

**MINUTES OF THE GENERAL PURPOSES COMMITTEE
TUESDAY, 11 JANUARY 2011**

Councillors Meehan (Chair), Whyte, Wilson and Rice (Vice-Chair)

Apologies Councillor Khan, Waters,

Also Present: Councillor Stennett, Strickland

MINUTE NO.	SUBJECT/DECISION
GPCO47.	APOLOGIES FOR ABSENCE (IF ANY) Apologies for absence were received from Cllr Khan and Cllr Waters. Councillor Strickland and Councillor Stennett substituted. We were notified of Cllr Davies resignation from the committee and noted that the vacancy would be appointed to at Full Council on the 17 th January 2011.
GPCO48.	URGENT BUSINESS There were no items of urgent business submitted.
GPCO49.	DECLARATIONS OF INTEREST There were no declarations of interest submitted.
GPCO50.	DEPUTATIONS/PETITIONS There were no deputations or petitions to consider.
GPCO51.	MINUTES AND MATTERS ARISING The minutes of the 23 September 2010, 28 October 2010 and 21 December 2010 were agreed as an accurate record of the meeting.
GPCO52.	TREASURY MANAGEMENT 2010/11- 3RD QUARTER REVIEW We considered the Council's Treasury Management activity and performance during the third quarter of 2010/11 which showed compliance against the Prudential Indicators and the Treasury Management Strategy Statement. We noted that during this quarter £40m of long term borrowing had matured and was repaid to the PWLB (Public Works Loan Board). This had resulted in a reduction in cash balances, which had been invested short term only in money market funds, and an instant access call account. It was explained to the committee that money market funds operated with a wide diversification of investments and therefore were a good vehicle for investing money in. They also allowed instant access to funds when needed.

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Members were advised that the Council were operating 3 money market fund accounts and further, to a detailed selection exercise involving the Lead Finance Officer, Head of Finance, treasury & pensions(supported by Arlingclose Ltd the Council's treasury management advisers) , four further money market funds were recommended for investment in. Clarification was sought on whether any alternative money market funds had been researched, other than those set out in the report, and in response it was noted that this list of funds were on the recommendation of treasury advisors.

RESOLVED

- i. That members note the Treasury Management activity undertaken during the third quarter of 2010/11 and the performance achieved.
- ii. That the following selection of additional Money Market Funds, for the lending list, be approved:
 - J.P Morgan Asset Management Sterling Liquidity Fund - £20m limit
 - Invesco Short Term Investments Company Sterling Liquidity Portfolio - £5m limit
 - BlackRock Institutional Sterling Liquidity Fund – £20m limit
 - BlackRock Institutional Government Sterling Liquidity Fund - £12m limit

GPCO53. 2011/12 TREASURY MANAGEMENT STRATEGY STATEMENT

Members considered this report which set out the proposed Treasury Management Strategy for financial years 2011/12 to 2013/14 in accordance with the CIPFA Treasury Management Code of Practice. The Strategy was draft pending approval of the budget. It would progress to Cabinet on 25th January 2011 and would also progress to Audit committee on the 3rd February 2011. The draft included current estimates of the current capital programme and therefore was subject to change before progression to these latter meetings.

Members were asked to note that short term interest rates were expected to remain at low figures, and this meant that there would be a “cost of carry” if funds were borrowed in advance of capital expenditure being incurred. Therefore the Council's strategy was to keep cash balances low, and invested short term, and only borrow when required.

The report outlined the following key changes for the committee to note:

- Addition of Nat West and Standard Chartered to the list of UK banks available to invest with(Nat West was the Council's banker)
- UK Treasury Bills issued by the Debt Management Office
- Deposits with non UK Banks - Rabobank(Netherlands), Nordea bank(Finland), BNP Paribas(France), Credit Agricole CIB(France), Credit Agricole SA(France), Svenska Handelsbanken(Sweden), Deutsche bank(Germany), Credit Suisse(Switzerland), Societe Generale(France), ING Bank(Netherlands).

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	<p>Members were advised that the above listed banks were all at least A+ rated. Investments would be under constant review and swift action could always be taken should the creditworthiness of the banks invested in become questionable. Proposals to add deposits to non UK banks had been looked at carefully with only banks in triple A rated countries chosen. It was clarified that these would be sterling deposits to be deposited via the London offices of these non UK banks. The creditworthiness and past performance of these non UK banks had been scrutinised and would continue to be monitored and reviewed following deposits of funds.</p> <p>RESOLVED</p> <p>That the proposed Treasury Management Statement for 2011/12 be recommended to Cabinet and Council for approval.</p>
GPCO54.	<p>PROPOSED RESTRUCTURE OF IT SERVICES</p> <p>Members considered the proposals for the second stage of the IT Value for Money review, which encompassed a proposed restructure of the teams beneath the new senior management structure in IT (implemented in April 2010). The proposed restructure would result in a net reduction of 19 posts in the service and realise savings of £880K.</p> <p>The main elements of change to the service were set out in Appendix 3 of the report which the committee considered. Statutory staff consultation period had been extended from four to six weeks to allow staff, that had been on leave during the recent Christmas break, the opportunity to respond, although no comments had been received since the end of December.</p> <p>The committee considered the written representation of the Employee Side which recommended that the final sign off of the restructure return for decision to the committee instead of being delegated to the Director of Corporate Resources to agree with the Chair of the committee. The Employee Side also requested a longer consultation period due to the number of staff affected by the changes in the service. In response to these concerns, it was noted that the consultation period had already been extended by a two week period and there had not been significant feedback from affected staff since the end of December. The chair advised that there would be further special meetings of the committee scheduled in February and March to consider forthcoming service function reviews and therefore any key issues arising from the restructure could be reported to report these back to the committee if necessary.</p> <p>The committee discussed the recent report on IT cost considered at the Homes for Haringey Board meeting and recommended that the Head of IT discuss the benchmarking results, informing the value for money review, with this organisation. The committee were assured that the selection of posts for deletion were not in areas of contractual expertise as this knowledge was likely to be called upon in future. The committee were further informed that there would be a phased renewal of the IT structure which was already underway and the main project work of the IT service would be supporting the efficiency agenda and delivery of the savings programme of the Council.</p>

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RESOLVED

- i. That the proposed restructure of IT Services and the associated efficiencies be agreed.
- ii. That the Director of Corporate Resources and the Chair of General Purposes Committee be delegated authority to sign off amendments to the restructure following formal consultation up to a limit of 19 posts, the net reduction in the IT services establishment.
- iii. That the timetable for delivery be noted.

GPCO55. POLICY FOR LICENSING SEX ESTABLISHMENTS

Following public consultation the draft sex establishments policy was attached for agreement by the committee. The policy would provide members of the Miscellaneous Functions Sub- Committee a framework for considering all future relevant applications. The policy identified and included sensitive locations in the borough where the proximity of a sex establishment would be considered inappropriate. These were set out on paragraph 13.2 of the report and page 83 of the policy. It was on this basis that the policy recommended that there was no ward in the borough where a sex establishment was appropriate, although all applications would be considered on their merits, with due regard to the policy. Following a benchmarking exercise on application fees, where charges from across the country were examined, the committee were further asked, as part of the policy, to increase the application fee from £2500 to a maximum of £6000. Account had been taken of the full cost of dealing with an application and also setting a price which was not a deterrent to any would be applicant.

Concerns were expressed by some members about the policy as it could be open to challenge by allowing applications for sex entertainment licenses but having a nil policy per ward . It was further felt by some members that thought should also be given to the impact of a nil policy potentially being implemented by a number of boroughs as there would be less opportunity to regulate these establishments. In response it was reiterated that applications would be assessed on their individual merits, however there was a need to provide the decision making body, Miscellaneous Functions Sub- Committee, with a framework for considering these applications and therefore map out the areas , that were inappropriate to have a sex establishment in close proximity to, such as: schools, colleges, safe houses for vulnerable adults, children's centres. The policy responded to the further need to be transparent with the concerns that would be considered by the committee when making their judgements. In relation to the wider issues of regulation discussed, it was noted that this would be the responsibility of government to provide legislation on.

RESOLVED

- i. That the comments from the consultation exercise be noted.
- ii. That the policy as set out in Appendix 2 of the interleaved report be adopted.

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	<p>iii. That an application fee of £6,000 for licenses be adopted.</p> <p>iv. Councillor Whyte and Wilson requested that their dissent to resolution GPO55 be recorded.</p>
<p>GPCO56.</p>	<p>ADOPTION OF REVISED RULES OF PROCEDURES FOR NON EXECUTIVE LICENSING HEARINGS</p> <p>The report set out the reasons for revising the rules of procedures for non – executive licensing hearings. These were applicable to hearings before the Miscellaneous Functions Sub-Committee in cases where the Sub-Committee is considering applications for the grant, renewal transfer, variation, or revocation of a licence under the Council’s non- executive licensing functions. These non – executive licensing functions included street trading and special treatment premises (for example, ear piercing and tattooing establishments).</p> <p>The committee noted that in 2003, following adoption of licensing legislative changes, it was agreed that ward councillors would not be a member of the committee hearings of licence applications. This was to guard against a perceptions developing that the ward councillor was biased in their decision and therefore also to protect the reputation of the Council. Ward councillors were only permitted to make representations at the committee hearings. The committee debated the current position of this rule taking into account the new localism agenda and ward boundaries, where it would still be possible for a councillor to sit on a committee and be in a neighbouring ward where there was close contact with the application. It was noted that there was added protection with the members code of conduct which councillors were required to adhere to and notify the Council and all its meetings of any prejudicial interests. This already guarded against members which had a perceived bias being involved in the licensing hearing. Taking into account the above points the committee agreed that rule 2 be amended to reflect involvement of ward councillors in non executive licensing hearings with the following provision and wording– <i>A sub committee shall not include a councillor who declares a prejudicial interest in, or who has expressed a firm and final view on, the application to be considered.</i></p> <p>RESOLVED</p> <p>That subject to the amendment of rule 2, the rules of procedures at hearings relating to non executive licensing functions as set out in the appendix to this report is agreed.</p>
<p>GPCO57.</p>	<p>ALCOHOL CONTROL ZONE EVALUATION AND POTENTIAL EXTENSION</p> <p>Members of the committee were provided with an evaluation on the use and effectiveness of street drinking control zones within the borough. There had been consultation with stakeholders on the effectiveness of the zones. This included discussions with the Police, Neighbourhood Managers and councillors where no</p>

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	<p>increased concerns had been reported. Therefore there were no recommendations to extend the controlled street drinking zones.</p> <p>Members noted on going work to improve the interpretation of controlled street drinking signs.</p> <p>RESOLVED</p> <p>That members noted the findings of the report and the evidence that street drinking control measures in place continue to be a valuable control measure and that there was no evidence to support any variations or extensions to the current arrangements.</p>														
GPCO58.	<p>NEW ITEMS OF URGENT BUSINESS</p> <p>No new items were considered.</p> <p>The committee agreed to meet on the following dates to consider the Chief Executive's report on the restructure of the Council and subsequent service function reviews & restructuring reports.</p> <table><tr><td>Tuesday 25th January 2011</td><td>7.00pm</td></tr><tr><td>Monday 7th February 2011</td><td>7.00pm</td></tr><tr><td>Tuesday 15th February 2011</td><td>7.00pm</td></tr><tr><td>Tuesday 22nd February 2011</td><td>7.00pm</td></tr><tr><td>Monday 28th February 2011</td><td>7.00pm</td></tr><tr><td>Thursday 10th March 2011</td><td>7.00pm</td></tr><tr><td>Tuesday 22 March 2011</td><td>7.00pm</td></tr></table> <p>The committee agreed that the meetings will only be held if there is sufficient business to warrant them and that due notice would be given should they require to be cancelled.</p>	Tuesday 25th January 2011	7.00pm	Monday 7th February 2011	7.00pm	Tuesday 15th February 2011	7.00pm	Tuesday 22nd February 2011	7.00pm	Monday 28th February 2011	7.00pm	Thursday 10th March 2011	7.00pm	Tuesday 22 March 2011	7.00pm
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GPCO59.	<p>EXCLUSION OF THE PRESS AND PUBLIC</p> <p>The following items were subject of a motion to exclude the press and public from the meeting as they contained exempt information as defined in Section 100a of the Local Government 1972; namely information likely to reveal the identity of an individual, and information relating to any individual.</p>														
GPCO60.	<p>NEW ITEMS OF EXEMPT URGENT BUSINESS</p>														

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	No items of urgent exempt business were considered.
GPCO61.	MINUTES OF GENERAL PURPOSES COMMITTEE SUB-BODIES The committee noted the minutes of the following meetings. 9 th September 2010 11 th October 2010 18 th October 2010 20 th October 2010 17 th November 2010 24 th November 2010 29 th November 2010 13 th December 2010 16-21 December 2010

Councillor George Meehan

Chair