	7.3
HO	18	25.7	27	38.6	19	27.1	6	8.6	0	0	70	6
LE	2	6.9	17	58.6	9	31	1	3.4	0	0	29	2.5
OD	7	14.3	27	55.1	9	18.4	6	12.2	0	0	49	4.2
SS	16	8.8	80	44.2	62	34.3	23	12.7	0	0	181	15.6
ST	6	14.6	25	61	6	14.6	4	9.8	0	0	41	3.5
HGY COUNCIL	171	14.8	585	50.5	291	25.1	112	9.7	0	0	1159	100

- **44.2%** of Haringey Starters were in the B & M E Group
- **50.5%** of Haringey Starters recruited within the last year fell within 25-39 Age Band

Section Three – Sickness Absence Management

Summary

Sickness Absence

The Sickness Absence Target set by the Council and reported to the Audit Commission is **8.80** days per person. The aim is to get the council into the top quartile of London boroughs.

Comparison with other London boroughs is based on March 2005 statistics. In March 2005 Haringey's sickness absence rate was 9.5 days which compared with other London boroughs puts us into the bottom quartile of performance.

At present the absence rate at end of March 2006 was 10.4 days.

Long-term absence accounts for 50% of overall sickness.

HR is focussing on improving absence management and has worked to reduce outstanding long-term cases by 33%. It should be noted however, that this reduction will not improve the statistics for several months because absence levels are based on the last twelve months performance.

We have worked hard to improve sickness absence input over the last year and this improved by 23% over the last year.

Obviously, considerable work is required to get Haringey into the top quartile of absence performance. As part of our strategy to reduce sickness absence levels the following activities have been introduced to improve absence.

As part of our strategy to reduce sickness absence levels the following activities have been designed to enable better attendance:

- Occupational Health Services have been reviewed. We have a different clinical team, new business processes, and better records. As a result the turnaround time for a medical referral has reduced by more than **25%**, the quality of doctor advice has improved, and the rate of ill-health retirement has reduced dramatically.
- The Council's smoking policy has been reviewed in consultation with our trade unions and was presented to General Purposes Committee on 2nd March 2006. Smoking cessation sessions are being run with the Primary Care Trust for our staff. At present 55 staff are accessing this support. We will continue to run smoking cessation support.
- A health programme called Health For Life is offered in partnership with the College for North East London. Two versions of the programme are available. Level 1 aims to develop understanding and use of physical exercise and an awareness of diet. Level two focuses on nutrition. 70 staff successfully completed level one last year. 150 staff are currently enrolled on to this year's course. We will re-run the programme periodically.
- A staff health fair was held on 8th March 2006 to promote the importance of diet, exercise, safe working, and general wellbeing. More than 500 staff attended. The event was held on No Smoking Day and also promoted the Council's improved leisure facilities.
- The Council has a flexible working framework that enables you to consider how best to deploy staff to achieve your service objectives. The Personnel Managers can advise on the application of flexible working.

Section Three – Sickness Absence Management

Sickness Absence Data

This section looks at Sickness Absence data, including BVPI 12 performance, absence recording and sickness data analysis. Because of comparison with BVPI 12 in this section, all data excludes temporary staff who have been working less than 1 year.

The following table shows BVPI 12 performance by directorate with a comparison of last year's results.

Average Days Sick per Employee (Rolling Year) by Directorate						
Directorate	2004/5	Jun 05	Sep 05	Dec 05	2005/6	Change % 2004/5 – 2005/6
AC	11.3	10.6	9.1	9.8	10.1	-10.7
CH	8.4	8	11.2	11.2	12.7	51.7
CH-SC	4.6	4.6	6.4	6.4	7.6	65.9
EN	12.5	12.7	12.2	11.6	13.8	10
FI	12.2	12.2	11.6	11.3	11.9	-2.7
HO	10.8	10.8	11.1	10.6	10	-7.2
LE	13	12.3	9.5	7	8	-38.9
OD	8.8	7.9	6.2	6	6.5	-25.8
SS	11.5	14.5	14.4	14.4	15.3	33.2
ST	6.8	8.3	6.5	7.6	8.8	28.5
HGY COUNCIL	9.5	8.7	9.4	9.3	10.4	9.1

The Council is committed to achieving top quartile performance and therefore aim to achieve an average of **8** days per person. The sickness absence rose by **8.8%** due to a clarification on the formula used to determine sickness absence, as set by the Audit Commission, and because of improved data collection compared with a year ago, which has resulted in an increase of sickness absence data (*see below*).

% Org Units with Absence Input by Directorate						
Directorate	2004/5	Jun 05	Sep 05	Dec 05	2005/6	Change +/- 2004/5 – 2005/6
AC	79	86	95	97	95	16
CH*	22	54	65	69	82	60
EN	82	97	100	92	98	16
FI	93	86	92	83	96	3
HO	82	77	91	88	84	2
LE	69	25	81	75	75	6
OD	77	81	74	81	83	6
SS	52	80	88	81	80	28
ST	56	59	70	79	91	35
HGY COUNCIL	64	74	84	81	87	23

* = Sickness Absence recording is not monitored for Children's Services – Schools.

Overall, the sickness absence recording within Haringey Council has improved consistently over the year resulting in a **23%** increase compared with the previous year.

Section Three – Sickness Absence Management

Sickness Absence Data (Continued)

This table shows how Haringey Council performed against other Inner London local authorities (members of the North London Strategic Alliance also included: Barnet, Enfield & Waltham Forest).

Inner London Local Authority Performance					
Local Authority	2003/4	Change %	2004/5	Change %	2005/6
Westminster	10.8	-41.5	6.3		
Wandsworth	7.8	-10.8	7		
Barnet	8.7	-10.3	7.8		
City of London	8.4	-4.4	8		
Islington	9.1	-10.5	8.1		
Enfield	8.1	3.7	8.4		
Hackney	10.4	-16.5	8.7		
Lambeth	9.5	-5.3	9		
Southwark	9.4	-2.4	9.2		
Hammersmith & Fulham	9.2	3.4	9.5		
Haringey	8.8	8.3	9.5	9.1	10.4
Kensington & Chelsea	8.8	9.1	9.6		
Camden	10.6	1.9	10.8		
Tower Hamlets	11.7	-7.7	10.8		
Lewisham	10	-9.2	11.1		
Newham	12.2	11.1	11.1		
Waltham Forest	10.2	12.5	11.5		
<i>1st Quartile</i>	<i>8.4</i>		<i>8</i>		
<i>Median</i>	<i>9.2</i>		<i>9</i>		
<i>3rd Quartile</i>	<i>10.1</i>		<i>9.5</i>		
<i>Average</i>	<i>9.5</i>		<i>9.1</i>		

Section Three – Sickness Absence Management

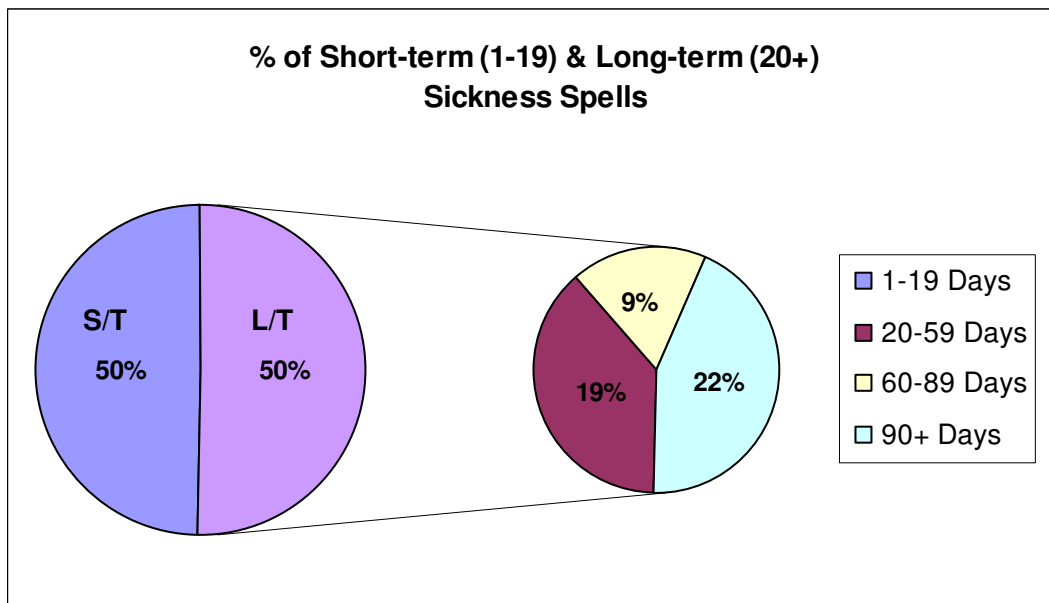
Sickness Absence Data (Continued)

Sickness Spells

The following table shows the % of sickness spells taken for all council staff. **36%** of staff had no sickness at all.

% Spells of Sickness of All Staff by Directorate						
Directorate	0	1-2	3-4	5-6	7-8	9+
AC	29	39	20	7	3	1
CH	32	41	17	6	2	1
CH-SC	37	35	17	7	3	2
EN	41	39	14	4	2	0
FI	34	43	17	4	1	1
HO	42	39	12	5	1	1
LE	26	38	22	9	2	2
OD	37	43	13	5	1	0
SS	33	42	19	6	1	0
ST	29	43	19	6	4	0
HGY COUNCIL	36	38	17	6	2	1

Short-term/long-term distribution

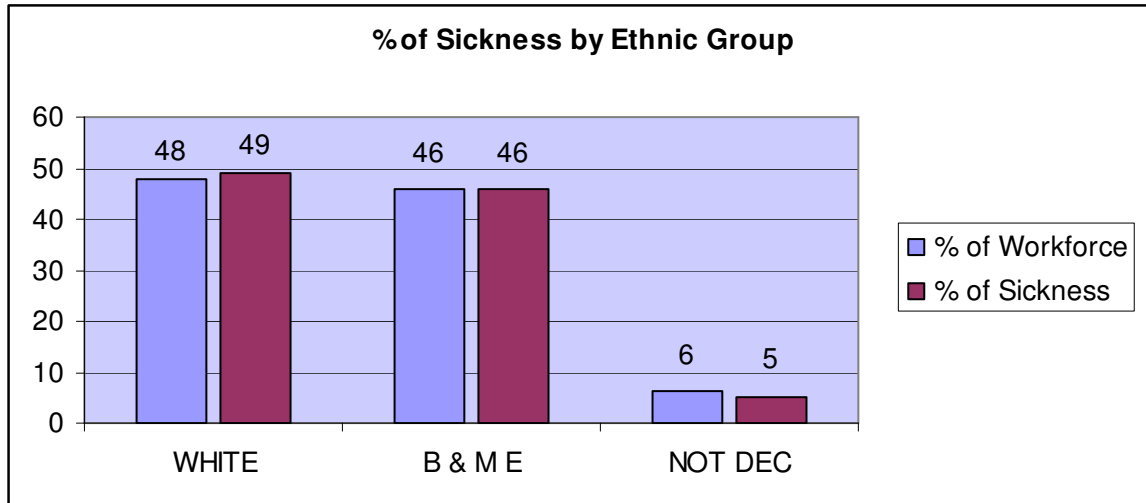


Long-term absence (single spell of 20 days or more) contributes to **50%** of overall sickness. In response, a dedicated HR team has been established to focus on assisting with absence management. The team is currently focussed on long-term sickness absence with a view to unblocking the progress of cases that appear to be unduly delayed. Since the team began they have worked to reduce the outstanding long-term cases by **33%**.

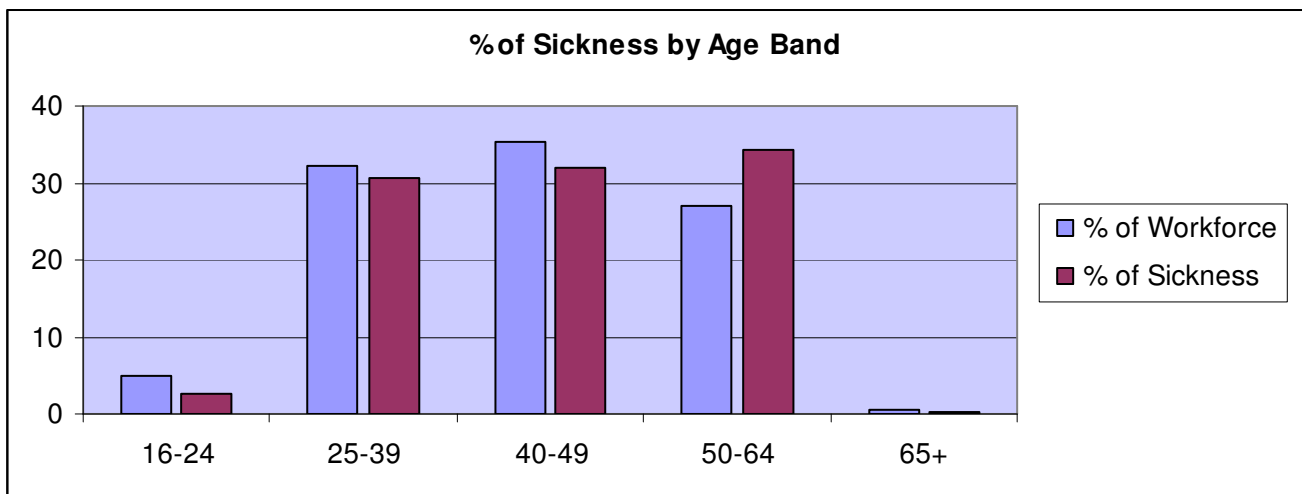
Section Three – Sickness Absence Management

Sickness Absence Data (Continued)

The % of the workforce made up by ethnic groups is also reflected by the % of sickness taken.



As shown in the table below, the % of sickness taken at each age band is slightly lower than the % of the workforce for each age band, with the exception of range '50-64', which has a larger gap between the % of workforce, **27%**, with **34%** of the sickness.



% Sickness by Age Band (Percentages by Columns)				
Age Band	% Workforce	% Sickness	% Short-Term	% Long-Term
16-24	4.9	2.7	4.4	1.1
25-39	32.1	30.6	37.2	24
40-49	35.3	32.1	33.5	30.7
50-64	27.1	34.3	24.4	44
65 +	0.6	0.4	0.6	0.2

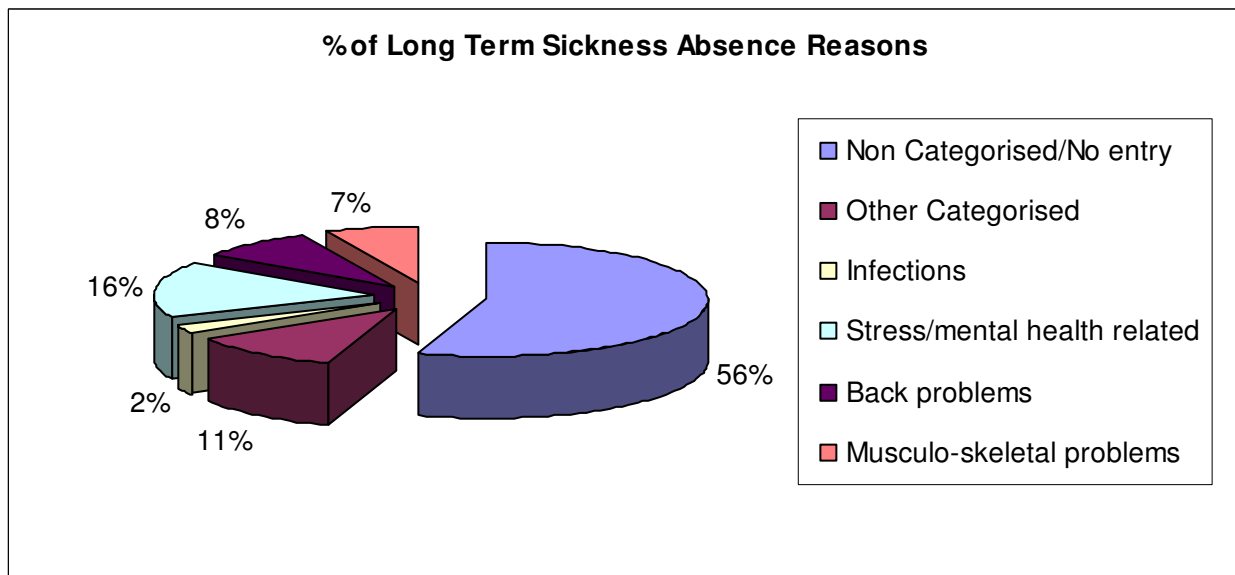
Section Three – Sickness Absence Management

Sickness Absence Data (Continued)

Sickness Absence Reasons

Sickness Absence Reasons			
Reason	Short-term (1-19 Days)	Long- term (20+ Days)	Total
Non Categorised/No entry	36%	55%	46%
Other Categorised	24%	11%	18%
Infections	25%	2%	13%
Stress/mental health related	5%	16%	10%
Back problems	5%	9%	7%
Musculo-skeletal problems	4%	7%	6%
Total	100%	100%	100%

- **46%** of sickness was recorded as 'Other' or had no entry recorded.
- Infections (flu, cold, etc) was the main cause for sickness absence overall with **13%**.
- Stress was the highest categorised cause of long term sickness absence at **16%**.



Section Four – Formal Procedures

Summary

Disciplinary Procedures

There were 124 disciplinary cases handled over the last year.

It is important to note that staff who are subject to disciplinary cases account for only 2.3% of the workforce.

The highest cause for disciplinary action was behaviour e.g. attitude, swearing, etc at 17.7%.

Men account for approx. 60% of disciplinary cases.

Black and minority ethnic staff account for approx. 60% of cases.

73% of suspension cases are heard within 120 days. 32% are heard within 60 days. On average it takes 90 days to hear a suspension case.

Personnel have only recently been able to generate useful management information on the length of suspension cases. Now that we can start to monitor this regularly management action will be started to ensure that the length of suspensions come down, including changes to management guidance on the operation of the disciplinary procedure by giving timescales for investigation and length of suspension.

Employment Tribunals

Of 24 Employment Tribunal cases finished during the year the Council lost only one case. The Council won 13 cases including those withdrawn. The remaining 10 cases were settled. This is a good performance overall.

Section Four – Formal Procedures

Disciplinary Cases

The Council's Disciplinary Procedure is considered as a tool to assist in good management and not solely as a means of imposing sanctions or setting out procedures leading to dismissal.

The procedure aims to:

- Allow managers to address issues of unsatisfactory conduct and seek improvements in behaviour
- Ensure that employees covered by the procedure are treated fairly and consistently
- Ensure that proper and adequate procedures are observed before any disciplinary decisions are taken
- Help and encourage all employees to achieve and maintain standards of conduct, attendance and job performance
- Maintain discipline essential to the delivery of high quality services
- Protect the health, safety and well being of staff, service users and members of the public
- Safeguard the integrity and good reputation of the Council
(Disciplinary Procedure July 2005)

This section looks at the number of formal actions taken against employees under the disciplinary procedure based on data retrieved from SAP.

Disciplinary Cases by Directorate

Directorate	Cases Open	Cases Closed	Total	% ⁺
AC	2	14	16	3.1
*CH	4	15	19	1.3
EN	9	10	19	3
FI	1	3	4	0.7
HO	6	27	33	3.9
LE	0	0	0	0
OD	0	1	1	0.5
SS	6	23	29	2.9
ST	1	2	3	2
HGY COUNCIL	29	95	124	2.3

* = Children's Services - Schools do not enter Formal Procedures data into SAP

⁺ = % of all staff in Directorate

- Housing Services have the highest percentage of disciplinary cases against their workforce at **3.9%**
- **29 cases** remain 'open' at the end of this period. This means that these cases have not yet been concluded
- **48.3%** of the these 'open' cases were actioned in the last quarter (Jan-Mar 06)

Section Four – Formal Procedures

Disciplinary Cases (Continued)

The following table looks at the Stages of Disciplinary cases.

Stages of Disciplinary Cases				
Stage	Cases Open	Cases Closed	Total	%
Dis. Invest Suspension	23	50	73	58.9
Dis. Invest not Suspension	3	44	47	37.9
Dis. Appeal	1	1	2	1.6
Dis. ET	2	0	2	1.6
Total	29	95	124	100

- **58.9%** of disciplinary cases led to suspension

This table displays identifies reasons for Disciplinary action against employees.

Reasons for Disciplinary Cases				
Reason	Cases Open	Cases Closed	Total	%
Assault	0	1	1	0.8
Behaviour	4	18	22	17.7
Council Procedures	5	9	14	11.3
Criminal Conviction	1	2	3	2.4
Dishonesty	1	8	9	7.3
False Claims	2	2	4	3.2
Fraud	1	2	3	2.4
Gross Negligence	5	4	9	7.3
H&S Negligence	0	3	3	2.4
Housing Ben Fraud	0	1	1	0.8
Misuse of E-mail	1	6	7	5.6
Misuse of Resources	1	4	5	4
Negligence	2	4	6	4.8
Not Comply Mgt Inst	0	2	2	1.6
Other	2	12	14	11.3
Personal Gain	0	1	1	0.8
Private Work	1	3	4	3.2
Racist Actions	1	1	2	1.6
Sexual Misconduct	0	3	3	2.4
Timekeeping	1	5	6	4.8
Unauthorised Abs	1	4	5	4
Total	29	95	124	100

- The highest cause for disciplinary action was behaviour with **17.7%**

Section Four – Formal Procedures

Disciplinary Cases (Continued)

The following table identifies the outcomes of the 95 cases that were concluded.

Disciplinary Cases by Stage and Outcome						
Outcome	Dis. Invest not Suspended	Dis. Invest Suspended	Dis. Appeal	Dis. ET	Total	%
Dis. No Action	4	10	0	0	14	14.7
Dis. Verbal Warning	17	1	0	0	18	18.9
Dis. Written Warning	17	1	1	0	19	20
Dis. Final Writ Warning	3	11	0	0	14	14.7
Dis. Dismissal	0	19	0	0	19	20
Dis. Other	3	8	0	0	11	11.6
Total	44	50	1	0	95	100

- **20%** of cases had an outcome of Dismissal
- **14.7%** of cases resulted in no action

This table looks at the ethnic breakdown and gender split for Disciplinary cases

Disciplinary Cases by Ethnicity and Gender Breakdown							
Ethnic Class	Male		Female		All		Workforce Comparison
	Total	%	Total	%	Total	%	%*
White	28	37.3	11	22.4	39	31.5	1.6
B & M E	45	60	34	69.4	79	63.7	3
Not Declared	2	2.7	4	8.2	6	4.8	1.9
Total	75	60.5	49	39.5	124	100	2.3

* = % of all staff in ethnic group

- **60.5%** of employees disciplined were Male
- Disciplinary cases only represent **2.3%** of the workforce

Section Four – Formal Procedures

Disciplinary Cases (Continued)

Summary of Suspension Cases	
Case Status	Total
No. of Cases Concluded	44
No. of Cases not concluded	23
No. of Cases not heard - Leaver	6
Total	73

Of the 73 suspensions, 44 of these have had a hearing.

The table below looks at the 44 cases heard and identifies the no. of working days taken for each case to be concluded, from the date the employee was suspended, up until the case was heard.

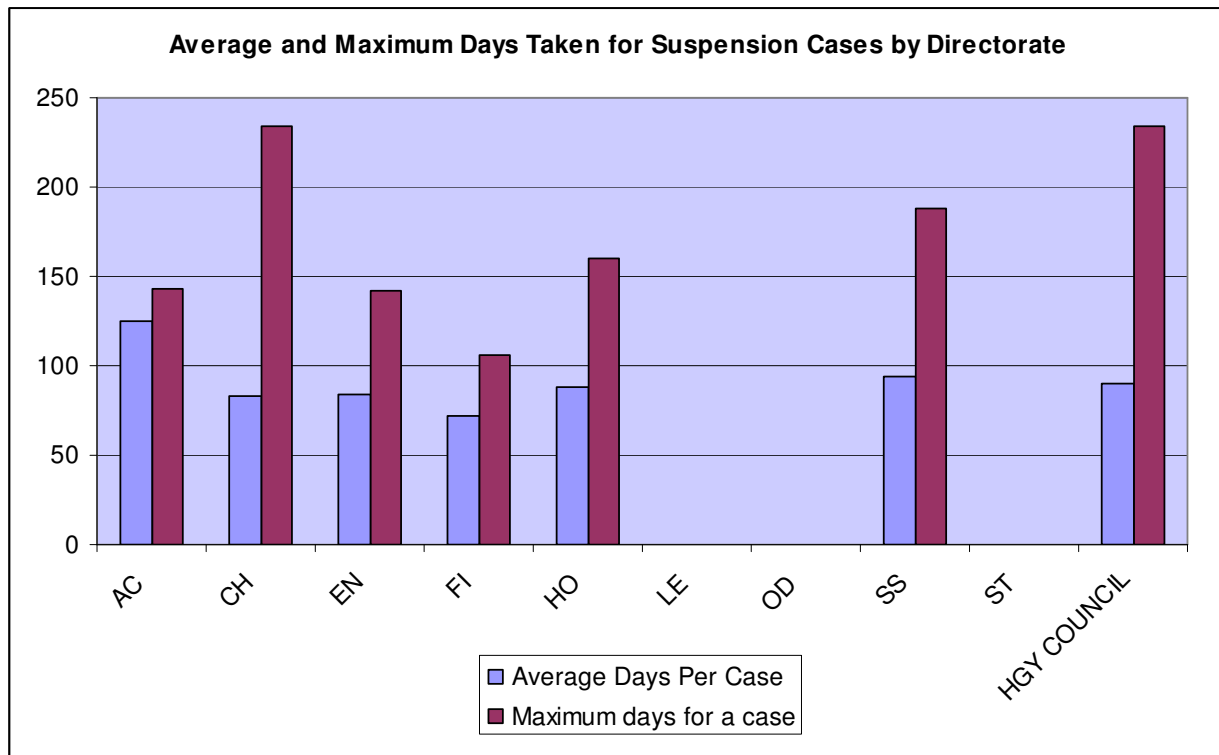
The table also identifies the average number of days taken by Directorate for each case to be heard and the maximum days for one single case to be heard.

Timescales of Suspension Cases Heard								
Directorate	1-60 Days	61-120 Days	121-180 Days	181-240 Days	Total Cases Heard	Total no. of days taken for all cases	Average Days Per Case	Maximum days taken for a case to be heard
AC	0	1	3	0	4	499	125	143
CH	6	2	0	2	10	831	83	234
EN	2	3	1	0	6	503	84	142
FI	1	1	0	0	2	144	72	106
HO	2	7	2	0	11	968	88	160
LE	0	0	0	0	0	0	0	0
OD	0	0	0	0	0	0	0	0
SS	3	4	3	1	11	1035	94	188
ST	0	0	0	0	0	0	0	0
HGY COUNCIL	14	18	9	3	44	3980	90	234

- **72.7%** of suspension cases were investigated and heard within 120 days or 24 weeks
- **31.8%** of these cases were heard within 60 days or 12 weeks

Section Four – Formal Procedures

Disciplinary Cases (Continued)



As mentioned above, even though on average the majority of suspension cases are investigated and heard within 120 days, there are some Directorates where one case can take much longer this.

Good practice suggests that an organisation should aim to reduce the average length of time taken for a case to be heard from our current average of 90 to 60 days. This practice would lessen any negative effects on Service delivery and staff morale.

Employment Tribunal Cases

Summary of Employment Tribunal cases heard, finished or started during the period 1 April 2005 to 31 March 2006. It shows that out of 24 cases finished the Council lost only 1.

Note – Tribunal applications can arise from current employees as well as those dismissed.

Directorate	Open Case	Won	Withdrawn	Settled	Lost	Total
Corporate Services (incl OD, Legal, Access, Strategy)	6	2	0	1	0	9
CH	1	0	0	1	0	2
EN	1	2	4	3	1	11
FI	0	0	0	0	0	0
HO	5	1	1	3	0	10
SS	3	1	2	2	0	8
HGY COUNCIL	16	6	7	10	1	40

Section Five – Health & Safety

Summary

Accident Statistics

The majority of reported accidents were made in the Children's, Social Services and Housing Directorates.

Approximately 59% of accidents were reported by employees and approx. 33% were reported by school children.

Over 30% of accidents were slip/ trip/ falls in nature.

A team from the Health and Safety Executive carried out a snapshot inspection of this Council's health and safety management systems during November 2005.

The inspectors made a number of comments and recommendations including:

Training Both strengths and weaknesses in the Council's Health and Safety management systems were identified within the findings

Systems and Procedures The Council already has systems that will effectively drive good health, safety and welfare management i.e. Business Planning, People Plans, Corporate and Service Induction, Performance Appraisal Targets, One to ones, Team Briefing etc.

Communication The Inspectors felt that the Council's health and safety forum and communication systems could be improved.

Contractor Monitoring and Management The circumstances of the Crowland School Fire merit further improvement of systems for monitoring contractors and sub-contractors.

Data reporting and Analysis The Inspectors welcomed the Council's systems reporting of accident and sickness absence statistical information but felt that the capture of data and also the identification and analysis of trends could be taken much further in driving pro-active strategies. They also commented that the current corporate accident reporting pro-forma is too heavily weighted towards insurance purposes.

Stress Management Inspectors acknowledged both the existence of the Council's Stress Policy and examples of good practice demonstrated in individual Services. However, the HSE were concerned that there is no mainstream approach to the management of stress across the Council.

As a result of these comments and recommendations the Council have agreed an action plan to improve health and safety management. The actions address the following themes:

- Strengthening existing training provision and introducing improved methods of delivery
- Fast-tracking the roll out of the new corporate health and safety policy
- Introducing the HSE Stress Management standards as a corporate strategy
- Revitalising corporate and directorate communication of health and safety issues
- Improving methods of monitoring contractor/sub-contractor activity on site
- Reviewing and updating the Council's procedures for reporting and analysing work related sickness and accidents.
- Strengthening the links between Corporate Occupational Health and Health and Safety practitioner teams and improving service delivery

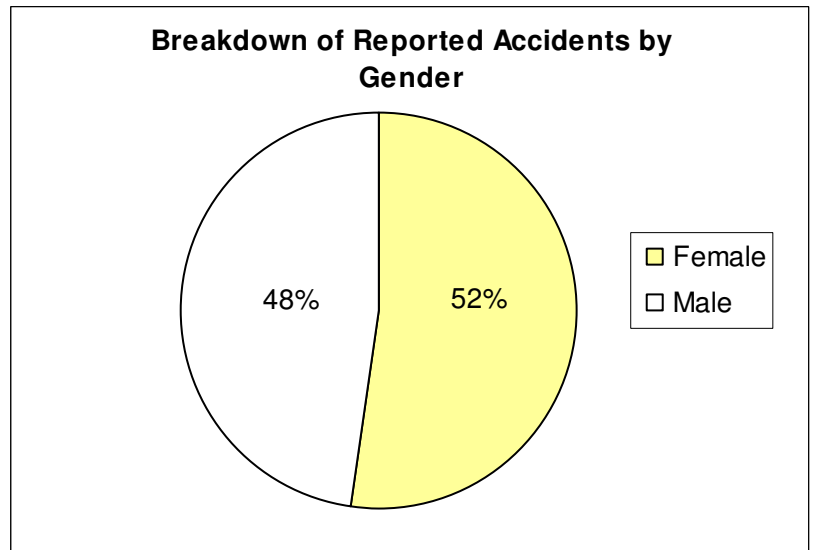
Section Five – Health & Safety

Accident Statistics

This section outlines accident statistics that have been reported during the year 1 April 2005 to 31 March 2006.

Reported Accidents by Directorate	
Directorate	Reported Accidents
C/Execs	3
CH	197
EN	1
FI	15
HO	66
SS	110
HGY Council	392

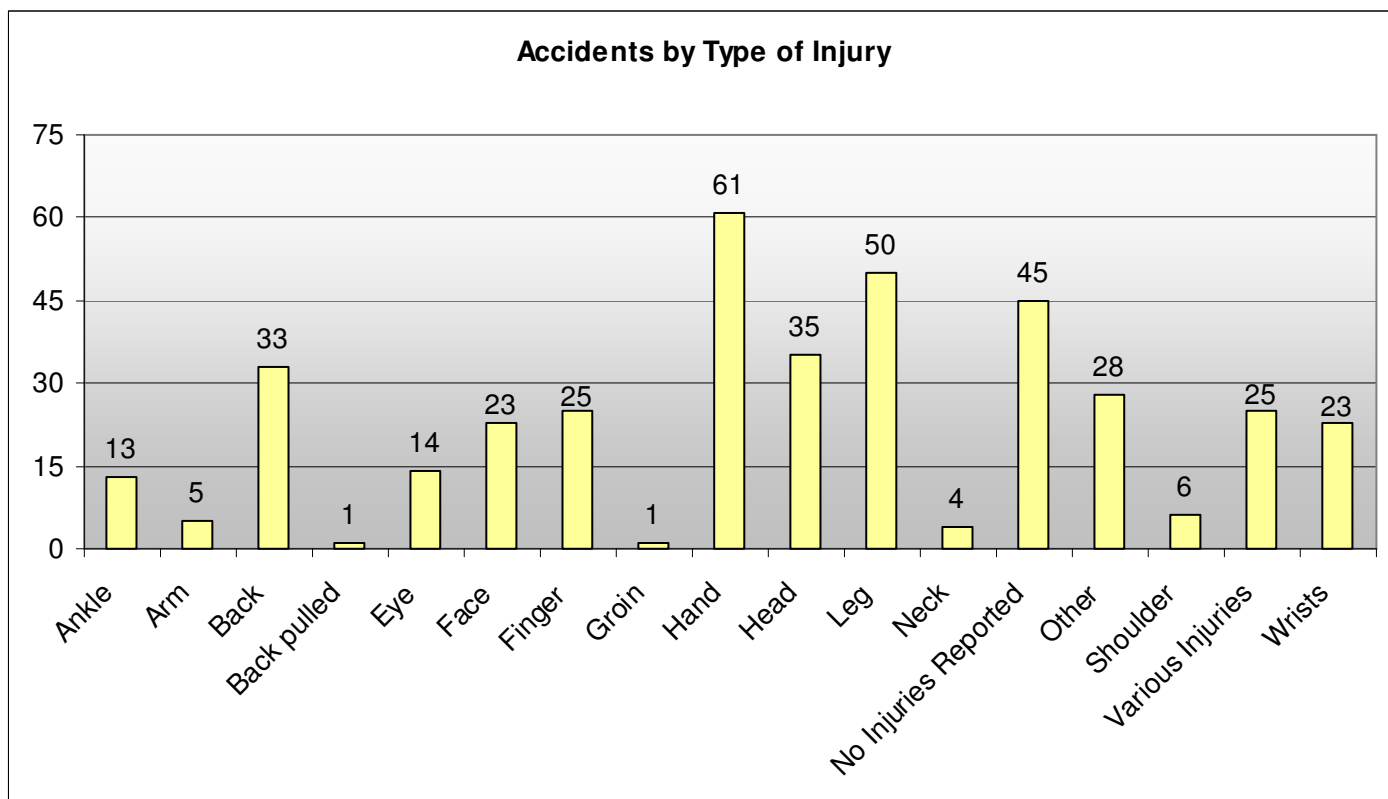
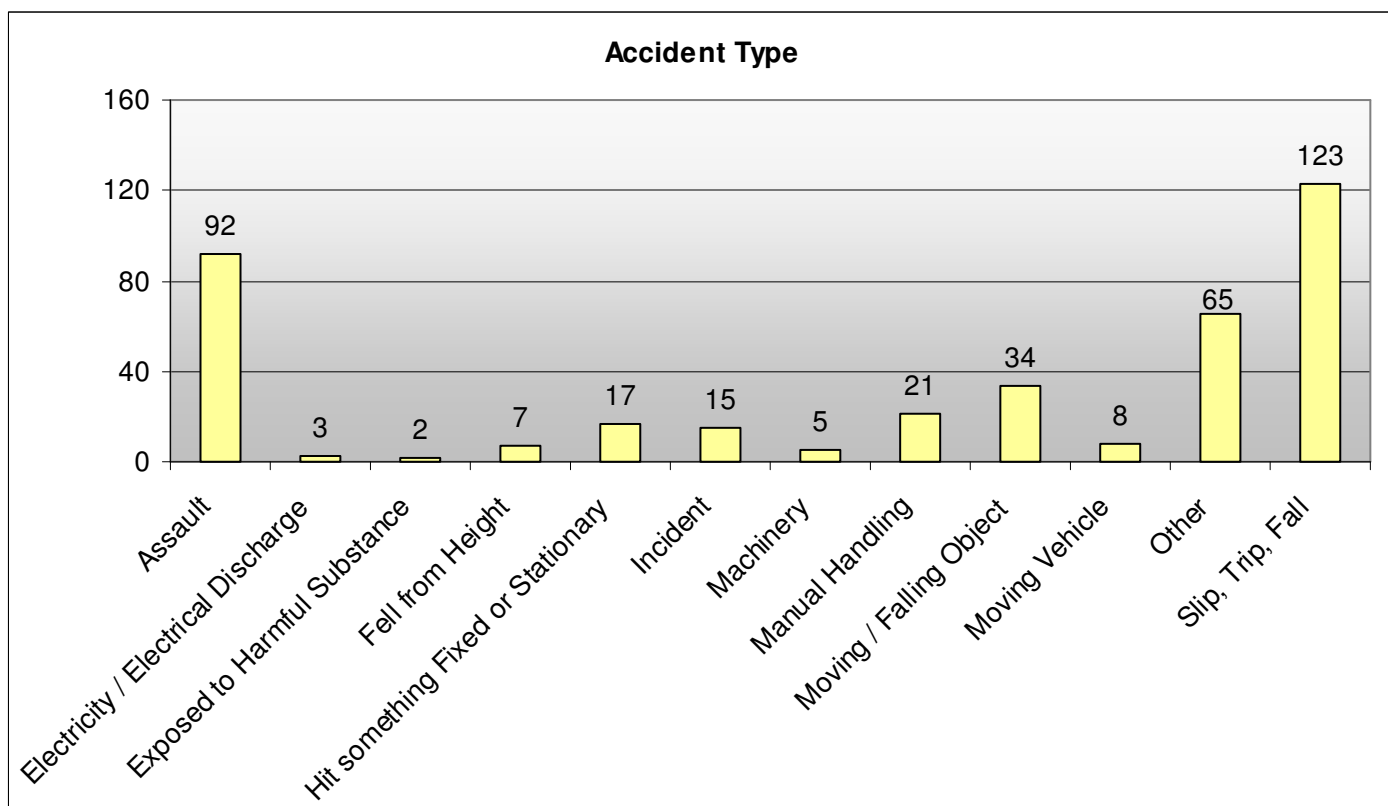
Reported Accidents by Gender		
Gender	Reported Accidents	%
Female	205	52%
Male	187	48%
Total	392	100%



Type of Person Reporting Accidents	
Type of Person	Reported Accidents
Agency Staff	2
Contractor	1
Employee	230
Member of Public	9
Pupil	131
Resident	19
Total	392

Section Five – Health & Safety

Accident Statistics (Continued)



Section Six – Appendices

Appendix A – Salary Bands

Employee's salaries have been grouped into the following salary bands:

Current Salary Band Ranges as of April 2005

Salary Band	Min	Max
MAN & CFT	£12,729	£15,876
SC1 - SC5	£12,918	£21,258
SC6 - SO2	£21,894	£27,759
PO1 - PO3	£27,036	£33,159
PO4 - PO7	£33,159	£43,146
PO8+	£44,301	+

Salary Bands – MAN & CFT

SALARY SCALE & SPINAL POINT	SALARY SCALE & SPINAL POINT
BUILD 01 To BUILD 99	GR5DSOCA 01 To GR5DSOCA 99
CASSMSA 01 To CASSMSA 99	GR5NLW 01 To GR5NLW 99
CLMMECSS 01 To CLMMECSS 99	GR5S+L 01 To GR5S+L 99
ELECTRN 01 To ELECTRN 99	GR5S+LO 01 To GR5S+LO 99
ENGINEER 01 To ENGINEER 99	GR5SA 01 To GR5SA 99
GENLAB 01 To GENLAB 99	GR6 01 To GR6 99
GR1 01 To GR1 99	GR6+1 01 To GR6+1 99
GR1S+L 01 To GR1S+L 99	GR6+2 01 To GR6+2 99
GR1S+LO 01 To GR1S+LO 99	GR6+3 01 To GR6+3 99
GR2 01 To GR2 99	GR6S+L 01 To GR6S+L 99
GR2DSOCA To GR2DSOCA 99	GR6S+LO 01 To GRS6+LO 99
GR2SA 01 To GR2SA 99	H&V 01 To H&V 99
GR2NLW 01 To GR2NLW 99	JOURNEY 01 To JOURNEY 99
GR2S+L 01 To GR2S+L 99	LABOUR 01 To LABOUR 99
GR2S+LO 01 To GR2S+LO 99	MAPPCFT 01 To MAPPCFT 99
GR2SA 01 To GR2SA 99	MAPPELE 01 To MAPPELE 99
GR3 01 To GR3 99	MAPPPLB 01 To MAPPPLB 99
GR3DSOCA 01 To GR3DSOCA 99	MSTRPY 01 To MSTRPY 99
GR3NLW 01 To GR3NLW 99	NDMANUAL 01 To NDMANUAL 99
GR3S+L 01 To GR3S+L 99	NJCMUE 01 To NJCMUE 99
GR3S+LO 01 To GR3S+LO 99	NJCMUE 01 To NJCMUE 99
GR4 01 To GR4 99	PLUMBER 01 To PLUMBER 99
GR4DSOCA 01 To GR4DSOCA 99	TTEAS 01 To TTEAS 99
GR4NLW 01 To GR4NLW 99	
GR4S+LO 01 To GR4S+LO 99	
GR5 01 To GR5 99	
GR5+1 01 To GR5+1 99	
GR5+2 01 To GR5+2 99	
GR5+3 01 To GR5+3 99	

Section Six – Appendices

Appendix A – Salaries (Continued)

Employee's salaries have been grouped into the following salary bands:

Salary Bands – SC1 to SC5	
SALARY SCALE & SPINAL POINT	SALARY SCALE & SPINAL POINT
CSS1 01 To CSS1 99	REGB+2 19 To REGB+2 25
CSS2 01 To CSS2 99	RH4 23 To RH4 25
CSS3 01 To CSS3 99	SW2 24 To SW2 25
CSS4 01 To CSS4 99	SW2/3 24 To SW2/3 25
CSS5 01 To CSS5 99	ADMIN 01 To ADMIN 99
DN2 01 To DN2 99	COOK 01 To COOK 99
DN2U 01 To DN2U 99	DW KA 01 To DWKA 99
DN3/4 01 To DN3/4 99	MAINT 01 To MAINT 99
DN4/5 01 To DN4/5 99	NRW 01 To NRW 99
DN5 01 To DN5 99	RW ACO 01 To RW ACO 99
FLASST 01 To FLASST 99	
HOK3 01 To HOK3 99	
HOK4 01 To HOK4 99	
HOK5 01 To HOK5 99	
NDOFF 01 To NDOFF 99	
REGA+2 01 To REGA+2 99	
SC1 01 To SC1 99	
SC1+1 01 To SC1+1 99	
SC2 01 To SC2 99	
SC2+1 01 To SC2+1 99	
SC3 01 To SC3 99	
SC3+1 01 To SC3+1 99	
SC3+1 01 To SC3+1 99	
SC3S+LO 01 To SC3S+LO 99	
SC4 01 To SC4 99	
SC4+1 01 To SC4+1 99	
SC4+2 01 To SC4+2 99	
SC4S+LO 01 To SC4S+LO 99	
SC5 01 To SC5 99	
SC5+1 01 To SC5+1 99	
YWLOCQ1 01 To YWLOCQ1 99	
YWLOCU1 01 To YWLOCU1 99	
YWLOCU2 01 To YWLOCU2 99	
YWNATQ1 01 To YWNATQ1 99	
YWNATQ2 01 To YWNATQ2 99	
UQ TEACH 01 To UQ TEACH 99	
YWLOCQ2 01 To YWLOCQ2 99	

Section Six – Appendices

Appendix A – Salaries (Continued)

Employee's salaries have been grouped into the following salary bands:

Salary Bands	
SALARY SCALE & SPINAL POINT - SC6 to SO2	SALARY SCALE & SPINAL POINT - PO1 to PO3
DN6 01 To DN6 99	DN9 01 To DN 999
DN7 01 To DN7 99	PO1 01 To PO1 99
HOK6 01 To HOK6 99	PO1+1 01 To PO1+1 99
RH5 01 To RH5 99	PO1+2 01 To PO1+2 99
RH6 01 To RH6 99	PO1+3 01 To PO1+3 99
RH6+1 01 To RH6+1 99	PO2 01 To PO2 99
SC6 01 To SC6 99	PO2+1 01 To PO2+1 99
SC6+1 01 To SC6+1 99	PO2+2 01 To PO2+2 99
SC6+2 01 To SC6+2 99	PO2+3 01 To PO2+3 99
SO1 01 To SO1 99	PO3 01 To PO3 99
SO2 01 To SO2 99	PO3+1 01 To PO3+1 99
SO2+1 01 To SO2+1 99	PO3+2 01 To PO3+2 99
SO2S+LO 01 To SO2S+LO 99	RH8 01 To RH8 99
YWLOCQ3 01 To YWLOCQ3 99	RH9 01 To RH 9 99
YWLOCU3 01 To YWLOCU3 99	ASW34 To ASW 41
ASW32 01 To ASW33	PTQTEACH 01
YWNATQ204 01 To YWNATQ2 11	EP 01 To EP 02
QTEACH 01 To QTEACH 99	IA 01 To IA 02
UQ TEACH10 YWLOCQ2 11	QTEACH 05 To QTEACH 06
DN832 01 To DN8 33	YWNATQ3 01 To YWNATQ3 07
REGB+2 26 01 To REGB+2 27	DN8 34 To DN8 35
REGE+2 27 01 To REGE+2 33	REGE+2 34 To REGE+2 36
REGG+2 32 01 To REGG+2 33	REGG+2 34 To REGG+2 41
RH426 01 To RH428	RH7 34 To RH7 35
RH732 01 To RH733	SWC 35 To SWC 41
SWC 28 To SWC3 4	SW2/3 34 To SW2/3 36
SW226 To SW2 30	SW3 34 To SW3 36
SW2/3 26 To SW2/3 33	SW3+2 34 To SW3+2 38
SW3 26 To SW3 33	SW3QU 34 To SW3QU 38
SW3+2 26 To SW3+2 33	SW3QU+2 34 To SW3QU+2 39
SW3QU 28 To SW3QU 33	SW3UQ 34 To SW3UQ 36
SW3QU+2 28 To SW3QU+2 33	SWO 34 To SWO 38
SW3UQ26 To SW3UQ 33	OT 34 To OT 41
SWO 32 To SWO33	MHSW 34 To MHSW 38
MHSW 32 01 To MHSW 33	MANAGER 01 To MANAGER 99
ASST MAN 01 To ASST MAN 99	PO1+5 01 To PO1+5 99
ASSTEP 01 To ASSTEP 99	PO2+5 01 To PO2+5 99
OT33	

Section Six – Appendices

Appendix A – Salaries (Continued)

Employee's salaries have been grouped into the following salary bands:

Salary Bands	
SALARY SCALE & SPINAL POINT – PO4 to PO7	SALARY SCALE & SPINAL POINT – PO8+
PO3+5 01 To PO3+5 99	CEO 01 To CEO 99
PO401 01 To PO4 99	CEX 01 To CEX 99
PO4+1 01 To PO4+1 99	COB1 01 To COB1 99
PO4+2 01 To PO4+2 99	COB2 01 To COB2 99
PO4+3 01 To PO4+3 99	COB3 01 To COB3 99
PO4+5 01 To PO4+5 99	CORONER 01 To CORONER 99
PO5C 01 To PO5C 99	CPSY 01 To CPSY 99
PO501 01 To PO5 99	EPPNCPL 01 To EPPNCPL 99
PO5+1 01 To PO5+1 99	HOMEOFF 01 To HOMEOFF 99
PO5+2 01 To PO5+2 99	LEAD'SHP 01 To LEAD'SHP 99
PO5+3 01 To PO5+3 99	PO7+4 01 To PO7+4 99
PO5+4 01 To PO5+4 99	PO7+5 01 To PO7+5 99
PO5+5 01 To PO5+5 99	PO7+6 01 To PO7+6 99
PO5+6 01 To PO5+6 99	PO7+7 01 To PO7+7 99
PO6 01 To PO6 99	PO7+8 01 To PO7+8 99
PO6+1 01 To PO6+1 99	PO8 01 To PO8 99
PO6+2 01 To PO6+2 99	PO8+1 01 To PO8+1 99
PO6+3 01 To PO6+3 99	PO8+2 01 To PO8+2 99
PO6+4 01 To PO6+4 99	PO8+3 01 To PO8+3 99
PO6+5 01 To PO6+5 99	PO8+4 01 To PO8+4 99
PO6+6 01 To PO6+6 99	PO8+5 01 To PO8+5 99
PO7C 01 To PO7C 99	SM1 01 To SM1 99
PO7 01 To PO7 99	SM2 01 To SM2 99
PO7+1 01 To PO7+1 99	SM3 01 To SM3 99
PO7+2 01 To PO7+2 99	SM4 01 To SM4 99
PO7+3 01 To PO7+3 99	SM5 01 To SM5 99
RH10 01 To RH10 99	SM6 01 To SM6 99
AST 01 To AST 99	AST 05 To AST 27
ASW 42 To ASW 44	EP 12 To EP 14
PTQTEACH 02 To PTQTEACH 05	IA 12 To IA 47
EP 03 To EP 11	EPSNR 03 To EPSNR 17
IA 03 To IA 11	
EPSNR 01 To EPSNR 02	
YWNATQ3 08 To YWNATQ3 09	
SWC 42 To SWC 44	

Section Six – Appendices

Appendix B – Ethnic Groups

Employee's ethnicities have been grouped into the following ethnic groups:

Ethnic Group Classifications					
White		Black		Mixed	
AA	British	DA	Caribbean	BA	White & Black Caribbean
AB	Irish	DB	African	BB	White & Black African
AC	Greek-Cypriot	DC	Any other black background	BC	White & Asian
AD	Turkish-Cypriot	DD	Somali	BD	An other mixed background
AE	Kurdish	DE	Mixed Black	BE	Black & Asian
AF	Turkish	DF	Nigerian	BF	Black & Chinese
AG	An other white background	DG	Black British	BG	Black & White
AH	English			BH	Chinese & White
AI	Scottish		Asian	BI	Asian & Chinese
AJ	Welsh	CA	Indian		
AK	Cornish	CB	Pakistani		Other
AL	Northern Irish	CC	Bangladeshi	EA	Chinese
AM	Cypriot (not stated)	CH	East African Asian	EB	Any Other Ethnic Group
AN	Greek	CE	An other Asian background	EC	Vietnamese
AO	Italian	CF	Mixed Asian	ED	Japanese
AP	Irish Traveller	CG	Punjabi	EE	Filipino
AQ	Gypsy/Romany	CH	Kashmiri	EF	Malaysian
AR	Polish	CI	Sri Lankan	EG	Arab
AS	Old USSR	CJ	Tamil	EH	North African
AT	Kosovan	CK	Sinhalese	EI	Israeli
AU	Albanian	CL	British Asian	EJ	Iranian
AV	Bosnian	CM	Caribbean Asian	EK	Middle Eastern other
AW	Croatian			EL	Moroccan
AX	Serbian			EM	Latin American
AY	Old Yugoslavia			EN	South American
AZ	Mixed White			EO	Ghanian
A1	Other white European			EP	Zairean
				EQ	Eritrean
				ER	Ethiopian
				ES	Multi-Ethnic islands

B & M E = Black & Minority Ethnic. This group of staff comprises of Black, Asian, Mixed and Other groups of staff.

Section Six – Appendices

Appendix C – Leaving Reason Groupings

Employees leaving reasons have been grouped into the following leaving reason groups.

Leaving Reason Groupings	
Voluntary Resignation	TUPE Transfers
Voluntary Resignation	TUPE Transfer
Retirements	Other/Not Known
ER, Compulsory	Contravention of Law
Compulsory Age, Retirement	Death in Service
Ill Health Retirement	End of Fixed Term Contract
Voluntary Retirement	End of Temporary Contract
VER 85 Year Rule	Frustration of Contract
VER Age 60	Not Known
VER Efficiency	Opt out of Haringey
VER Redundancy	Unsatisfactory Probation
Dismissal	Redundancies
Capability Dismissal	Compulsory Redundancy
Disciplinary Dismissal	
Sickness Dismissal	

Section Six – Appendices

Appendix D – HR Performance & Systems Team

The HR Performance and Systems Team members who have produced the report are:

- ❖ Christiana Kyriacou (020 8489 3346)
- ❖ Leon Sommers (020 8489 3315)
- ❖ Monika Omell (020 8489 3170)

Please contact any of us for further information or if you have a query about the content of this report or require any other HR management information.

If you have any other queries or comments you wish to raise regarding the report or related issues, please contact Tina Charalambous (HR Support & Systems Manager) on 020 8489 2422.

General Purposes Committee On 29th June 2006

Report title: A Review of Trade Union Time-Off and Facilities Arrangements

Report of: Head of Personnel

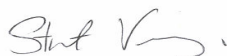
1. Purpose

This paper seeks to review trade union time off arrangements, facilities arrangements and consultation framework.

2. Recommendations

- 2.1 That Members note the discussions to date with the Employee side based on the terms of reference for reviewing trade union time off outlined in paragraph 7.2 which were agreed at General Purposes Committee on 2nd March 2006.
- 2.2. That Members agree to the recommended changes to the trade union time off provision as described in paragraph 7.1.6. In summary this means: delete the formula for converting shop steward time off into full time release; change full time release formula from 1 Branch Officer per 1000 union members to 1 per 600 union members. Net effect of changes is to reduce Unison time off by 3.5 full time equivalent.
- 2.3 That Members agree the policy for Trade Union Facilities and Time Off Arrangements at appendix C.
- 2.4 That Members note that any subsequent recommendations for change will be reported to General Purposes Committee.
- 2.5 That Members agree to implement the changes with immediate effect by serving notice on the Employee Side that the changes will take effect from the forthcoming Unison elections in January 2007.

Report authorised by: **Chief Executive**



Contact officer: Stuart Young, Head of Personnel
Telephone: 020 8489 3174

3. Policy summary

Current time off provision is calculated using a formula of one full time block release for every 1000 members plus three hours a week shop stewards allowance for every 50 members. Allowances can be consolidated to increase the block release. The formula has not been updated or reapplied for some years.

4. Access to information:

5. Introduction

This report proposes changes to the trade union facilities and time off agreement and the way in which we engage and consult with staff.

6. Background

- 6.1 Part of our HR Strategy recognises the need to have effective engagement and consultation with staff on matters that affect them.
- 6.2 Whilst there are formal systems of communication in place with trade unions, e.g. directorate consultative committees, it must be acknowledged that the unions represent approx. 53% of the workforce.
- 6.3 Officers are reviewing the current consultation machinery to ensure an effective dialogue with the staff. The review of trade union time off is linked to this.
- 6.4 The Council's arrangements for time-off for trade union activities were agreed at the Personnel Sub-Committee on 27th January 1992. The agreement provides a formula for the calculation of full time and steward release as follows.
- One full time official release for every 1000 members.
 - Three hours a week shop stewards allowance for every 50 members – can be consolidated to increase the block release.
- 6.5 This report does not address time-off for teaching unions. That will be subject to further review.

7. Proposals for Change

7.1 Time Off for Trade Union duties

- 7.1.1 In accordance with the Council time off arrangements trade unions are granted the following levels of time off at present.

Union	Membership numbers using check off figures	Branch Officers	Amount of additional TU time off based on 3 hrs per week per 50 members
UNISON	3394	4 FTE	5.5 Full time equivalent
GMB	349	1 FTE	
TGWU	85	1 FTE	
Craft unions	160	1 FTE	

- 7.1.2 In addition to the above up to 4 days per week time off is granted to the Employee Side Secretary, who is a UNISON member and also represents UNISON members.

- 7.1.3 Benchmarking with other London boroughs highlights that Haringey is more generous in giving trade union time off than most other London boroughs. We are 3rd in the league table of London boroughs in terms of number of union members per seconded trade union official. See table attached at Appendix A. However, it should also be noted that in terms of union membership compared to the numbers of staff we are also one of the highest ranked boroughs at No. 7 in the list.
- 7.1.4 We are particularly generous in giving time off to UNISON. At present we allow time off for 9.5 full time equivalent officials for UNISON. This is generous compared to other London boroughs who tend to grant on average time off for 3 full time equivalent officials for UNISON. Appendix B shows how the council ranks compared to other boroughs. Haringey is ranked 2nd in terms of UNISON membership density and the council is ranked 5th in terms of UNISON members per FTE officials.
- 7.1.5 Most of the UNISON time off derives from the consolidated shop steward calculation contained in the current agreement. This provides that we allow 3 hours per week per steward per 50 members for general trade union work. This does not include time off to represent people in cases or in consultation/ negotiation meetings with management, which is granted in addition to the 3 hours per week. The shop steward allowance can be consolidated to increase block release in stewards time off and this is what UNISON have done to claim time off for an additional 5.5 full time equivalent officials.
- 7.1.6 It is proposed to reduce the time off entitlement for Unison by deleting the formula so that it is no longer possible to translate shop steward time off into full time release. Reasonable time off would be allowed at service level to accommodate local shop steward matters but this is envisaged to be fraction of that currently enjoyed. In recognition of the change, it is proposed to adjust the formula for full time release from 1 full time union officer per 1000 union members to 1 full time union officer per 600 union members (rounded to the nearest 600) but capped at 6 full time release subject to annual review by the Head of Personnel . In this way Unison will qualify for 6 full time branch officials, a reduction of 3.5 full time equivalents. Any subsequent recommendations for change would be reported to General Purposes Committee.
- 7.1.7 In order to achieve a harmonious implementation of the change it is proposed that Unison be served notice immediately of the decision but that it take effect from the union's next election scheduled for January 2007.
- 7.1.8 It is proposed that the Council operate a minimum facility of 1 full time equivalent release for any union that is recognised.
- 7.1.9 These provisions will be reviewed annually by the Head of Personnel and reported to General Purposes Committee if any changes are recommended.
- 7.1.10 It is proposed to leave the time off facility for the Employee Side Secretary at 4 days per week.
- 7.1.11 The Council will adopt a new policy outlining the arrangements for time off provision for the trade unions. Incorporated within this policy will be provision for

amendment/ termination of the arrangements subject to six months notice. The Council will also that in return for the generous levels of time off granted to the unions an annual report will be produced by the Branch Secretary of each union stating how the time off facility by their union was utilised in the furtherance of representation, employee relations, etc. A copy of the new policy is attached at appendix C.

7.2 Terms of Reference for Review

7.2.1 A review took place between the Head of Personnel with the Employee Side Secretary of the Joint Consultative Committee and representatives of Unison, GMB, and TGWU with a view to reducing the current time off provision. The discussion followed the terms of reference below.

- i. To analyse current application of the trade union time off formula in Haringey Council.
- ii. To benchmark the provision in other London boroughs
- iii. To review the use of the current formula for trade union time off with a view to placing the Council close to the median of provision compared with other London boroughs.
- iv. To actively consult the respective unions with a view to reaching agreement on the proposed changes
- v. To limit consultation to a period of three months or until the meeting of General purposes in June 2006.
- vi. To report back to General Purposes Committee in June 2006 with the recommendations from the review, ideally agreed with the union stakeholders, but not dependent upon such agreement.
- vii. To identify implementation arrangements for any changes arising from the review also to be recommended at the General purposes Committee in June 2006.
- viii. To discuss the implications of paragraph 7.3 below about staff communication with the unions.

7.3 Communication and Consultation arrangements

7.3.1 At present the Trade Unions have two distinct functions; they act as advocates representing individual members, and they act together to deal with “collective” matters such as a reorganisation, terms and conditions, etc.

7.3.2 There are arrangements in place at Directorate and Corporate level for officers to meet with trade union officials to discuss matters affecting staff within directorates or across the council.

7.3.3 Members on behalf of the Council meet formally with the Employee Side (trade unions acting on behalf of the whole workforce) at the Haringey Council and Employee Joint Consultative Committee

7.3.4 These arrangements satisfy the Council’s obligations with regard to the legislative requirements contained in the Information and Consultation Regulations 2004.

- 7.3.5 Within the Council structure the responsibility for determining the terms and conditions of staff and the conduct of IR lies with General Purposes Committee including Health & Safety, Pensions, appointing senior officers (Deputy Chief Officers and above). Any functions that do not reside under General Purposes Committee fall under the relevant portfolio functions of the appropriate Executive Member – e.g. OD and Performance, which covers, improvement and performance, organisational development and learning.
- 7.3.6 In more general terms managers will consult directly with staff individually, or with trade union representatives, or with groups of staff through correspondence, notices or meetings.
- 7.3.7 However, we want to develop a wider base of consultation than the current arrangements and therefore we will seek to engage a wider audience where practicable through development of more inclusive channels of communication. For example, through greater utilisation of team brief and the Harinet intranet website.

7.4 Trade union facilities

- 7.4.1 Trade union accommodation was until recently based at 48 Grand Parade. It was in need of general improvement. Occupants complained of poor telephone connection, internal repair needs, ant infestation, and carbon monoxide poisoning. The lease on the accommodation was due for renewal in 2004.
- 7.4.2 As part of the Accommodation strategy Unison have been moved to 14a Willoughby Road. The remaining unions are located in 38 Station Road. These buildings are much better in comparison with the unions' previous accommodation. The trade unions are generally happy with their new accommodation.
- 7.4.3 The Council recognises that it is beneficial to provide the unions with reasonable facilities to further good industrial relations. It therefore proposes to provide appropriate accommodation to allow trade union business to be conducted and permit access to Harinet, but not the email facility of the council.
- 7.4.4 It will be the responsibility of the unions to provide their own information and communications technology. Representations for support and advice may be granted to the smaller unions, at the discretion of the Head of Personnel.

8. Legal Implications

The Head of Legal Services has been consulted on the content of this report and makes the comments set out below.

Sections 168 and 169 of the Trade Union and Labour Relations (Consolidation) Act 1992 provide that union officials have the statutory right to reasonable paid time off to carry out union duties and to undertake training. The union duties to which this right applies are set out in the 1992 Act and include a range of collective bargaining and representation matters for which the union is recognised and the receipt of information and consultation concerning TUPE and redundancy matters. The determination of what constitutes reasonable time by a local government employer should take into account the need for the authority to

carry out its functions and its fiduciary responsibility in relation to its council tax payers as well as the requirements for the union duties to be undertaken.

From March 2005 employees undertaking the roles of either negotiating representatives or information and consultation representatives, within the meaning of the Information and Consultation of Employees Regulations 2004, will be entitled to reasonable time off during working hours to perform their functions. The scope of the regulations encompasses the whole of the Council's workforce.

Section 179(1) of the Trade Union and Labour Relations (Consolidation) Act 1992 provides that a collective agreement shall be conclusively presumed not to have been intended to be a legally enforceable contract unless the agreement is in writing and contains a provision that states that the parties intend that it shall be a legally enforceable contract. A collective agreement concerning the facilities for trade union officials comes within this statutory presumption. Thus the previous arrangements arrived at in 1992 do not constitute a legally enforceable contract.

9. Financial Implications

The full year reduction in expenditure relating to trade union time off will be dependent on which individuals are deselected following the union election in January 2007. It is estimated to be in the region of £120K full year saving including on-costs.

10. Equality Implications

The recommendations are compliant with the Council's equal opportunities policies.

Appendix A

ALG – Trade union time-off survey of London Boroughs 2005

Table 1 - Rank of union members compared to employee numbers using adjusted union membership figures. Table 2 - Rank of union members per FTE trade union official.

Table 1

<i>Rank</i>	<i>Borough</i>	<i>Total staff</i>	<i>Total TU Mbrs</i>	<i>Union Ratio</i>
1	Tower Hamlets	8334	6244	75%
2	Greenwich	9726	5741	59%
3	Hammersmith & Fulham	4422	2604	59%
4	Merton	2726	1566	57%
5	Barking & Dagenham	6119	3359	55%
6	Camden	6661	3651	55%
7	Haringey	7565	3988	53%
8	Waltham Forest	4500	2345	52%
9	Lewisham	6525	3395	52%
10	Westminster	4,000	2061	52%
11	Hillingdon	3388	1708	50%
12	Croydon	7516	3706	49%
13	Hackney	3713	1825	49%
14	Newham	9007	4341	48%
15	Lambeth	4883	2331	48%
16	Southwark	5200	2399	46%
17	Islington	2891	1267	44%
18	Barnet	6563	2826	43%
19	Ealing	6200	2646	43%
20	Sutton	3500	1485	42%
21	Redbridge	4500	1897	42%
22	Havering	6214	2452	39%
23	Harrow	4626	1778	38%
24	Wandsworth	5672	1957	35%
25	Brent	5744	1872	33%
26	Enfield	10487	3396	32%
27	Hounslow	5584	1779	32%
28	Bexley	6068	1726	28%
29	Kensington & Chelsea	3712	1015	27%
30	Richmond	3470	817	24%
31	Bromley	3827	825	22%
32	Kingston upon Thames	4133	783	19%

Table 2

<i>Rank</i>	<i>Borough</i>	<i>Total TU FTE</i>	<i>Total TU Mbrs</i>	<i>Union Mbrs per FTE official</i>
1	Hammersmith & Fulham	12.7	2604	205
2	Kensington & Chelsea	3.2	1015	317
3	Haringey	12.5	3988	319
4	Lambeth	7.2	2331	324
5	Islington	3.7	1267	342
6	Harrow	5.0	1778	356
7	Croydon	9.0	3706	412
8	Southwark	5.6	2399	428
9	Waltham Forest	5.0	2345	469
10	Camden	7.5	3651	487
11	Brent	3.7	1872	506
12	Newham	8.5	4341	511
13	Barking & Dagenham	6.5	3359	517
14	Greenwich	10.4	5741	552
15	Barnet	5.1	2826	554
16	Hackney	3.0	1825	608
17	Hillingdon	2.5	1708	683
18	Lewisham	4.8	3395	707
19	Sutton	2.0	1485	743
20	Ealing	3.5	2646	756
21	Kingston upon Thames	1.0	783	783
22	Merton	2.0	1566	783
23	Wandsworth	2.2	1957	890
24	Tower Hamlets	6.4	6244	976
25	Westminster	1.8	2061	1145
26	Bexley	1.3	1726	1328
27	Enfield	2.1	3396	1617
28	Bromley	0.5	825	1650
29	Havering	0.8	2452	3065
30	Richmond	1.5	817	n/a
31	Hounslow	1.0	1779	n/a
32	Redbridge	no info	1897	n/a

ALG – Trade union time-off survey of London Boroughs 2005

Table 1 - Rank of UNISON members compared to employee numbers using adjusted union membership figures. Table 2 - Rank of UNISON members per FTE trade union official.

Table 1

Rnk	Borough	Total staff	UNISON Mbrs	UNISON Ratio
1	Tower Hamlets	8334	3770	45%
2	Haringey	7565	3394	45%
3	Camden	6661	2863	43%
4	Waltham Forest	4500	1810	40%
5	Hillingdon	3388	1331	39%
6	Westminster	4,000	1561	39%
7	Sutton	3500	1347	38%
8	Southwark	5200	1937	37%
9	Harrow	4626	1714	37%
10	Lewisham	6525	2355	36%
11	Hackney	3713	1316	35%
12	Hammersmith & Fulham	4422	1565	35%
13	Islington	2891	947	33%
14	Merton	2726	892	33%
15	Lambeth	4883	1556	32%
16	Havering	6214	1942	31%
17	Croydon	7516	2183	29%
18	Ealing	6200	1794	29%
19	Newham	9007	2585	29%
20	Hounslow	5584	1497	27%
21	Greenwich	9726	2530	26%
22	Redbridge	4500	1141	25%
23	Wandsworth	5672	1430	25%
24	Barnet	6563	1623	25%
25	Brent	5744	1203	21%
26	Enfield	10487	2140	20%
27	Bromley	3827	761	20%
28	Kensington & Chelsea	3712	685	18%
29	Richmond	3470	631	18%
30	Bexley	6068	927	15%
31	Kingston upon Thames	4133	624	15%
32	Barking & Dagenham	6119	666	11%

Table 2

Rk	Borough	Unis on FTE	Unison mbrs	Unison Mbrs per FTE official
1	Hammersmith & Fulham	8.2	1565	191
2	Lambeth	5.2	1556	299
3	Croydon	7.0	2183	312
4	Harrow	5.0	1714	343
5	Haringey	9.5	3394	357
6	Islington	2.5	947	379
7	Kensington & Chelsea	1.6	685	428
8	Camden	6.4	2863	447
9	Brent	2.5	1203	481
10	Southwark	3.8	1937	510
11	Barnet	3.1	1623	524
12	Greenwich	4.4	2530	575
13	Waltham Forest	3.0	1810	603
14	Kingston upon Thames	1.0	624	624
15	Barking & Dagenham	1.0	666	666
16	Bexley	1.3	927	713
17	Lewisham	3.3	2355	714
18	Hillingdon	1.8	1331	739
19	Merton	1.0	892	892
20	Ealing	2.0	1794	897
21	Tower Hamlets	3.0	3770	1257
22	Newham	2.0	2585	1293
23	Westminster	1.2	1561	1301
24	Hackney	1.0	1316	1316
25	Sutton	1.0	1347	1347
26	Bromley	0.5	761	1522
27	Enfield	1.4	2140	1529
28	Wandsworth	0.7	1430	2043
29	Havering	0.5	1942	3884
30	Richmond	0.0	631	n/a
31	Hounslow	0.0	1497	n/a
32	Redbridge	no info	1141	n/a

Trade Unions Facilities and Time Off Arrangements

1. Introduction

This document sets out Council agreed procedures for trade union facilities and time off arrangements.

2. Scope

The arrangements contained in this document cover trade union matters relating to all non-teaching staff (subject to the provisions of the Education Reform Act regarding Locally Managed Schools and establishments).

3. General Statement of Policy

The purpose of this policy is to aid and improve the effectiveness of relationships between the council and trade unions. Regard has been taken of the ACAS Code of Practice on Time Off for trade union duties and activities. The Council provides generous time off provisions and in return expects the following principles to be complied with.

- Time off, with or without pay, must be sought and agreed in advance in accordance with the requirements of this policy. Requests for time off must be made as far in advance as possible in the circumstances
- Requests for time off have to be balanced with the requirement placed on the Council to provide a properly staffed service. The maintenance of service provision remains paramount.
- The election of accredited Trade Union representatives (including union learning reps and safety reps) will be in accordance with the rules of the Union.
- The Union will notify the Head of Personnel of all properly appointed Trade Union representatives. Only representatives notified in this way will be recognised by the Council as accredited Trade Union representatives.
- Time off for representatives will be considered subject to the needs of the Council service.
- The Union will notify the Head of Personnel of any alteration or amendment to its Trade Union representatives.
- An annual report will be produced by the Branch Secretary of each union stating how the time off facility by their union was utilised in the furtherance of representation, employee relations, etc.
- For its part, the Council recognises that trade unions need to represent and communicate with their members and will respond to requests for time off positively subject to the exigencies of the service and the consideration of safety problems which may be caused by their absence(s).
- These provisions will be reviewed annually by the Head of Personnel and reported to General Purposes Committee (or alternative) if any changes are proposed.

4. Time off for trade union duties and activities

4.1 Time off for trade union duties

This section sets out the level of paid time off which the Council considers reasonable to grant accredited trade union and safety representatives in accordance with the statutory frameworks and the ACAS Code of Practice.

4.2 Branch Officers

In order to support good industrial relations the Council has agreed that the Branch Officers of Unions can be seconded from their normal duties to undertake trade union duties. The Branch Officers are awarded paid time off for trade union duties subject to the following conditions:

- The Head of Personnel has the delegated authority to agree the actual maximum amount of time off that may be taken by each branch officer
- Proper advance notification of time off being given;
- In addition to the above, Branch Officers will be allowed reasonable time off to attend:
 - approved training courses
 - official trade union annual conferences as approved delegates

The formula is to grant the equivalent of full time release for 1 full time union officer per 600 union members (rounded to the nearest 600) but capped at 6 full time release.

It is proposed that the Council operate a minimum facility of 1 full time equivalent release for any union that is recognised.

Both the above provisions would be subject to annual review by the Head of Personnel. Such review should include both the formula for union release and its operation.

Based on trade union membership levels obtained from the councils management information system at the end of 2005 the following levels of time off for branch officers would be granted -

Union	Membership numbers using check off figures	Branch Officers
UNISON	3394	6 FTE
GMB	349	1 FTE
TGWU	85	1 FTE

Following the annual elections of each union, the Head of Personnel shall confirm time off subject to the needs of the Council's services.

4.3 Trade union representatives

Notwithstanding the specified arrangements for the Branch Officers reasonable time off with pay will be granted to other elected trade union representatives to undertake trade union duties and activities (as outlined in the attached appendices). This will include

- Reasonable time off to attend meetings called by management, including meetings to discuss terms and conditions, restructuring, meetings with employees that require a TU rep in attendance, etc.
- plus reasonable time off to prepare for meetings.

The number of union representatives granted time off for these purposes will be subject to reasonable limits and the proper authorisation arrangements.

Reasonable time off with pay will also be allowed to elected representatives of a recognised trade union to undergo training relevant to the carrying out of their trade union duties. The training should be in aspects of industrial relations relevant to the duties of a representative and must also be approved by the Trade Union Congress or by the independent trade union of which the employee is a representative.

4.4 Union Learning Representatives

Reasonable time off with pay will be granted to properly elected Union Learning Representatives. Reasonable time off should be allowed for the following activities

- Analysing learning or training needs
- Providing information and advice about learning or training matters
- Arranging and supporting learning or training e.g. encouraging union members to access learning opportunities.
- Promoting the value of learning or training
- Consulting the employer about carrying on any such activities
- Preparation time to carry out the above activities
- Undergo relevant training

4.5 Time off for Safety Representatives

The Council will allow Safety Representatives to take such time off with pay during working hours as shall be necessary for the purpose of:-

- Performing their functions under the Health and Safety at Work Act.
- Undergoing such training in aspects of those functions as may be reasonable in all the circumstances.

The activities/ duties of a Safety rep cover the following

- Representing workers in consultations with employers
- Investigating potential hazards and dangerous occurrences
- Examining the causes of accidents, dangerous occurrences and diseases
- Investigating complaints by members
- Making representations to the employer
- Carrying out workplace inspections
- Representing employees in consultations with inspectors
- Receiving information from inspectors
- Attending joint health and safety committee meetings

In return for granting time off it will be expected that the Safety Representative will share with management reports/ findings concerning their duties and activities.

4.6 Conferences

Time off with pay will be granted to delegates from the local branch of the trade union to enable attendance at their Annual Trade Union conference to consider pay and conditions matters. This is subject to the arrangements set out previously for Branch Officers, reasonable numbers of delegates being nominated and service and work requirements permitting.

4.7 Payment for time off for trade union duties and approved training

When a representative is allowed time off during normal working hours, they are entitled to payment for the time taken. The amount paid would be either the normal pay which the representative would otherwise be paid or a payment based on their average hourly earnings where the earnings vary with the work done.

There will be no requirement to pay for time off for trade union duties or training when such time is outside of the representative's normal working hours. The Council will not meet the travelling and subsistence costs of trade union representatives who attend courses or conferences.

5. Facilities

Reasonable office and administrative facilities will be made available. Access to interview rooms will be provided subject to their availability at the time of need. Free use of the internal postal service will be provided for correspondence relating to trade union duties.

Unison accommodation is based at 14a Willoughby Road. The remaining unions are located in 38 Station Road.

The Council recognises that it is beneficial to provide the unions with reasonable facilities to further good industrial relations. It therefore intends to continue the provision of appropriate accommodation to allow trade union business to be conducted.

It will be the responsibility of the unions to provide their own information and communications technology. The Council will permit the unions access to Harinet, but not the email facility of the council. Representations for support and advice regarding IT may be granted to the smaller unions, at the discretion of the Head of Personnel.

6. Check-Off arrangements

The Council will continue to provide check off and related facilities subject to a reasonable percentage charge on the total membership deductions. The rate and arrangements for check-off may be varied by the Council subject to prior consultation with the representative union(s). Details of the check-off service are provided in a separate document.

7. Alteration or termination of the Agreement

The Council may amend any of the provisions of this policy subject to six months' notice in writing. It is assumed that during the course of the notice period consultation will be had between the Head of Personnel and the unions about the proposed changes with a view to reaching an understanding about the changes.

Should a trade union representative fail to adhere to these arrangements, they may be reviewed on an individual basis subject to consultation with the appropriate full time union officer.

No contractual status is attached to this policy and questions regarding its interpretation should be dealt with by the Head of Personnel.

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