
Full Council

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To: The Mayor and Councillors of Haringey Council.

Dear Sir/Madam,

A meeting of the Council of the London Borough of Haringey will be held at the Civic Centre, High Road, Wood Green, N22 8LE on MONDAY, 21ST JULY, 2014 at 19:30 HRS, to transact the following business:

AGENDA

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

A member with a disclosable pecuniary interest or a prejudicial interest in a matter who attends a meeting of the authority at which the matter is considered:

- (i) must disclose the interest at the start of the meeting or when the interest becomes apparent, and
- (ii) may not participate in any discussion or vote on the matter and must withdraw from the meeting room.

A member who discloses at a meeting a disclosable pecuniary interest which is not registered in the Register of Members' Interests or the subject of a pending notification must notify the Monitoring Officer of the interest within 28 days of the disclosure.

Disclosable pecuniary interests, personal interests and prejudicial interests are defined at Paragraphs 5-7 and Appendix A of the Members' Code of Conduct

- 4. TO APPROVE AS A CORRECT RECORD THE MINUTES OF THE MEETING OF THE COUNCIL HELD ON 9 JUNE 2014 (PAGES 1 - 8)**
- 5. TO RECEIVE SUCH COMMUNICATIONS AS THE MAYOR MAY LAY BEFORE THE COUNCIL**
- 6. REPORT OF THE INFORMAL MEMBER LEVEL GROUP CONVENED UNDER ARTICLE 15.03(A) OF PART TWO OF THE COUNCIL'S CONSTITUTION (PAGES 9 - 22)**
- 7. TO RECEIVE THE REPORT OF THE CHIEF EXECUTIVE (PAGES 23 - 52)**
 - i. Amendment to the Pay Policy Statement 2014/15
 - ii. Amendments to Appointments to Committees 2014/15 – TO FOLLOW
 - iii. Members Allowances 2014/15 - amendments to the approved scheme
- 8. TO RECEIVE THE REPORT OF THE MONITORING OFFICER AND HEAD OF LEGAL SERVICES**
- 9. TO MAKE APPOINTMENTS TO OUTSIDE BODIES - TO FOLLOW**
- 10. COMMUNITY INFRASTRUCTURE LEVY (PAGES 53 - 68)**
- 11. TO CONSIDER REQUESTS TO RECEIVE DEPUTATIONS AND/OR PETITIONS AND, IF APPROVED, TO RECEIVE THEM**
- 12. TO ANSWER QUESTIONS, IF ANY, IN ACCORDANCE WITH COUNCIL RULES OF PROCEDURE NOS. 9 & 10**

ORAL QUESTION 1 - TO THE CABINET MEMBER FOR CHILDREN AND FAMILIES FROM COUNCILLOR CHRISTOPHIDES:

Can the Cabinet member tell us what actions Children's Services are going to put in place following the recent Ofsted report?

ORAL QUESTION 2 - TO THE CABINET MEMBER FOR ENVIRONMENT FROM COUNCILLOR ELLIOTT :

Has the council received any complaints from residents about the Wireless Festival at Finsbury Park, if so how many and what issues were raised?

ORAL QUESTION 3 - TO THE CABINET MEMBER FOR ECONOMIC DEVELOPMENT, SOCIAL INCLUSION AND SUSTAINABILITY FROM COUNCILLOR JOGEE:

Will the Cabinet member provide us with some more information on the proposed Fashion Technology Academy in Tottenham?

ORAL QUESTION 4 - TO THE CABINET MEMBER FOR HOUSING AND REGENERATION FROM COUNCILLOR ROSS:

On 18th December 2012 the council stated in a Cabinet report that 31 community buildings owned by the council were being leased to community and voluntary organisations, how many community buildings does the council currently lease to community and voluntary organisations?

ORAL QUESTION 5 - TO THE CABINET MEMBER FOR ENVIRONMENT FROM COUNCILLOR MEEHAN:

Will the Cabinet member tell us what the Council's position is regarding a 20mph speed limit in the borough?

ORAL QUESTION 6 - TO THE CABINET MEMBER FOR HOUSING AND REGENERATION FROM COUNCILLOR ENGERT:

How many families with children and/or young people have the council/Homes for Haringey housed in temporary accommodation in the last year?

ORAL QUESTION 7 - TO THE CABINET MEMBER FOR RESOURCES AND CULTURE FROM COUNCILLOR BASU:

Following the recent libraries review, can the Cabinet member share with us what lessons have been learnt and actions will be taken to ensure that our library service continues to grow and improve?

ORAL QUESTION 8 - TO THE CABINET MEMBER FOR ENVIRONMENT FROM COUNCILLOR CARTER:

How much did the new cycling racks on Green Lanes cost to buy and install?

13. TO RECEIVE REPORTS FROM THE FOLLOWING BODIES (PAGES 69 - 128)

- a) Cabinet – Report No 1 2014/15 – TO FOLLOW
- b) Corporate Committee – Report No 1 2014/15 (ATTACHED)
- c) Special Committee – Reports (i) No 2 2014/15 & (ii) 3 2014/15 (ATTACHED)
- d) Standards Committee – Report No 1 2014/15 (ATTACHED)

14. HARINGEY DEBATE - PUBLIC HEALTH PROVISION IN HARINGEY: FIGHTING INEQUALITY AND IMPROVING LIFE CHANCES ACROSS THE BOROUGH

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

MOTION B 2014/15

Councillor Engert has given notice that she will MOVE the following MOTION:

Affordable Homes

This Council is concerned by recent figures from the charity Shelter about the lack of affordable homes for sale in Haringey. This council notes that Shelter only classified one home for sale in Haringey as affordable.

This Council also notes:

- The Government has provided support for help-to-buy schemes and shared ownership, as well as backing mortgages with lower deposits.
- The Government has encouraged the building of new homes and changed borrowing rules to make it easier for councils to build new homes.

This Council further notes that whilst this Council's policy is for 50% affordable homes on large developments, in practice this target has not always been achieved.

This Council re-affirms the commitment to require 50% affordable homes on major schemes in the borough to increase the number of affordable homes available to local residents.

MOTION C 2014/15

Councillor Morton has given notice that he will MOVE the following MOTION:

Organ Donation

This Council notes:

- Three people die every day in the UK whilst waiting for an organ transplant and many others lose their lives before they even get on to the transplant list.
- There is a serious shortage of organs and the gap between the number of organs donated and the number of people waiting for a transplant is increasing.
- Transplants are very successful and the number of people needing a transplant is expected to rise steeply due to an ageing population, an increase in kidney failure and scientific advances which mean that more people are now able to benefit from a transplant
- The consent rate for organ transplants is one of the lowest in Europe, with four in ten families saying no to allowing their loved one's organs to be donated. This is exacerbated because many people have not recorded their wishes about donation or discussed it with their families in advance.
- One donor can save the life of several people, restore the sight of two others and improve the quality of life of many more. Each year 3,500 people give organs - saving and transforming lives.
- In 2015 the Human Transplantation Wales Act will introduce a soft opt-out system for consent to deceased organ and tissue donation in Wales to increase the number of organs and tissues available for transplant. A similar system has been recently proposed in the Scottish Parliament.

This Council resolves:

- To promote and support organ donation in partnership with Whittington Health, Haringey/Islington Council and NHS Blood and Transplant. - This partnership is the first of its kind between local councils and an integrated care organisation and is a further mark of our commitment to deliver for our community.
- To raise awareness to enable more people with life threatening conditions to benefit from organ donations from people whose lives have been cruelly cut short.
- To encourage the Government to investigate implementing a nationwide soft opt-out organ donation system in line with the model which is due to be introduced by the National Assembly for Wales.

Nick Walkley
 Chief Executive
 River Park House
 225 High Road
 Wood Green

London N22 8HQ

Friday, 11 July 2014

**MINUTES OF THE FULL COUNCIL
MONDAY, 9 JUNE 2014**

Councillors Adamou, Adje, Ahmet, Akwasi-Ayisi, Amin, Arthur, Basu, Beacham, Berryman, Bevan, B Blake, M Blake, C Bull, Carroll, Carter, Christophides, Connor, Demirci, Diakides, Egan, Ejiofor, Elliott, Engert, Gallagher, Griffith, Gunes, Ibrahim, Jogee, Kober, Mallett, Mann, Marshall, McNamara, McShane, Meehan, Morris, Morton, Newton, Opoku, Ozbek, Patterson, Peacock, Reith, Rice, Ross, Ryan, Sahota, Stennett, Strickland, Vanier, Waters and Weston

Apologies Councillor G Bull, Doron, Goldberg, Hare and Hearn

| MINUTE NO. | SUBJECT/DECISION | ACTION BY |
|-------------------|---|------------------|
| CNCL01. | <p>TO ELECT THE MAYOR FOR THE ENSUING YEAR 2014/15</p> <p>The Mayor called for nominations for the Office of Mayor for the Municipal Year 2014/15.</p> <p>Councillor Meehan moved and Councillor Egan seconded that Councillor Amin be elected Mayor.</p> <p>It was:</p> <p>RESOLVED:</p> <ol style="list-style-type: none"> 1. That Councillor Kaushika Amin be elected Mayor for the Municipal Year 2014/15. 2. The Mayor made and signed the Declaration of Acceptance of Office, which was witnessed by Councillors Meehan and Egan. 3. The Mayor then addressed the Council, gave thanks for her election and outlined her objectives for her year of office. 4. The Mayor's Consorts, Sitara Amin Tilly, and Tara Scott were then invested with their Badges of Office. | |
| CNCL02. | <p>TO RECEIVE APOLOGIES FOR ABSENCE</p> <p>Apologies for absence were received from Councillors G Bull, Doron, Goldberg, Hare and Hearn.</p> | |
| CNCL03. | <p>TO ASK THE MAYOR TO CONSIDER THE ADMISSION OF ANY LATE ITEMS OF BUSINESS IN ACCORDANCE WITH SECTION 100B OF THE LOCAL GOVERNMENT ACT 1972</p> <p>The Chief Executive advised of the need to agree the admission of the</p> | |

**MINUTES OF THE FULL COUNCIL
MONDAY, 9 JUNE 2014**

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| | <p>following late items of business, which could not be available earlier, and which needed to be dealt with at this meeting. The reasons for lateness and urgency were as follows:</p> <p><u>Item 10 - Committees and Sub-Committees- Report of the Chief Executive</u></p> <p>To agree the report detailing the appointments procedure, and the appointments to Committees, Sub-Committees and other bodies for the Municipal Year 2014/15.</p> <p>The Chief Executive advised that the report was not available at the time of despatch as it included recent changes proposed following party group meetings. It was urgent in order to permit changes to be made to committee memberships.</p> <p>Item 11 – Appointments to outside bodies</p> <p>To agree the report detailing the appointments to outside bodies for the Municipal Year 2014/15.</p> <p>The Chief Executive advised that the report was not available at the time of despatch as it included recent changes proposed following party group meetings. It was urgent in order to permit changes to be made to outside organisation memberships.</p> <p><u>Item 12 – Noting the appointments made by political groups and to take such action as may be appropriate</u></p> <p>The Chief Executive advised that the report was not available at the time of despatch as it included recent changes following party group meetings.</p> <p>RESOLVED</p> <p>That approval be given to the admission of Items 10, 11, and 12 as late items of business as detailed in the introduction by the Chief Executive.</p> | |
| <p>CNCL04.</p> | <p>DECLARATIONS OF INTEREST</p> <p>Members were asked by the Mayor to declare any personal interest in respect of items on the agenda. In accordance with Part 2 of the Members Code of Conduct set out in the Council Constitution, any Member disclosing a personal interest which was also prejudicial would be asked to withdraw from the Chamber during consideration of the item and neither were they to seek to improperly influence a decision on the said item.</p> <p>No declarations were made.</p> | |

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| <p>CNCL05.</p> | <p>TO APPROVE AS A CORRECT RECORD THE MINUTES OF THE MEETING OF THE COUNCIL HELD ON 24 MARCH 2014</p> <p>Copies of the Minutes of the last meeting having been circulated were taken as read.</p> <p>RESOLVED:</p> <p>That the minutes of the meeting of the Council held on 24 March 2014 be signed as a true record.</p> | |
| <p>CNCL06.</p> | <p>TO RECEIVE WRITTEN NOTIFICATION OF THE APPOINTMENT OF DEPUTY MAYOR</p> <p>The Chief Executive reported that the Mayor had signified in writing the appointment of Councillor Jennifer Mann as Deputy Mayor for the ensuing year.</p> <p>Councillor Mann was invested with her Badge of Office.</p> <p>The Mayor announced that the Deputy Mayor would have two Deputy Mayor's Consorts – the Deputy Mayor's husband Stephen Mann, and her daughter Clare Mann. The Deputy Mayor's consorts – Stephen Mann, and Clare Mann were then invested with their badges of office.</p> | |
| <p>CNCL07.</p> | <p>TO RECEIVE SUCH COMMUNICATIONS AS THE MAYOR MAY LAY BEFORE THE COUNCIL</p> <ol style="list-style-type: none"> 1. The Mayor advised that she would be supporting the Citizens Advice Centre (CAB) and some local projects, and that further information about these activities would be posted the Mayor's Webpage. The Mayor advised that she would be announcing fundraising events throughout the year and looked forward to support from the Councillor present. 2. The Mayor also reported that Mun Thong Phung – Director of Adult and Housing Services was leaving the Council's service and on behalf of the Council to wish him well and gave the Council's appreciation and thanks for the work that he had done. Councillor Vanier also spoke in praise of Mun Thong Phung's work and transformation of Adults and Housing Services since his arrival some 8 years previous, and excellent and supportive, nurturing style of management, together with his support to Cabinet Members. <p>The Council gave a resounding round of applause.</p> <p>NOTED</p> | |

**MINUTES OF THE FULL COUNCIL
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| <p>CNCL08.</p> | <p>TO PASS A VOTE OF THANKS TO THE RETIRING MAYOR AND MAYOR'S CONSORT AND THE RETIRING DEPUTY MAYOR AND DEPUTY MAYOR'S CONSORTS</p> <p>A vote of thanks to the retiring Mayor and Consort and the retiring Deputy Mayor and Deputy Mayor's Consort was moved by Councillor Claire Kober and seconded by Councillor Sarah Elliott.</p> <p>The retiring Mayor was presented with a badge marking her year of office. The Leader also presented the retiring Mayor with a gift for her year in office.</p> <p>RESOLVED:</p> <p>That the Council extend to the retiring Mayor, Councillor Sheila Peacock, the retiring Mayor's consort Mark Grosskopf, Deputy Mayor, Councillor Kaushika Amin , and the retiring Deputy Mayor's Consorts Sitara and Zakeeya Amin-Tilly , its sincere thanks and appreciation for the services they had rendered to the Borough during the past year.</p> <p>The retiring Mayor addressed the Council.</p> | |
| <p>CNCL09.</p> | <p>TO ELECT THE LEADER OF THE COUNCIL FOR FOUR CONSECUTIVE MUNICIPAL YEARS FROM JUNE 2014 TO MAY 2018.</p> <p>Councillor Strickland proposed that Councillor Claire Kober be elected Leader of the Council for four consecutive Municipal Years from 2014 to 2018.</p> <p>Councillor Arthur seconded.</p> <p>RESOLVED:</p> <p>That Councillor Claire Kober be elected Leader of the Council for four consecutive Municipal Years from 2014 to 2018.</p> | |
| <p>CNCL10.</p> | <p>TO AGREE THE APPOINTMENTS PROCEDURE AND TO APPOINT COMMITTEES, SUB-COMMITTEES AND OTHER BODIES FOR THE MUNICIPAL YEAR 2014/15 INCLUDING THE SELECTION OF THE CHAIRS AND VICE CHAIRS AND TO CONFIRM THE NON EXECUTIVE SCHEME OF DELEGATION.</p> <p>The Chief Whip - Councillor Egan moved recommendations 1,2, 3 and 4 as detailed in the circulated report.</p> <p>Councillor Morris moved an amendment to recommendation 2 and</p> | |

**MINUTES OF THE FULL COUNCIL
MONDAY, 9 JUNE 2014**

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| | <p>appendix A that Councillor Connor be appointed Chair of the Overview and Scrutiny Committee. Councillor Elliott seconded.</p> <p>Councillor Egan responded to the amendment.</p> <p>On a vote there being 8 for and 44 against, the amendment was LOST.</p> <p>Councillor Egan MOVED the substantive MOTION and it was</p> <p>RESOLVED:</p> <ol style="list-style-type: none"> 1. That the process for appointing to Committees, Sub-Committees and Chairs/Vice Chairs be approved on the “slate” basis prescribed. 2. That the membership of committees, sub-committees and appointment of Chairs be agreed as detailed in Appendix 1 of the report (SEE ATTACHED MARKED B). 3. That the change to the constitution as detailed in para 4.6 of the circulated report (SEE ATTACHED MARKED A) relating to the Alexandra Palace and Park Panel, and the Alexandra Palace and Park Consultative Committee, the Membership be agreed and any consequent changes to the constitution to be delegated to the Monitoring Officer. 4. That it be agreed that the strict proportionality rules will not apply to the Overview and Scrutiny Committee and any panels or sub-committees when considering matters relating to Education issues as detailed in paras 5.1 to 5.3 of the circulated report(SEE ATTACHED MARKED A) . | |
| <p>CNCL11.</p> | <p>TO MAKE APPOINTMENTS TO OUTSIDE BODIES - TO FOLLOW</p> <p>The Mayor agreed to the admission of this TABLED report as urgent business. Appointments had only recently been finalised at Party Group Meetings and needed approval to permit appointments to outside organisations to be made.</p> <p>The Chief Whip MOVED and it was:</p> <p>RESOLVED:</p> <p>That the appointments to outside bodies be approved, as detailed in the Appendix to the report.</p> | |
| <p>CNCL12.</p> | <p>TO RECEIVE THE REPORT OF THE CHIEF EXECUTIVE, NOTING THE APPOINTMENTS MADE BY THE POLITICAL GROUPS, AND TO TAKE SUCH ACTION AS MAY BE APPROPRIATE</p> | |

**MINUTES OF THE FULL COUNCIL
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The Mayor agreed to the admission of this report as urgent business as it dealt with matters considered at Party Group meetings within the last few days.

RESOLVED:

That the composition of the following political groups be noted:

The Labour Group

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| Leader: | Councillor Kober |
| Deputy Leader: | Councillor Vanier |
| Chief Whip: | Councillor Egan |
| Chair: | Councillor Weston |
| Vice Chair: | Councillor M Blake |
| Secretary: | Councillor Christophides |
| Assistant Whips: | Councillors Ahmet, Mallett, McShane |
| Group Treasurer | Councillor Stennett |
| Non-Executive members | Councillors Bevan, Ibrahim |

Councillors:

| | |
|---------------------|-------------------|
| Adamou | Gunes |
| Adje | Hearn |
| Akwasi-Ayisi | Jogee |
| Amin | Mann |
| Arthur | Marshall |
| Basu | McNamara |
| Berryman | Meehan |
| B Blake | Morton |
| Bull, Clare | Opoku |
| Bull, Gideon | Ozbek |
| Carroll | Patterson |
| Demirci | Peacock |
| Diakides | Reith |
| Doron | Rice |
| Ejiofor | Ryan |
| Gallagher | Sahota |
| Goldberg | Strickland |
| Griffith | Waters |

The Liberal Democrat Group

| | |
|---------------------------|---------------------------|
| Leader: | Councillor Elliott |
| Deputy Leader: | Councillor Engert |
| Chief Whip: | Councillor Beacham |
| Deputy Whip | Councillor Carter |
| Group Chair | Councillor Ross |
| Deputy Group Chair | Councillor Morris |

Councillors:

**MINUTES OF THE FULL COUNCIL
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| | <p>Connor Hare Newton</p> | |
| CNCL13. | <p>REPORT OF THE CHIEF EXECUTIVE</p> <p>The Chief Executive advised that the report before Full Council detailed decisions taken under urgency procedures and delegated authority and was for noting.</p> <p>The Chief Whip MOVED that the report be noted, and it was:</p> <p>RESOLVED</p> <p>That the circulated report to Full Council detailing decisions taken under urgency procedures and delegated authority be noted;</p> | |
| CNCL14. | <p>TO RECEIVE THE REPORT OF THE ASSISTANT DIRECTOR CORPORATE GOVERNANCE & MONITORING OFFICER</p> <p>The Assistant Director of Corporate Governance and Monitoring Officer advised that the report before the meeting gave details of the outcome of the Standards Hearing Sub-Committee of 29 April 2014 in respect of a Standards Complaint against an elected Member of this Council.</p> <p>The Chief Whip MOVED that the report be noted.</p> <p>Councillor Carter spoke briefly in respect of the report's findings.</p> <p>It was:</p> <p>RESOLVED</p> <p>That the report be noted.</p> | |
| CNCL15. | <p>TO RECEIVE A STATEMENT OF COUNCILLORS' ATTENDANCE AT MEETINGS OF THE COUNCIL, COMMITTEES AND SUB-COMMITTEES IN ACCORDANCE WITH COUNCIL PROCEDURE RULES.</p> <p>The Chief Whip MOVED and it was:</p> <p>RESOLVED:</p> <p>That the statement of members' attendance for 2013/14 be noted.</p> | |
| CNCL16. | <p>TO NOTE THE END OF MUNICIPAL YEAR FINANCIAL STATEMENT</p> | |

**MINUTES OF THE FULL COUNCIL
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| | <p>FOR 2013/14.</p> <p>The Chief Whip MOVED and it was:</p> <p>RESOLVED:</p> <p>That the allowances paid to each Member for 2013/14 be noted.</p> | |
| CNCL17. | <p>TO RECEIVE REPORTS FROM THE FOLLOWING BODIES</p> <p>a. Special Committee Report No 1 2014/15</p> <p>Councillor Kober moved the recommendations contained in the report, and it was:</p> <p>RESOLVED</p> <p>That it be confirmed that in accordance with the authority's pay policy statement, that the appointment to the post of Director of Children's Service, would be in excess of £100,000 and that the offer to the successful candidate be at the salary range being £120,000-£130,000 and the offer to the successful candidate be at £120,000.</p> | |
| CNCL18. | <p>TO CONSIDER THE FOLLOWING MOTION IN ACCORDANCE WITH COUNCIL RULES OF PROCEDURE NO. 13</p> <p>The Mayor advised that Motion A had been withdrawn.</p> | |

The meeting ended at 20.45hrs.

COUNCILLOR KAUSHIKA AMIN

Mayor

Report of the Informal Member Group Convened on 10 July 2014 to Review Proposed Changes to the Council's Constitution

Full Council - 21 July 2014

Chair: Councillor Claire Kober

1. Introduction

- 1.1 This report outlines the proposed detailed text changes to the Council's Constitution, for implementing the recommendations of the informal member group convened on 10 July 2014 to review proposed changes to the Council's Constitution.

2. Background

- 2.1 Article 15.03 (a) of Part 2 (Articles) of the Council's Constitution states that changes to the Constitution will only be approved by Full Council after recommendation of the proposal by an informal Member group convened by the Leader of the Council and following advice from the Monitoring Officer.
- 2.2 An informal Member group was convened by the Leader of the Council on 10 July 2014 where the proposed changes contained in the report at Appendix 1 were discussed. The report summarised the proposed constitutional changes and a full copy of the proposed text changes to the Constitution was available at the meeting on 10 July.

3. Constitutional Amendments

- 3.1 The informal Member group were asked to consider the report at Appendix 1 together with the Schedule of Constitutional Amendments at Appendix 2. Changes proposed in the report at Appendix 1 were agreed, subject to the following amendments:

Officer Scheme of Delegation – Children's Service

- 3.3 The power to suspend a school's right to a delegated budget, where that school is eligible for intervention, will be delegated to officers, but this must be following consultation with the Cabinet Member.

Financial Regulations

- 3.4 The proposal to increase officer delegated authority to deal with virements from £100,000 to £250,000 is approved provided the CFO confirms that no policy change is required in relation to this approval. In all other circumstances virements of more than £100,000 will need to go to Cabinet.

Staffing and Remuneration Committee

- 3.5 The Staffing and Remuneration Committee will be responsible for appointments and dismissals of all Chief and Deputy Chief officers and not as set out in the report.
- 3.6 Consequent on the creation of the Staffing and Remuneration Committee, the Member Allowance Scheme would be updated, and the Chair of the Staffing and Remuneration Committee be given an allowance pending an in-depth review of the whole Member Allowance Scheme following publication of London Council's report *The Remuneration of Councillors in London 2014 - Report of the Independent Panel*.
- 3.7 The Constitutional amendments have been updated to take into account the recommendations set out above. The full copy can be found in the link provided to the Council's Constitution at Appendix 3.

4. Recommendations

- 4.1 It is recommended that Council resolve to approve the detailed text changes to the Constitution as set out at Appendix 3, with effect from 22 July 2014.

5. Appendices

Appendix 1: Briefing for the Leader of the Council and members group convened pursuant to article 15.03, to consider proposed amendments to the Constitution.

Appendix 2: Schedule of Constitutional Amendments.

Appendix 3: Detailed amendments taking into account the recommendations of the Informal Group – the Council's Constitution

<http://www.minutes.haringey.gov.uk/ieListDocuments.aspx?CId=143&MId=6963&Ver=4>

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Haringey Council

APPENDIX 1 - Briefing for the Leader of the Council and members group convened pursuant to article 15.03, to consider proposed amendments to the Constitution

Subject: Proposals for Governance Review 2014/15

Author: Bernie Ryan, Assistant Director of Corporate Governance
Victoria Wyatt, Senior Corporate Lawyer

Date: 8 July 2014

This briefing is to advise members on proposals for constitutional change in 2014/15, for their comment. These proposals are scheduled to go to the 21 July 2014 Council meeting.

The proposals are described below. Appendix 1 provides a schedule of these constitutional changes. A full copy of the revised Constitution will be available at the meeting in hard format for members to review should they wish.

1. Senior management restructure / Officer Scheme of Delegation (OSD)

- 1.1 Following the Chief Executive's senior management restructure, the OSD has been entirely reviewed to ensure that the relevant officers have the required delegated powers, at 1st and 2nd tier and for decision making to be Assistant Director (2nd tier) led.
- 1.2 It is proposed that there is a move away from the detailed and narrative Scheme of Delegation that currently sits in Appendix E of the Constitution. Instead, officers' powers will be more generally described at Part 3 Section E of the Constitution, with reference to those matters reserved to members. The Strategic Leadership Team (SLT) made up of the Chief Executive, Deputy Chief Executive, Chief Operating Officer and Director Regeneration, Planning and Development; together with all Directors and Assistant Directors will be empowered to take all decisions relating to their service area, to secure the effective management of their services including staffing structures as well as the authorisation of any procedures or contracts within the framework of the Financial Regulations and the Contract Procedure Rules.
- 1.3 In addition to being able to take decisions themselves the SLT, Directors and Assistant Directors are able to authorise staff, in writing, within their service area to exercise particular functions on their behalf as they deem appropriate. This will ensure that the Constitution is simpler to understand and that it is future-proofed in relation to restructure and change in the coming years.
- 1.4 As a consequence of this change, a separate review of the constitutional descriptions of executive and non-executive Committees' responsibilities has been undertaken. This is to ensure that the matters reserved to the Council and Cabinet



Haringey Council

and their Committees, including the Planning and Licensing Sub-Committees, is sufficiently detailed and explicit.

- 1.5 As part of this review of the Officer Scheme of Delegation, some changes in officer delegated powers are proposed by Planning and Children's Services:
- 1.6 Planning decisions. Officers are recommending an increase in officer delegated powers so that only major planning applications (as defined by the DCLG categorisation) are considered by the Planning Sub-Committee. Currently applications of more than 5 dwellings; changes of use of more than 500 sq metres of gross internal floor space; and 500 sq metres of non residential building are reserved to the Planning Sub-Committee. It is proposed to increase these thresholds and reserve to the Planning Sub-Committee decisions on applications of more than 10 dwellings; changes of use of more than 1000 sq metres of gross internal floor space; and 1000 sq metres of non residential building, where the officer recommendation is for approval. These changes are proposed in the context of a revised planning protocol adopted by Regulatory Committee on 12 June 2014 which seeks to ensure that there is wider member and public engagement at the pre-application stage which will lead to a number of additional Planning Sub-Committee meetings to deal with pre-application proposals. There will also be increased safeguards in respect of Council applications. All applications submitted by or on behalf of the Council or on Council owned land where the Council is not the applicant and there are significant material planning objections will be determined by the Planning Sub-Committee. Also the provision will remain which provides that members may make a request for an application to be determined by a Planning Sub-Committee even though it is delegated under the Scheme to officers. There has been extensive discussion with members of the Planning Sub-Committee on the proposed changes to the Officer Scheme of Delegation. These are the most significant changes proposed.
- 1.7 Children's Services. The Director of Children's Services is recommending that the power to suspend a school's right to a delegated budget, where that school is eligible for intervention, be delegated to officers. Where a school is eligible for intervention it is essential that the Council acts quickly in order to protect the Council's position. The suspension of the delegated budget prevents the Governing Body from making any further financial commitments as regards the school's staff, including preventing the appointment of new staff, the increasing of staff salaries or the making of enhanced redundancy payments. Where the school's delegated budget is not suspended immediately, any increased staffing spend will ultimately be borne by the Council.
- 1.8 In addition, suspension of the delegated budget enables the Council to direct the Governing Body to undertake certain actions such as to issue notices to terminate contracts or issue notices to staff in line with the complex contractual notice

periods for schools' staff. This further protects the Council's position both financially and in terms of potential employment claims.



Haringey Council

1.9 The decision on the withdrawal of any other delegated powers from a school remains reserved to the Cabinet.

2. Financial Regulations

2.1 The Financial Regulations at Part 4 Section I of the Constitution have been updated consequent on the senior management restructure, to ensure that the relevant officers have the required delegated powers.

2.2 As part of this review the Chief Finance Officer has re-examined officers' powers and the financial limits for virements transactions, using system data relating to transaction values and volumes, as well as utilising Benchmarking data from other London Boroughs. Consequently it is proposed to increase the limit of officer delegated powers in relation to virements, from £100,000 to up to £250,000, in line with the key decision threshold for virements which is set at £250,000. This enables the Cabinet to focus on key decisions as intended.

2.3 Consequent revisions will be required to the internal departmental Schemes of Financial Delegation, which supplement the Financial Regulations within the Constitution. These internal Schemes of Financial Delegation sit outside of the Constitution, but work within the overarching framework of the Financial Regulations agreed by members. Finance officers, led by the Chief Finance Officer, will be working on a review of these internal Schemes over the coming year.

3. Contract Procedure Rules (CSO's)

3.1 The Contract Procedure Rules (CSO's) at Part 4 Section J of the Constitution have also been updated following the senior management restructure.

3.2 As part of this review, the Head of Procurement has proposed that provision is made within the CSO's to establish decision making processes for matters relating to grant funding (relating to both the application for, and the granting of, funding by the Council); clarification around the way in which such documents are executed on behalf of the Council (seal or authorised signatories); and clarification around decision making on procurement matters between meetings of the Cabinet and in times of urgency.

3.3 The Head of Procurement has also considered officers' delegated powers in relation to the award of contracts, particularly in light of the removal of the Cabinet Procurement Committee. It is therefore proposed to increase the limit of officer delegated powers in relation to (i) the award of contracts, from £250,000 to £500,000, in line with the key decision threshold; and (ii) the approval of a waiver of

CSOs, from £100,000 to £250,000. In respect of the award of contracts, this enables the Cabinet to focus on key decisions as intended.



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4. Leaders Conferences

- 4.1 The concept of Leaders Conferences is not common practice in local authorities and it is felt that these meetings are no longer necessary. Where required or necessary, officers may still provide briefings for party groups.

5. Proposed changes to Committees

Staffing and Remuneration Committee

- 5.1 Officers in Human Resources are proposing to establish a new Staffing and Remuneration Committee, intended to streamline the staffing and human resources functions of the Council, and to enable faster and more effective decision making. It is common practice to have dedicated time and attention to staffing matters at a specific Council committee and this is particularly necessary given the changes brought in by the Localism Act 2011 (e.g. Pay Policy statement requirements) and the challenges faced by the Council over the forthcoming years. It is anticipated that a significant review and amendment of HR policies is required which will go through this Committee together with a new pay and reward scheme for staff.
- 5.2 The Committee is also envisaged to absorb all functions of the current K4 Panels convened under Part 4 Section K of the Constitution, as well the staffing functions of the Corporate Committee. This will mean that K4 Panels are no longer required. The intention is that the Staffing and Remuneration Committee will appoint and dismiss only the Council's most senior officers – the Strategic Leadership Team (SLT) made up of the Deputy Chief Executive, Chief Operating Officer and Director Regeneration, Planning and Development; together with the Council's statutory officers – the Directors for Children's Services, Adult Services and Public Health, together with the Monitoring Officer and Section 151 (Chief Finance) Officer. It is also intended to utilise this Committee to perform the functions currently carried out by Full Council under the Pay Policy Statement relating to the approval of severance payments/salary appointments in excess of £100k, for Chief and Deputy Chief Officers. This will require a small amendment to the Pay Policy Statement which will also be brought to full Council for approval at its meeting of 21 July.
- 5.3 The Staffing and Remuneration Committee will be a committee of the Council and be politically balanced. The Committee will have 5 members (4 drawn from Labour and 1 drawn from the Liberal Democrats) and, in accordance with the Local Authorities (Standing Orders) (England) Regulations 2001, must include one member of the Executive as provided for previously in the K4 Panels. The Committee will also approve HR Policy and will have a forward plan.
- 5.4 The Corporate Committee currently has 4 Sub-Committees (Job Evaluation Appeals, Grievance Appeals, Disciplinary Appeals & Haringey Council Employees Joint Consultative Committee) The first two sub-committees no longer operate and will



Haringey Council

therefore be abolished as the relevant policies were changed to remove these member appeals several years ago. The latter two will become sub-committees of the Staffing & Remuneration Committee.

- 5.5 The creation of a new Committee will require the Members' Allowances Scheme to be updated to make provision for a special responsibility allowance to the chair of the Committee. The revised Members' Allowances Scheme will be brought to full Council for approval at its meeting of 21 July. If the existing chair of the Corporate Committee were also appointed chair of the new Staffing and Remuneration Committee, this would incur nil cost to the Council and would ensure continuity of knowledge in respect of staffing and remuneration matters.

As part of this review there will be some change in the delegation of powers to officers:

- 5.6 Decisions on restructures. Currently any restructuring of 50 or more employees must be approved by the Corporate Committee. It is important to note that the Local Authorities (Standing Orders) (England) Regulations 2001 prohibit member involvement in staffing matters below Deputy Chief Officer level. Over the last couple of years the ability of the Council to redeploy displaced staff has diminished. The consequence of this is that member decisions to delete posts may often result in a redundancy and as such could be deemed as a decision to dismiss an employee. There is therefore a risk that the current arrangements could be deemed unlawful and for that reason it is recommended that restructuring decisions are delegated to officers.
- 5.7 Appointment and dismissal of staff. It is also proposed to alter the scope of member involvement in the appointment and dismissal of staff. Currently all staff reporting to the Chief Executive or a Chief Officer are appointed and dismissed by the K4 Special Committee. It is proposed that this be clarified and for the Staffing and Remuneration Committee to be involved only in the appointment and dismissal of members of the Strategic Leadership Team (that is, the Deputy Chief Executive, the Chief Operating Officer, the Director of Regeneration, Planning and Development) and Statutory Officers (the S151 Chief Finance Officer, the Monitoring Officer, the Director of Adult's Services, the Director of Children's Services and the Director of Public Health). This would bring the Council into line with many other Local Authorities and also ensures that the Council operates within the spirit of the 2001 Standing Orders Regulations which aimed to restrict Member involvement in appointment and dismissal to the most senior staff only. Members will continue to be responsible for matters relating to the conduct and capability of the Chief

Executive, as a matter reserved to the Staffing and Remuneration Committee. All other appointments and dismissals of staff would be the responsibility of officers.



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- 5.8 Decisions on pensions. Currently the Corporate Committee is required to determine the terms of release of Chief and Deputy Chief Officers aged 55 or over and made redundant or retired early with a claim on the pension scheme. This provision has not been carried over the Staffing and Remuneration Committee. Where appropriate the Staffing and Remuneration Committee will take this into account as part of any decision to dismiss a member of the Strategic Leadership Team or a Statutory Officer.

Review of Area Committees

- 5.9 Going forward, it is proposed that Area Committees are reviewed. It is proposed that a member working group is established for this purpose.

6 General Constitutional Review

- 6.1 This is regarded as an opportune time to improve upon some of the constitutional procedures, to facilitate and streamline decision- making and eliminate duplication and areas of confusion. There are areas within the Constitution have sometimes been problematic for both officers and members. There are some areas of duplication which may be rationalised. It is also important to elaborate on the role of the Leader and their powers to agree to the taking of decisions by Cabinet members.

- 6.2 Within this particular review only limited changes to the current powers of members are proposed:

- (i) it is proposed that call-in of executive decisions by members is limited in future to key decisions, these being the decisions that are the focus of the Cabinet and the executive members. It should be noted that officers continue to be prohibited from taking key decisions and the taking of key decisions is reserved only to members;
- (ii) it is proposed that all changes to the Constitution are referred to full Council via the Standards Committee, rather than via a member panel convened by the Leader. This gives an enhanced role to the Standards Committee and is consistent with practices in other authorities.

APPENDIX 2

Appendix 1

Proposals for Governance Review 2014
Schedule of Constitutional Amendments

Part 2 – Articles

Article 4 – Art 4.02 updated to correspond with Part 3 Section B (Full Council Responsibilities)

Article 6 – OSC call-in limited to key decisions

Article 7 – clarification around the role and powers of the Leader under the Local Government Act 2000

Article 8 – clarification that the remit of non-exec committees is wider than simply Regulatory Comm. and Corporate Comm.

Article 9 – Standards Comm. to consider amends to Constitution and refer to Council

Article 12 – Art 12.01 clarified to reflect new senior management structure and to refer to App C not D

Article 14 – clarification re. proper officer functions to ensure consistency across the Constitution

Article 15 – changes to Constitution to go via Standards Comm.

Part 3 Responsibility for Functions

Section A: Responsibility for Functions

- New section
- Introduction to clarify the functions of a local authority as being executive or non-executive and establish the division of decision-making and responsibilities between member committees and officers

Section B: Full Council & non-exec bodies

- Previously sat in Section C
- old Section B (Budget Policy Framework Sched) removed - duplicates Article 4.01, is covered within the responsibilities of full Council and is not needed

Amendments:

- Clarification of functions reserved to full Council with additional narrative - Council Tax Reduction Scheme; Community Infrastructure Levy; Statement of Licensing Policy; Statement of Community Involvement & Development Plan Documents (DPDs)
- Corporate Committee responsibilities updated consequent on new Staffing & Remuneration Committee (also included)
- Standards Committee responsibilities updated regarding constitutional review
- OSC responsibilities updated re call-in of key decisions
- Health and Wellbeing Board updated re new cabinet member membership
- Licensing functions reserved to Licensing Sub-Comm, and planning functions reserved to Planning Sub-Comm updated taking detail from old Officer Scheme of Delegation (tables in old Place & Sustainability section)
- Removal of section 9. All changes to the Constitution follow article 15.03

Section C: The Leader, the Cabinet & Cabinet bodies

- Previously sat in Section D

Amendments:

- Broader description of the Executive's role (general, policy, local leadership, finance, children's, adults, housing, regeneration & property, highways, contracts)
- Section 3 Leaders Conferences removed
- Section 4 new cabinet bodies removed – covered under section 2

Section D: Local Choice Functions

- Previously sat in Section A

Amendments limited to points of clarification

Section E: Officer Scheme of Delegation

Amendments:

- Provide the background principles to the Officer Scheme of Delegation including definition of 'Directors' as those officers responsible under delegated powers
- Establish general delegations to all Directors including legal, personnel, administrative, contracts and property matters
- Description of delegations specific to Statutory Officers in the performance of their statutory responsibilities (the Chief Executive, Chief Finance Officer, Monitoring Officer, Dir. Children's Services, Dir. Adults Services and Dir. Public Health)
- Updated Proper officer and specified officer functions

Part 4 Rules of Procedure

Section A: Council Procedure Rules

Amendments:

- Points of clarification regarding terminology and new senior management structure
- New rule 2 (ix) to allow other business to be considered at a Budget Setting Meeting as permitted at the AGM
- Rule 9.1 amended for consistency with rule 29.1 of Section B Committee Procedure Rules
- Rule 10.5 questions to be split 5/3
- Rule 15.9 clarified that alterations cannot be made by the submitting political group in advance of the meeting
- New rule 17.6 to provide for recorded votes at Budget Setting Meeting
- New rule 32 re. filming of meetings

Section B: Committee Procedure Rules

Amendments:

- Points of clarification regarding terminology and new senior management structure
- Rule 25 to clarify that the quorum of a meeting is 3
- Rules 29.2 and 29.3 amended for consistency with Section A Council Procedure Rules
- New rule 30 Deputations and rule 31 Petitions included from Council Procedure Rules
- New rule 60 to replicate rule 32 Council Procedure Rules re. filming of meetings
- New rule 61 to replicate rule 25 Council Procedure Rules re. suspension of standing orders

Section C: Miscellaneous Standing Orders

Amendments:

- Points of clarification regarding terminology, new senior management structure and consistency with other parts of the Constitution

- Rule 11 amended to replicate new rule 60 (Committee Procedure Rules) and rule 32 (Council Procedure Rules) re filming of meetings

Section D: Access to Information Procedure Rules

Amendments limited to points of clarification regarding terminology, new senior management structure and consistency with other parts of the Constitution particularly around the Executive and how this takes decisions

Section E: Budget & Policy Framework Procedure Rules

Amendments limited to points of clarification regarding terminology, new senior management structure and the decision making role of the Executive

Section F: Cabinet Procedure Rules

Amendments limited to points of clarification regarding terminology, new senior management structure and consistency with other parts of the Constitution particularly around the Executive and how this takes decisions

Section G: Overview and Scrutiny Procedure Rules

Amendments limited to points of clarification regarding terminology, new senior management structure and the role of call-in and key decisions.

Section H: Call-In Procedure Rules

Amendments limited to points of clarification and the role of call-in and key decisions.

Section I: Financial Procedure Rules

Amendments:

- Revised document removing areas of duplication and providing a more user friendly document
- Points of clarification regarding terminology, new senior management structure, the decision-making role of the Executive and consistency with other parts of the Constitution
- Proposes increased delegation to officers regarding virements (up to £250k) in line with key decision threshold. Decisions involving virements of £250k or more continue to be reserved to the Cabinet

Section J: Contract Procedure Rules

Amendments:

- Points of clarification regarding terminology, new senior management structure, the decision-making role of the Executive and consistency with other parts of the Constitution particularly around decisions between meetings of the Cabinet
- Proposes increased delegation to officers regarding the award of contracts in line with key decision threshold (up to £500k from £250k) and waivers (up to £250k from £100k). Decisions involving awards of contract of £500k or more and waivers of £250k or more continue to be reserved to the Cabinet
- Creates clarification around the approval and award of grant funding

Section K – Officer Employment Procedure Rules

Amendments:

- Points of clarification regarding terminology and the new senior management structure
- Makes provisions for Staffing & Remuneration Committee to appoint/dismiss staff of the Strategic Leadership Team and Statutory Officers (rather than Chief Officers and Deputy Chief Officers)
- Removes reference to K4 panels

Part 5 Codes and Protocols

Section A: Members' Code of Conduct

Amended and considered by Standards Committee on July 7 for recommendation to full Council on 21 July

Section B: Protocol on Member/Officer Relations

Amendments limited to points of clarification regarding terminology, new senior management structure and consistency with other parts of the Constitution

Section C: Protocol for Key Decisions

Amendments limited to points of clarification regarding terminology, new senior management structure and consistency with other parts of the Constitution particularly around the Executive and how this takes decisions

Section D: Protocol for Decision-Making

Amendments limited to points of clarification regarding terminology, new senior management structure and consistency with other parts of the Constitution particularly around the Executive and how this takes decisions during urgency

Part 6 Members' Allowances Scheme

The Scheme will be updated consequent on the proposed introduction of the Staffing & Remuneration Committee and presented to full Council for approval at its meeting of 21 July.

Appendices

App A: Cabinet portfolios

No change

App B: Council Appointments to Committees

No change

App C: CEMB structure chart

This has been replaced by the Chief Executive's Senior Management Structure chart

App D: Senior Management Structure

This is no longer required. It is replaced by the chart at App C

App E: OSD

This part is removed. All detail now sits in Part 3 Section E.



Haringey Council

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|--------------------|--|---------------------|--|
| Report for: | Council 21st July 2014 | Item Number: | |
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| | |
|---------------|-------------------------------------|
| Title: | Pay Policy Statement 2014/15 |
|---------------|-------------------------------------|

| | |
|------------------------------|--|
| Report Authorised by: | Jacque McGeachie – Interim Assistant Director of HR |
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| | |
|----------------------|------------------------------------|
| Lead Officer: | Paul Smith –Human Resources |
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| | |
|------------------------------|--|
| Ward(s) affected: ALL | Report for Key/ Non Key Decisions: Non Key Decision |
|------------------------------|--|

1 Describe the issue under consideration

- 1.1 The Council is required to produce an annual Pay Policy Statement to comply with the requirements of the Localism Act 2011. The Council published its most recent Pay Policy Statement in March 2014.
- 1.2 As a result of the proposals to establish a Staffing & Remuneration Committee (reported to this meeting by the Informal Member Group convened under Article 15.03 of the Constitution at Agenda Item 6) it is necessary to make a minor amendment to the Pay Policy Statement to take into account the Staffing & Remuneration Committee's responsibilities.

2 Cabinet Member introduction

- 2.1 Not applicable

3 Recommendations

- 3.1 That the Council approve the revised Pay Policy Statement 2014/15, attached at Appendix A



Haringey Council

4 Background

- 4.1 The Localism Act 2011 requires relevant authorities to prepare and publish an annual Pay Policy Statement.
- 4.2 Under this legislation the Council is obliged to state how the pay of senior managers is determined. In addition, the supplementary guidance issued under section 40 of the Localism Act requires Councils to “debate” any proposed payment upon appointment or termination of employment of £100,000 or more.
- 4.3 Under the proposed changes to the Constitution as detailed at Agenda Item 6 and recommended to this meeting, the new Staffing & Remuneration Committee will be responsible for the appointment and dismissal of Chief and Deputy Chief Officers, in accordance with the Local Authorities (Standing Orders) (England) Regulations 2001.
- 4.4 Accordingly, where it is proposed to appoint to a Chief or Deputy Chief Officer and the proposed pay scale progresses to a salary of more than £100,000 per annum the appointment may not be made unless the Staffing and Remuneration Committee has agreed to the level of remuneration attaching to the position. In addition, on termination of employment no severance payment of £100,000 or more may be paid to the Head of Paid Service or a Chief or Deputy Chief Officer until the proposed payment has been considered and approved by the Staffing & Remuneration Committee.
- 4.5 The Pay Policy Statement has been updated to reflect the responsibilities of the Staffing and Remuneration Committee.
- 4.6 It is not proposed that the approval of payment upon appointment or termination of employment of £100,000 should be reserved to Full Council. To do so would create unnecessary delay in either appointing or dismissing an officer. The risks of this are that the Council may lose a potential appointee whilst they wait for a salary approval. In the case of a dismissal the officer could not be dismissed until the severance payments were agreed. This would create an unnecessary cost as the officer would need to remain on full pay until this decision was taken.

5 Comments of Chief Finance Officer and Financial implications

- 5.1 There are no specific financial implications arising from the contents of this report.

6 Comments of Head of Legal Services and legal implications

- 6.1 In accordance with sections 38 and 39 of the Localism Act 2011 the Council is required to prepare and by resolution of Full Council, approve a Pay Policy



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Statement for the end of 31 March for each financial year. In addition the Council may resolve to amend its Pay Policy Statement at any time during the financial year. As soon as is reasonably practicable following approval the statement must be published including publication on the Council's website.

- 6.2 The Council is under a duty to have regard to any guidance issued or approved by the Secretary of State. Guidance issued under section 40 of the Localism Act 2011 has been taken into account in the preparation and amendment of this Pay Policy Statement.

7. Equalities and Community Cohesion Comments

- 7.1 The pay policy statement supports the Council's approach to remuneration for its workforce in an accountable, fair and transparent way. This therefore supports the Council's equalities policy and promotes equal pay.

8. Policy implications

- 8.1 The Pay Policy Statement supports the Council's People Strategy and its approach to remuneration for the workforce.

9. Use of Appendices

- 9.1 Appendix A – Pay Policy Statement

10. Local Government (Access to Information) Act 1985

- 10.1 No documents that require listing were used in the preparation of this report.

**Haringey Council Pay Policy 2014/15
As Amended July 2014**

This Pay Policy Statement is published to comply with the Localism Act 2011. The policy outlines the authority's approach to the pay of its workforce, and in particular the pay of its senior staff. The policy statement excludes staff in Schools.

Pay Strategy

The Council outlines its strategy for pay in the People Strategy. We wish to reward and recognise the contributions of staff in an appropriate way. We want a committed, motivated and high performing workforce that is flexible and willing to contribute more.

The Council set pay (and reward packages generally, including pensions, etc) in accordance with a fair and equitable pay policy and with regard to national and regional pay policy. The principles for the agreed policy are

- Attract and retain the right people
- Motivate and engage staff through principles of total reward
- Be cost effective
- Be flexible enough to account for different workforce requirements, organisational working and team partnership, and the working patterns and expectations of staff
- Be fair, open, and underpin the organisations values
- Meet employment legislation tests e.g. equal pay, age discrimination
- Pay staff a minimum pay rate in line with the London Living Wage

Council Pay Rates / Scales

The Council utilises the Greater London Provincial Council (GLPC) outer London pay spine for the majority of its staff.

However, it considers it important to be able to locally determine pay rates for some staff where this is necessary. This enables it to respond to regional and local labour market conditions. The Council benchmarks its pay rates with other London Boroughs to ensure that it is able to recruit and retain qualified and competent employees.

The following Council pay scales are locally agreed by the Council:

- Senior manager and Chief Officer pay scales
- Chief Executive pay scale

The Council uses national Soulbury pay scales for employees who are Education Psychologists and Education Advisers/ Inspectors.

The Council uses national Teaching pay scales for centrally employed (in the Children's directorate) local authority teachers.

Public health employees who transferred into the Council from 1 April 2013 continue to be paid in accordance with NHS terms and conditions of employment. The Council is harmonising non contractual terms.

The Council also approved with effect from May 2011 that in future the pay of Council employees at the lower ends of the London pay spine receive a level of pay in line with the London Living Wage rate as determined from time to time by the Greater London Authority.

The Council supports the national (JNC/NJC¹) and regional (GLPC) collective bargaining arrangements for pay and conditions of service and the pay scales for all employees, including the Chief Executive and Senior Managers/Chief Officers, are increased in line with national and regional pay agreements.

The last pay award agreement increasing pay for the Chief Executive and Chief Officers was implemented in 2008/9.

The last pay award agreement increasing pay for all other non-teaching employees was implemented in 2013/14.

Remuneration of Senior Managers and Chief Officers including the Chief Executive

The Council defines its senior managers as those staff appointed on senior manager pay grades – which start at remuneration levels of approx £50k per annum. These staff are appointed on terms and conditions in accordance with the national terms and conditions of chief officers in local government and are expected to work as many hours as necessary to complete the job.

Chief Officers are statutory Chief Officers or non statutory Chief Officers who report to the Head of Paid Service (the Chief Executive) including the Strategic Leadership Team. It also includes Deputy Chief Officers who report directly to a Chief Officer.

The Council's Staffing and Remuneration Committee is responsible of approving the terms and conditions including pay of all these senior staff.

Where it is proposed to appoint to a Chief Officer or Deputy Chief Officer and the proposed pay scale progresses to a salary of more than £100,000 per annum the appointment may not be made unless the Staffing and Remuneration Committee has agreed to the level of remuneration attaching to the position.

The current senior manager, Chief Officer and Chief Executive management structure including employee salaries costs, names, job titles, staff budget and numbers of staff is published on the Council website.

Apart from pay awards approved at national level or awards/ progression determined through the performance related pay scheme (see below) there is no other provision to

¹ Joint Negotiating Committee / National Joint Council

increase the pay of these staff unless approved by the Staffing and Remuneration Committee.

The Council may, in exceptional circumstances, engage senior managers under contracts for services. The Council publishes details of all payments made under contracts for services in excess of £500 on the council website.

Remuneration of employees who are not senior managers or Chief Officers

The pay grades and therefore remuneration levels for posts below senior manager and Chief Officer grades are determined by use of the Greater London Provincial Council (GLPC) job evaluation scheme. This has been agreed by the Council and unions as part of the collective agreement reached in 2008 on 'single status' as part of the Equal pay and conditions package.

The Council defines its lowest paid employees as those paid at the lowest pay scale 1A which is pay spine points 6 – 7 on the GLPC outer London pay spine. The reason for this definition is that this is the lowest pay grade in the Council in line with the job evaluation scheme and pay scales agreed with the unions. This excludes trainees, apprentices and interns.

However, the Council also approved with effect from May 2011 that in future the pay of Council employees at the lower ends of the London pay spine receive a level of pay in line with the London Living Wage rate as determined from time to time by the Greater London Authority. This will be by way of an hourly pay supplements as appropriate to ensure that the London Living Wage rate is achieved.

Pay Progression of staff who are not senior managers or Chief Officers

All employees are able to incrementally progress through the pay spine column points for their job evaluated grade. Progression will normally be one increment (pay spine column point) on the 1st of April each year until they reach the top of their grade.

Pay Multiple

The 'pay multiple' is the ratio between the highest paid salary and the median average salary of the Council's workforce. The Council's highest paid employee is the Chief Executive and the current pay multiple is published on the Council's website.

The average salary level is defined as the total of all regular payments made to an individual officer including salary, allowances if applicable, regular overtime, performance pay, recruitment or retention allowances, additional responsibility payments, together with any other additional regular payments.

Pay on Appointment

All employees, including Chief Officers are normally appointed on the lower spinal points (below mid point) of the grade.

The Council delegates authority to Chief Officers/ Chief Executive as appropriate to appoint staff above the permissible pay point.

The salary banding of the Chief Executive will be determined by the recruitment panel and following this decision the Leader of the Council would determine the starting point in the salary banding.

Recruitment & Retention payments

Haringey acknowledges that our employees are our best asset and that due to external factors recruitment and retention allowances will be required for some posts in order to attract and retain good employees.

Recruitment and retention allowances are linked to the post, not the person. They cannot be paid to someone because of their level of skill or experience.

A recruitment / retention allowance is deemed suitable where there is evidence of one or more of the following:

- The post has been advertised on more than one occasion and a suitable applicant could not be recruited.
- Pay benchmarking exercises show that similar local authorities offer recruitment and retention allowance or a higher salary for the same work.
- A national /local skills shortage where the Council is competing with a number of other employers for applicants.
- The post is highly specialised with a limited number of potential applicants.

If the post does not meet the suitability criteria the attraction of a recruitment and retention allowance is unjustified and may be in breach of the Equal Pay Act.

Fees for Election Duties

Council staff may be engaged on election duties of varying types. The fees paid to Council employees for undertaking these election duties vary according to the type of election they participate in, and the nature of the duties they undertake.

Returning Officer duties (and those of the Deputy Returning Officer) are contractual requirements, and fees paid to them for national elections/referendums are paid in accordance with the appropriate Statutory Fees and Charges Order and are paid by the body responsible for the conduct of the election.

Pension

All employees are able to join the Local Government Pension Scheme and receive benefits in accordance with the provisions of that Scheme as applied by the Council.

Details of the Council's policy and decisions in respect of discretionary elements of the Scheme are published on the council's website.

Other Terms and Conditions of Employment

The Council's employment policies and procedures are reviewed on a regular basis in the light of service delivery needs and any changes in legislation etc.

The Council and unions agreement on 'single status' reached in 2008 as part of the collective agreement on Equal pay and conditions outlines the working arrangements and the payments to be made to employees below senior manager grades for working outside normal working hours including overtime, and call out payments.

Employees on senior manager or Chief Officer grades are not entitled to additional payments or allowances for travel or meals within the London region. For trips outside of the London region reasonable travel and subsistence expenses will be reimbursed for staff on these grades.

Payments on Termination of Employment

In the event that the Council terminates the employment of an employee (including senior managers and Chief Officers) on the grounds of redundancy or efficiency of the service they will be entitled to receive compensation and benefits in accordance with the Council's Redundancy and Early Retirement schemes, which are published on the Council's website.

No severance payment of £100,000 or more may be paid to the Head of Paid Service, a Chief Officer or a Deputy Chief Officer until the proposed payment has been considered and approved by the Staffing & Remuneration Committee.

Details of redundancy compensation payments paid to senior management are published on the Council's website.

The Council's Redundancy and Early Retirement schemes may be subject to change as part of the modernising pay review.

Re-employment of Employees

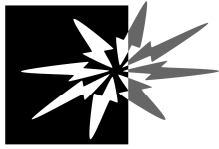
Section 7 of the Local Government and Housing Act 1989 requires that every appointment to paid office or employment in a local authority shall be made on merit.

Should a successful candidate be in receipt of a severance payment or pension the Council will apply the provisions of the Redundancy Payments (Continuity of Employment in Local Government etc.) (Modification) Order 1999 regarding the recovery of redundancy payments. The rules of the Local Government Pension Scheme also have provisions to reduce pension payments in certain circumstances to those who return to work within local government service.

Further Information

For further information on the Council's Pay Policy please contact the Council's Human Resources Service email HR.adviceteam@haringey.gov.uk DD 0208 489 3177.

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Haringey Council

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| Report for: | FULL COUNCIL 21 JULY 2014 | Item number | |
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| Title: | Amendment to the Members' Allowances Scheme for 2014/15 |
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| Report authorised by : | Chief Executive |
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| Lead Officer: | Clifford Hart, Democratic Services Manager Tel: 0208 489 2920 |
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| Ward(s) affected: N/A | Report for Key/Non Key Decision: N/A |
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1. Describe the issue under consideration

- 1.1 Every year the Council is required, in accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003, to adopt a Members' Allowances Scheme to run from 1 April to 31 March the following year.
- 1.2 This report recommends to full Council an amendment to the Members' Allowances Scheme for the period 1 April 2014 to 31 March 2015, which was agreed by Full Council on 24 March 2014. The revised Members' Allowances Scheme is set out at Appendix 1 attached.
- 1.3 As a result of the proposals to establish a Staffing & Remuneration Committee (reported to this meeting by the Informal Member Group convened under Article 15.03 of the Constitution at Agenda Item 6) it is necessary to amend the Members' Allowances Scheme to make provision of a Special Responsibility Allowance for the Chair of this Committee. The payment would commence from 22 July 2014 until to 31 March 2015.

- 1.4 This report also details the recent independent review of member allowances in London (see attached Appendix 2) and the proposed review of the current agreed arrangements for Members' Allowances in Haringey going forward.

2. Cabinet Member Introduction

N/A

3. Recommendations

- 3.1 That full Council resolves to amend the current Members' Allowances Scheme for 2014/15, to take effect from 22 July 2014, to include a Special Responsibility Allowance of £7,875 for the position of Chair of the newly created Staffing and Remuneration Committee.
- 3.3 That full Council note that the award of a Special Responsibility Allowance to the Chair of the Staffing and Remuneration is in place subject to an in-depth review of the whole Members' Allowance Scheme following the recent publication of London Council's report *The Remuneration of Councillors in London 2014 - Report of the Independent Panel* and that the findings of that review and any recommended changes be reported to full Council in due course.

4. Comments of the Chief Finance Officer and Financial Implications

- 4.1 The Chief Finance Officer has reviewed the proposed changes to the Members' Allowances scheme and confirms that there is sufficient budget provision within 2014/15 cash limits to cover the costs of the proposed scheme.

5. Assistant Director of Corporate Governance comments and Legal Implications

- 5.1 The legal implications have been considered within the body of this report and in the drafting of the Appendix 1.

6. Report

- 6.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 require local authorities to make a scheme of allowances for their members at the start of each municipal year. There is nothing to prevent full Council from amending the Scheme later in the year should it wish to do so, but a Scheme can only be revoked with effect from the beginning of each year.

- 6.2 The regulations stipulate that before a Council can agree or amend its Members' Allowances Scheme, it must consider recommendations made to it by an Independent Remuneration Panel (IRP), whose members cannot be members of the same authority. London Councils (formerly the Association of London Government) acts as the IRP for the London Boroughs.
- 6.3 With regard the Members' Allowances Scheme, the Local Government Act 2000 (Section 99) requires local authorities to set up an independent panel to consider an appropriate level of allowances for their members. The legislation contained special provision for London boroughs to use an independent panel set up by London Councils for this purpose rather than a local panel. Such panels only make recommendations – it remains the responsibility of the authority to decide the level of remuneration, and which members should be remunerated. The Local Authorities (Members' Allowances) (England) Regulations 2003 require a review of the scheme not less frequently than every four years. The London Independent Panel has been regularly reconvened and published reports in 2001, 2003, 2006 and 2010. The Independent Panel was set up again earlier this year in line with the statutory requirement to consider what might be an appropriate level of allowances. The Chair of the Panel met Leaders on 11 March 2014 to discuss the Panel's work. The Panel Members were Sir Rodney Brooke CBE DL (Chair), Anne Watts CBE and Steve Bundred. Attached at Appendix 2 are the findings of the 2014 review.
- 6.4 As a result of the 2014 Independent Review the current LB Haringey Members' Allowances Scheme as agreed will be reviewed and the findings of that review and any recommended changes will be reported to Full Council in due course.
- 6.5 Appendix 1 to this report shows the recommended changes to the Scheme in light of the establishment of the Staffing and Remuneration Committee. Table A details the Scheme and allowances applicable for the period 1 April 2014 to 31 March 2015. Changes to the Scheme are shown in italics and underlined. There will be an additional special responsibility allowance to be paid to the Chair of the new Staffing and Remuneration Committee as of 22 July 2014.

7. Local Government (Access to Information) Act 1985

N/A

8. Equalities and Community Cohesion Comments (*previous comments*)

- 8.1 The Council has a public sector equality duty under S149 of the Equality Act 2010 to have due regard to need to:

- tackle discrimination and victimisation of persons that share the characteristics protected under S4 of the Act. These include the characteristics of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex (formerly gender) and sexual orientation;
- advance equality of opportunity between people who share those protected characteristics and people who do not;
- foster good relations between people who those characteristics and people who do not.

8.2 Policy and Equalities Team were consulted in the preparation of this report and that the proposals outlined in the report carry no apparent implications for any aspect of the duty outlined above.

9. Appendices

9.1 Appendix 1: Revised Members' Allowances Scheme 2014/15

9.2 Appendix 2: *The Remuneration of Councillors in London 2014 - Report of the Independent Panel*

Part 6

Members' Allowances Scheme

1. SCHEME FOR THE PAYMENT OF MEMBERS' ALLOWANCES

- 1.01 Made in accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003 and in force for the municipal year 2014/15 (i.e. 1 April 2014 to 31 March 2015).

2. BASIC ALLOWANCE

- 2.01 Each Councillor will be entitled to receive the sum of £10,500 by way of Basic Allowance.
- 2.02 If a Councillor does not serve as such for the whole 12-month period or becomes disqualified, he/she will only be entitled to receive pro-rata payment for the period(s) during which he/she actually was a serving Councillor. This principle applies to education representatives on scrutiny bodies.

3. INCLUDED EXPENSES

- 3.01 Travel Expenses.
The Basic Allowance includes all travel within the M25. Councillors are not entitled to any form of concession or special permit as Councillors for parking in the Borough.
- 3.02 Telephones and I.T.
The Basic Allowance includes Councillors' telephone call charges, both mobile and landline, for which Councillors are billed individually. The Council meets the rental for apparatus, including broadband, and all datacharges.

4. MAYORAL ALLOWANCES

- 4.01 The additional allowances for the Mayor and Deputy Mayor are:

- (a) The Mayor is entitled to an additional allowance of £15,750.
(b) The Deputy Mayor is entitled to an additional allowance of £3,936.

5. SPECIAL RESPONSIBILITY ALLOWANCES

5.01 For the period 1 April 2014 to 31 March 2015, Haringey Council will allocate Special Responsibility Allowances in six bands, to Councillors who take on certain additional roles, in accordance with Table A below. If a Councillor does not serve as such for the whole period or becomes disqualified, he/she will only be entitled to receive pro-rata payment for the period(s) during which he/she actually was a serving Councillor.

Table A

| Band | Position | Special Allowance | Total Allowance |
|-------------|--|--------------------------|------------------------|
| Band 4 | <ul style="list-style-type: none"> • Leader | £31,497 | £41,997 |
| Band 3B | <ul style="list-style-type: none"> • 7 or fewer x Cabinet Members • Opposition Leader | £23,622 | £34,122 |
| Band 3A | <ul style="list-style-type: none"> • Chair of Overview and Scrutiny Committee | £21,479 | £31,979 |
| Band 2B | <ul style="list-style-type: none"> • Chair of Corporate Committee • Chief Whip • Chair of Regulatory Committee • Chair of Alexandra Palace and Park Board • Opposition Deputy Leader • Opposition Chief Whip | £15,750 | £26,250 |
| Band 2A | 4 x Councillors serving on Overview and Scrutiny Committee | £14,317 | £24,817 |
| Band 1 | <ul style="list-style-type: none"> • 7 x Area Committee Chairs • Chair of Pensions Committee • <u>Chair of Staffing and Remuneration Committee</u> | £7,875 | £18,375 |

6. MULTIPLE RESPONSIBILITIES

6.01 Where a Councillor holds more than one post of special responsibility, he/she may only receive one Special Responsibility Allowance. Where a Councillor holds more than one post of special responsibility and the posts have Special Responsibility Allowances of different monetary

values, the Councillor would receive the higher one. For the purposes of this paragraph, the Mayor and Deputy Mayor count as posts of special responsibility.

7. CO-OPTEEES' ALLOWANCES AND CHAIR OF STANDARDS COMMITTEE

7.01 Each education representative on scrutiny bodies is entitled to an allowance of £616.50. No allowances are payable to others who are not elected Councillors.

7.02 The Chair of the Standards Committee will be entitled to remuneration of £1,263, being equal to the remuneration payable to the former independent Chair of the Standards Committee.

8. BABYSITTING AND DEPENDANTS ALLOWANCE

8.01 Councillors and non-elected members can claim this allowance based on the following:

(a) That reimbursement be made at a maximum rate of £7.85 per hour. The period of payment should include the time of the meeting, together with reasonable travelling time of the member, plus any necessary travelling expenses of the carer to and from their home.

(b) Children over the age of 16 must not be claimed for, unless suffering from an illness or disability making constant care essential.

9. TRAVELLING AND SUBSISTENCE ALLOWANCE

9.01 Councillors can claim this allowance for attending approved meetings, training and conferences etc. only to the extent that it involves travel outside the M25. Claims must be based on the following :

(a) The mileage rate for travel by private car is 34.6 pence per mile. An extra 3 pence per mile is payable for each passenger for whom a travelling allowance would otherwise be payable. The cost of tolls, ferries and parking charges can be claimed.

(b) The mileage rate for travel by solo motor cycle is :

| | | |
|---------------|----------------------------|---------------------|
| Not exceeding | 150 cc | 8.5 pence per mile |
| Over | 150 cc but not over 500 cc | 12.3 pence per mile |
| Over | 500 cc | 16.5 pence per mile |

(c) On public transport only the ordinary or cheaper fare can be claimed where more than one class is available.

(d) The cost of a taxi, including a reasonable tip, can be claimed only in case of urgency or where public transport is not practicable or reasonably available.

(e) The maximum rates for subsistence allowance on approved duties are as follows:

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|---|-------|
| For an absence of more than 4 hours before 11.00 | £4.92 |
| For an absence of more than 4 hours including lunchtime between 12.00 and 14.00 | £6.77 |
| For an absence of more than 4 hours including the period 15.00 to 18.00 | £2.67 |
| For an absence of more than 4 hours ending after 19.00 | £8.38 |

10. CLAIMS AND PAYMENTS

10.01 Where a Councillor is also a Councillor of another authority, that Councillor may not receive allowances from more than one authority in respect of the same duties.

10.02 The Basic Allowance and Special Responsibility Allowances will be paid in equal monthly instalments.

10.03 The Co-optees' Allowance must be claimed by, and will be paid at, the end of the municipal year, subject to paragraphs 2.02 above and 10.05 below.

10.04 All claims for Travelling and Subsistence Allowance and Babysitting and Dependants Allowance must be made within two months of the relevant meeting or the costs being incurred by the Councillor or non-elected member, subject to paragraph 10.05 below.

10.05 If any Allowance under paragraphs 10.03 or 10.04 is not claimed within the prescribed time limit, the Democratic Services Manager ~~Head of Local Democracy & Members' Services~~ shall have a discretion to make the payment nonetheless.

10.06 Any Councillor or non-elected member may elect to forego his/her entitlement to all or part of any allowance by giving written notice at any time to the Democratic Services Manager ~~Head of Local Democracy & Members' Services~~.

The Remuneration of Councillors in London 2014

Report of the Independent Panel



Introduction

The Local Authorities (Members' Allowances) (England) Regulations 2003 ('the Regulations') authorise the establishment by the Association of London Government (now London Councils) of an independent remuneration panel to make recommendations in respect of the members' allowances payable by London boroughs. Such a panel ('the Panel') was established and reported in 2001, 2003, 2006 and 2010. It has been re-constituted and now comprises Sir Rodney Brooke CBE DL (Chair), Steve Bundred and Anne Watts CBE.

The Regulations require a review of the scheme every four years as a minimum. The current Panel has therefore completed a review of remuneration for councillors in London. We present our findings and recommendations in this report.

As a preparation for our work, we invited all London boroughs to give their views on the operation of the existing scheme. We also invited comments from the Leaders' Committee of London Councils. We are grateful for the feedback, which confirms that the existing London scheme of members' allowances is still fit for purpose. We make recommendations accordingly.

The role of elected members

In our previous reports we reflected on the importance of the role of elected members. We repeat at Appendix B the job profile for councillors which we included in our 2010 report. In that report, we quoted the Government-appointed Councillors' Commission. The Commission took the view (which we continue to share) that: 'Allowances should be set at a level that enables people to undertake the role of councillor while not acting as an incentive to do so. Allowances are not shown by polls to be something which influences councillors to take on the role, though they are instrumental in making it possible for some people to do so. If it is important that there are no financial incentives to being a councillor, it is equally important that there should not be a financial disincentive.'

It is clearly desirable that service as a councillor is not confined to those with independent means. We do not repeat the arguments for appropriate remuneration for councillors which we have set out in our previous reports. We believe them to be self-evident. But we do repeat our belief in the importance of local democracy and the role of councillors within it. Each London Borough is responsible for services crucial to its residents. Each is responsible for a revenue budget of between £1.3bn and £3.3bn.

The responsibilities placed on local authorities continue to increase. The Localism Act 2011 devolved services to the boroughs, though, it was complained, without the resources to discharge them. From April 2013 London boroughs assumed the major new responsibility for health and wellbeing. Financial austerity brings substantial and further challenges to councillors: local authorities are required to make substantial cuts in their spending. Changes to the welfare system (particularly acute in London) give residual discretionary powers to local authorities. Councillors are faced with unenviable choices. Demand for local authority services continues to grow. In particular, there is exponential growth in the number of old people and a corresponding increase in demand for social care. The strain on and competition for resources increase the demands made on elected members.

Pensions

In the Panel's first report we recommended that councillors should be eligible for pensions. Councillors are often retired and currently have an average age of 60. It is increasingly desirable to attract a younger cohort of people to serve on councils. Access to a pension scheme is one way of achieving this. Councillors – especially those with lead responsibilities – must surrender earning potential elsewhere, earning potential which would normally be pensionable. It seems perfectly reasonable that allowances attracted by service as a councillor should be pensionable.

The Government agreed with this view and the Regulations introduced the potential for councillors' allowances to be pensionable upon the recommendation of the relevant Independent Panel. Accordingly the Panel recommended that all London borough councillors under the age of 75 be eligible to join the local government pension scheme. Twenty two of the 32 London boroughs have accepted that recommendation.

In March 2014 the Government laid before Parliament Regulations which would end the right of councillors to enter the local government pension scheme. These Regulations would extend not only to councillors but also to elected mayors (including the Mayor of London) and members of the Greater London Assembly, though Police and Crime Commissioners would retain their right of access to the pension scheme.

Councillor Sir Merrick Cockell, Chairman of the Local Government Association and Chair of London Councils from 2006 until 2010, responded: 'The government's decision isn't about saving money, it is fundamentally about undermining the role of a councillor and undermining the role of local democracy'. He added: 'Fair remuneration is important so that people from all walks of life can afford to stand for office. Otherwise we risk local government becoming the exclusive preserve of a privileged few who have the luxury of time and money to spare.' His remarks were endorsed by Cllr Gary Porter, Leader of the Local Government Association's Conservative Group, who pointed out that 'councillors are spending more time supporting their constituents and working with external organisations such as GPs, schools, police, local businesses and voluntary organisations. Secondly, recruitment and retention is becoming increasingly difficult... the commitment involved can be a deterrent when set against a possible loss of earnings and a potentially negative effect on their careers.'

We believe that access to a pension scheme can be an important factor in making service as a councillor financially possible for a wider range of people. It is particularly important for those who, like elected mayors, leaders and portfolio holders, give most or all of their time to service in local government and lose the opportunity to contribute to a pension scheme elsewhere. We would very much like the Government to reconsider this decision.

The current financial and political climate

Our 2010 report made no recommendations for increasing the levels of members' allowances other than continuing provision for annual adjustments in accordance with the annual local government pay settlement. As the Government-appointed Councillors' Commission pointed out in their 2007 report, the recommendations of the London Panel had led to substantial convergence of members' allowances across London. Indeed, the Councillors' Commission recommended a similar system for the country as a whole. Following our recommendations, there is now considerable congruity in the basic allowance made by London boroughs. However, most London boroughs have not adopted our recommendations in their entirety.

Our recommended allowances are tied to the annual local government pay settlement. Because of the current financial climate, the local government pay settlement has been frozen in three of the last four years. In 2013/14 there was a 1% pay award. Acutely sensitive to the current financial austerity, only two boroughs increased members' allowances by that percentage. Indeed nine boroughs have reduced members' allowances since the date of our last report.

We are acutely aware that now is not the time to increase allowances made to councillors, though we continue to recommend that members' allowances be pegged to the annual local government pay settlement. Such pegging will ensure that councillors can receive annual increases which are in line with those received by staff. We fully accept that, in the current financial climate, it would be entirely inappropriate to increase members' allowances (beyond the annual updating). Nevertheless we hope that in the longer term the financial situation will permit further convergence of members' allowances around our recommendations. We continue to believe that the scheme we propose is sufficiently flexible to accommodate the different political management arrangements of different London boroughs. Our view is confirmed by the general response from the London boroughs.

Consultation with the boroughs

Level of allowances

In our consultation with the London boroughs we asked a number of questions. We enquired whether it was believed that the salary of an MP remains a sound comparator to fix the remuneration of a borough leader. [Our recommendations for other special responsibility allowances are related to that recommended for Leaders.] Members of Parliament currently receive a salary of £66,396, now rather more than our updated recommendation for the allowance for Leaders.

Though there was dissent from one Borough, another asserted that the Leader's allowance should reflect the total remuneration package paid to Members of Parliament. A different borough pointed out that whereas a Member of Parliament represented an electorate of 70,000 people, a leader was responsible for the delivery of a wide range of services to a population of 300,000 – an electorate of 220,000 across an area three times as large as a parliamentary constituency. Indeed, 'it is arguable that the responsibilities of some cabinet portfolio holders are greater than the local responsibilities of an MP' but 'on balance the salary of an MP is about as sound a comparator as is likely to be found'.

In considering the responses, we also took into account the remuneration payable to chairs and members of other public bodies. We continue to believe that the allowances we have recommended are suitable. In particular, we think it appropriate that Leaders should receive an allowance approximating to the salary of a Member of Parliament.

External paid appointments

There has been some controversy over councillors accepting paid appointments in other public bodies, given their cumulative remuneration. We asked the boroughs whether allowances should be adjusted to take into account external payments from other public bodies. One authority thought it reasonable to 'consider the balance of benefit to the local area before determining whether 'home' remuneration should be reduced accordingly'. Other boroughs disagreed.

We believe that if members take on extra work and responsibilities through undertaking external appointments, then they should be entitled to retain the remuneration attracted by those responsibilities. Of course the borough might reflect on the extent to which the external duties are compatible with the time required to discharge duties within the borough and adjust responsibilities accordingly.

Chair of the Health and Wellbeing Board

These new bodies govern commissioning decisions across health, public health and social care. They must develop with commissioning groups a shared understanding of the health and wellbeing needs of the community. They must undertake a Joint Strategic Needs Assessment and develop a joint strategy for how these needs can be best addressed. This will include recommendations for joint commissioning and integrating services across health and social care. The Boards must drive local commissioning of health care, social care and public health and create a more effective and responsive local health and care system. They must also address other services that impact on health and wellbeing such as housing and education.

It was recommended to us that the Chair of the Health and Wellbeing Board should receive a special responsibility allowance in Band Three, that designed for Cabinet members. We entirely agree: this is a statutory post conferring personal statutory responsibility. The role is of major importance to local government and should be remunerated accordingly where they are councillors. In practice we imagine that Chairs of Health and Wellbeing Boards will be members of the Cabinet and have been remunerated within Band Three since their creation.

Lead Member for Children's and Adult Services

It was suggested to us that the Lead Member for Children's Services should receive a special responsibility allowance higher than other Cabinet Members: 'The enhanced duty of safeguarding for the role of lead member for Children's Services and the time required to fulfil it makes the post a special case for an enhanced banding between the current bands three and four.'

We well understand the heavy responsibility on the lead member for Children's services and the consequences of any failure in the system. We are entirely sympathetic to the view that the responsibility might warrant a higher special responsibility allowance than other Cabinet members. In our 2010 report we specifically contemplated the different weight of responsibilities of different portfolios and suggested that they might justify different allowances. Our recommended Band Three for Cabinet Members has a range of over £6,000 and we believe that this is sufficient to enable boroughs to differentiate between the different weights of portfolios should they so decide.

It has also been suggested to us that the lead member responsible for adult safeguarding has a degree of responsibility equal to that of the lead member for children's services. We are not convinced of the comparison.

Given the different allocation of responsibilities in different boroughs, we do not make specific recommendations on differentiating special responsibility allowances for Cabinet members within Band Three.

Dependants' Carers' Allowance

The Regulations authorise the payment to councillors of an allowance ('the Dependants' Carers' Allowance') in respect of the expenses of arranging for the care of children or dependants when the councillor attends meetings or is engaged in other official duties. We received representations that the Allowance should be not less than the living wage.

We strongly believe that the boroughs should make a dependants' carers' allowance available to their members. Access to a dependants' carers' allowances can make it possible for a wider range of people to serve on their councils. Specifically by payment of dependants' carers' allowance, boroughs can attract some who would not normally expect to become councillors. 26 of the 32 boroughs provide in their allowances scheme for payment of dependants' carers' allowances. In those boroughs which do make a payment, allowances vary from £5.27 to £9.26 per hour (in one case £15 per hour for specialised care).

We recognise the need for payments to pay regard to local circumstances and the nature of specialist care. We believe that ordinary care should be remunerated at not less than the London living wage of £8.60 per hour; and (on presentation of proof of expense) payment should be made at a higher rate when specialist nursing skills are required.

Sickness, maternity and paternity leave

This issue has again been raised with us. We adhere to our recommendations in the 2006 report, repeated in 2010, namely that councils should make arrangements in their members' allowances schemes to allow the continuance of special responsibility allowances in the case of sickness, maternity and paternity leave in the same terms that the council's employees enjoy such benefits (that is to say, they follow the same policies).

Members of social care and health scrutiny panels and corporate parenting panel

One borough suggested that service on the Social Care and Health Scrutiny Panels and the Corporate Parenting Panel should be placed within Band One because of the risk profile of those roles.

We continue to recommend that the responsibility allowance payable under Band One should include membership of committees, sub-committees and adoption panels where membership requires attendance with exceptional frequency or for exceptionally long periods. If a Council believes that such memberships are substantially more onerous than service on other committees, then we agree that they would be appropriately remunerated on Band One.

Travel and subsistence allowances

We have been asked to give advice on travel and subsistence allowances. We continue to believe that the Basic Allowance should cover all reasonable out-of-pocket expenses incurred by councillors, including intra-borough travel costs and expenses, though councils may consider that there are circumstances where it may be appropriate for a scheme to provide payment for the cost of transport, e.g. journeys home after late meetings, and for people with disabilities. We also continue to believe that, where travel and subsistence allowances are payable, they should be in accordance with the current scheme for travel and subsistence applicable to the Borough's staff; and that travel allowances should extend to travel by bicycle.

Update for inflation

We continue to recommend that the allowances we recommend should be updated annually in accordance with the headline figure in the annual local government pay settlement.

Sir Rodney Brooke CBE DL

Steve Bundred

Anne Watts CBE

London

1 June 2014

Appendix A

Basic allowance £10,703

Special responsibilities – beyond the basic allowance

The case for special allowances

The reasons for payment of additional special responsibility allowances should be clearly set out in local allowances schemes. Special allowances should come into play only in positions where there are significant differences in the time requirements and levels of responsibility from those generally expected of a councillor.

Calculation of special allowances

The proposed amounts for each band are a percentage of the figure suggested for a council leader depending upon levels of responsibility of the roles undertaken and are explained below. We believe that the SRA, which the previous panel recommended for the leader of a London council (updated), continues to be appropriate.

Categories of special allowances

The regulations specify the following categories of responsibility for which special responsibility allowances may be paid:

- Members of the executive where the authority is operating executive arrangements
- Acting as leader or deputy leader of a political group within the authority
- Presiding at meetings of a committee or sub-committee of the authority, or a joint committee of the authority and one or more other authorities, or a sub-committee of such a joint committee
- Representing the authority at meetings of, or arranged by, any other body
- Membership of a committee or sub-committee of the authority which meets with exceptional frequency or for exceptionally long periods
- Acting as spokesperson of a political group on a committee or sub-committee of the authority
- Membership of an adoption panel
- Membership of a licensing or regulatory committee
- Such other activities in relation to the discharge of the authority's functions as require of the member an amount of time and effort equal to or greater than would be required of him by any one of the activities mentioned above, whether or not that activity is specified in the scheme.

Local discretion

It is for the councils locally to decide how to allocate their councillors between the different bands, having regard to our recommendations and how to set the specific remuneration within the band. They must have regard to our recommendations. We believe these should have the merits of being easy to apply, easy to adapt, easy to explain and understand, and easy to administer.

BAND ONE

The posts we envisage falling within band one include:

- Vice chair of a service, regulatory or scrutiny committee
- Chair of sub-committee
- Leader of second or smaller opposition group
- Service spokesperson for first opposition group
- Group secretary (or equivalent) of majority group
- First opposition group whip (in respect of council business)
- Vice chair of council business
- Chairs, vice chairs, area committees and forums or community leaders
- Cabinet assistant
- Leadership of a strategic major topic
- Acting as a member of a committee or sub-committee which meets with exceptional frequency or for exceptionally long periods
- Acting as a member of an adoption panel where membership requires attendance with exceptional frequency or for exceptionally long periods
- Leadership of a specific major project.

Remuneration

We propose that band one special responsibility allowances should be on a sliding scale of between 20 – 30 per cent of the remuneration package for a council leader.

This would be made up as follows:

Basic allowance: £10,703

Band one allowance: £2,392 to £8,941

Total: £13,095 to £19,644

BAND TWO

The types of office we contemplate being within band two are:

- Lead member in scrutiny arrangements, such as chair of a scrutiny panel
- Representative on key outside body
- Chair of major regulatory committee e.g. planning
- Chair of council business (civic mayor)
- Leader of principal opposition group
- Majority party chief whip (in respect of council business).

Remuneration

We propose that band two allowances should be on a sliding scale between 40 – 60 per cent, pro rata of the remuneration package for a council leader.

This is made up as follows:

Basic allowance £10,703

Band two allowances: £15,486 to £28,581

Total: £26,189 to £39,284

BAND THREE

We see this band as appropriate to the following posts:

- Cabinet member
- Chair of the Health and Wellbeing Board
- Chair of the main overview or scrutiny committee
- Deputy leader of the council

Remuneration:

We propose that band three allowances should be between 70 – 80 per cent pro rata of the remuneration package for a council leader.

This is made up as follows:

Basic allowance: £10,703

Band three allowance: £35,128 to £41,675

Total: £45,831 to £52,378

BAND FOUR

Leader of cabinet, including a strong leader.

This is a full-time job, involving a high level of responsibility and now includes the exercise of executive responsibilities. It is right that it should be remunerated on a basis which compares with similar positions in the public sector, while still retaining a reflection of the voluntary character of public service.

Remuneration:

We propose that the remuneration package for a council leader under band four of our scheme should be £64,824.

This is made up as follows:

Basic allowance: £10,703

Band four allowance: £54,769

Total: £65,472

BAND FIVE

Directly elected mayor

A directly elected mayor is a full-time job with a high level of responsibility and exercises executive responsibilities over a fixed electoral cycle. It is right that it should be remunerated on a basis which compares with similar positions in the public sector, while still retaining a reflection of the voluntary character of public service. However we believe this post remains different to that of the strong leader with cabinet model. The directly elected mayor is directly elected by the electorate as a whole. The strong leader holds office at the pleasure of the council and can be removed by the council. We believe that the distinction is paramount and this should be reflected in the salary level.

Remuneration:

We propose that a band five directly elected mayor should receive a remuneration package of 25 per cent higher than that recommended for a council leader and that it should be a salary set at **£81,839**.

Appendix B

On behalf of the community – a job profile for councillors

Purposes:

1. To participate constructively in the good governance of the area.
2. To contribute actively to the formation and scrutiny of the authority's policies, budget, strategies and service delivery.
3. To represent effectively the interests of the ward for which the councillor was elected, and deal with constituents' enquiries and representations.
4. To champion the causes which best relate to the interests and sustainability of the community and campaign for the improvement of the quality of life of the community in terms of equity, economy and environment.
5. To represent the council on an outside body, such as a charitable trust or neighbourhood association.

Key Tasks:

1. To fulfil the statutory and local determined requirements of an elected member of a local authority and the authority itself, including compliance with all relevant codes of conduct, and participation in those decisions and activities reserved to the full council (forexample, setting budgets, overall priorities, strategy).
2. To participate effectively as a member of any committee or panel to which the councillor is appointed, including related responsibilities for the services falling within the committee's (or panel's) terms of reference, human resource issues, staff appointments, fees and charges, and liaison with other public bodies to promote better understanding and partnership working.
3. To participate in the activities of an outside body to which the councillor is appointed, providing two-way communication between the organisations. Also, for the same purpose, to develop and maintain a working knowledge of the authority's policies and practices in relation to that body and of the community's needs and aspirations in respect of that body's role and functions.
4. To participate in the scrutiny or performance review of the services of the authority, including where the authority so decides, the scrutiny of policies and budget, and their effectiveness in achieving the strategic objectives of the authority.
5. To participate, as appointed, in the area and in service-based consultative processes with the community and with other organisations.
6. To represent the authority to the community, and the community to the authority, through the various forums available.
7. To develop and maintain a working knowledge of the authority's services, management arrangements, powers/duties, and constraints, and to develop good working relationships with relevant officers of the authority.
8. To develop and maintain a working knowledge of the organisations, services, activities and other factors which impact upon the community's well-being and identity.
9. To contribute constructively to open government and democratic renewal through active encouragement of the community to participate generally in the government of the area.
10. To participate in the activities of any political group of which the councillor is a member.
11. To undertake necessary training and development programmes as agreed by the authority.
12. To be accountable for his/her actions and to report regularly on them in accessible and transparent ways.

Appendix C

The independent panel members

Sir Rodney Brooke has a long career in local government, including as chief executive of West Yorkshire County Council, Westminster City Council and the Association of Metropolitan Authorities. He was knighted in 2007 for his contribution to public service and is currently chairman of the Quality Assurance Agency for Higher Education.

Steve Bundred was chairman of Monitor, chief executive of the Audit Commission and chief executive of the London Borough of Camden.

Anne Watts CBE has an extensive career in equality and diversity that spans the private, voluntary and public sectors with organisations including the Open University, the Commission for Equality and Human Rights and Business in the Community. She chaired the NHS Appointments Commission.



Haringey Council

| | | | |
|------------------------------|---|---------------------|--|
| Report for: | Full Council July 2014 | Item Number: | |
| Title: | Community Infrastructure Levy (CIL) Charging Schedule adoption | | |
| Report Authorised by: | Stephen Kelly, Assistant Director, Planning Service <i>SJ Kelly</i> | | |
| Lead Officer: | Gavin Ball, Strategic Planning and Transport Policy | | |
| Ward(s) affected: All | Report for Key Decision | | |

1. Describe the issue under consideration

- 1.1 The Community Infrastructure Levy (CIL) is a method of securing developer contributions towards strategic infrastructure. Haringey has prepared a CIL Charging Schedule, which has been found sound by an independent examiner.
- 1.2 Cabinet has referred the appended CIL charging schedule to Council with a recommendation that it be adopted and brought into effect for all new development in the Borough authorised after 1st November 2014.
- 1.3 The Haringey CIL is intended to contribute to the funding of infrastructure. Haringey has set out a community infrastructure delivery plan as part of Local Plan Strategic Policies adopted in March 2013. This infrastructure delivery plan was updated in 2013 and forms the basis of the Haringey CIL.
- 1.4 The Charging Schedule is set out in Appendix A and incorporates the minor changes recommended by the Inspector. Public consultation on a Planning Obligations Supplementary Planning Document (SPD) for the management of CIL and S106 agreements was also authorised by Cabinet in July 2014. The SPD will complement Haringey's CIL in helping to ensure that the effects of new development in the borough can be adequately mitigated.

2. Cabinet Member introduction



Haringey Council

- The Community Infrastructure Levy is an important tool in the collection of money to provide strategic infrastructure in Haringey alongside new development.
- The Planning Obligations SPD offers guidance to developers on how the new CIL regime and revised s106 regime will operate together. This is important in terms of mitigating and optimizing new development in terms of:
 - Securing affordable housing
 - Securing infrastructure contributions
 - Securing contributions towards skills & employment
 - Ensuring negative impacts of development are mitigated appropriately
- These two important pieces of work will help to provide a transparent and clearly understood process which uses the anticipated growth in the Borough, to support the delivery of affordable housing and new infrastructure.

3. Recommendations

3.1 Full Council adopts the Haringey CIL Charging Schedule as set out in Appendix A and that it is implemented for all new development authorised in the Borough on or after 1st November 2014.

4. Alternative options considered

4.1 The CIL Regulations are scheduled to restrict the pooling of s106 planning obligations to no more than 5 sites from 1st April 2015. In order for infrastructure funding required by the planning process to be pooled together from multiple sites after this date, a CIL charging schedule is required.

4.2 Within the current regulatory framework, CIL is the most effective means to provide certainty about the quantum of infrastructure contributions to be collected on each site in the borough. Alongside regulatory provisions from April 2015, the continuation of the current site by site approach to strategic infrastructure funding through S106 is not seen as an effective alternative to CIL.

5. Background information

Interface between s106 & CIL

5.1 CIL is a standardised non-negotiable local levy placed on development for the purpose of raising funds to support the delivery of infrastructure that is required as a result of new development. CIL provides a more consistent and transparent mechanism to raise financial contributions, than the current system of negotiated S106 agreements.



Haringey Council

5.2 However, under CIL, developers can still be required to directly provide both 'off-site' infrastructure, through S106 contributions, and 'on site' improvements through planning conditions to mitigate the direct impact of the development proposed (e.g. landscaping, access roads).

5.3 The types of contributions to be collected through CIL and S106 are summarised in Table 1 below:

| Table1- Infrastructure Type | | Delivery Mechanism | |
|-------------------------------------|--|---------------------|-----|
| Infrastructure Theme | Specific Requirement | Planning Obligation | CIL |
| Community Facilities | Multi-Use Community Facilities, Youth Centres, Libraries, Leisure Centres | X | ✓ |
| Education | Primary School | X | ✓ |
| | Secondary School | X | ✓ |
| Health | Primary Care Facilities | X | ✓ |
| Affordable Housing | Provision of on-site affordable housing | ✓ | X |
| | Provision of off-site affordable housing | ✓ | X |
| Employment and Training | Provision of employment and training facilities | X | ✓ |
| | Construction phase skills and training | ✓ | X |
| | End user skills training | ✓ | X |
| | Compensation for loss of employment land | ✓ | X |
| Transport and Highways | Strategic borough-wide transport improvements | X | ✓ |
| | Site-specific transport and highway measures to make development acceptable | ✓ | X |
| Open Space and Public Realm | Public Open Space/public parks, including improvements to existing facilities | X | ✓ |
| | Borough-wide improvements to Street scene and built environment | X | ✓ |
| | Public art not linked to a development site | X | ✓ |
| | Public art on or immediately adjacent to a development site | ✓ | X |
| | Site-specific improvements to ensure new developments make a positive contribution to the on-site public realm, and their immediate surrounds. | ✓ | X |
| Environmental Sustainability | Carbon Reduction Measures/Initiatives | ✓ | X |
| | Creation of new decentralised energy capacity | X | ✓ |
| | Ensuring new developments are/can be connected to existing/future decentralised energy networks | ✓ | X |
| | Biodiversity Measures/Initiatives | ✓ | X |
| | Strategic Flood Mitigation | X | ✓ |
| | Site-specific flood mitigation | ✓ | X |

Adoption of CIL



Haringey Council

5.4 Regulations governing CIL were produced in 2010 (amended 2011, 2012, 2013, 2014). These govern how a CIL Charging Schedule must be prepared, and what it must contain. Table 2 below sets out the processes involved in the preparation of Haringey's CIL Charging Schedule.

| Table 2: Milestones in preparation of Haringey CIL | |
|--|---|
| Task | Completion Date |
| Preliminary Draft Charging Schedule consultation | Aug-Sep 2012 |
| Draft Charging Schedule consultation | Apr-Jun 2013 |
| Submission to the Planning Inspectorate | Nov 2013 |
| Pre-submission consultation on minor amendments | 12th th Nov-10 th Dec 2013 |
| Examination in Public | 18 th Dec 2013 |
| Received Inspectors Report | 4 th Feb 2014 |
| Cabinet meeting to recommend adoption of CIL Charging Schedule & commence consultation on Planning Obligations SPD | 15 th July 2014 |
| Adoption of CIL Charging Schedule at July Full Council | 21 st July 2014 |
| Consultation period for Planning Obligations SPD | July-Sep 2014 |
| Implementation of Haringey CIL | 1 st November 2014 |
| Adoption of Planning Obligations SPD (estimated) | Oct 2014 |

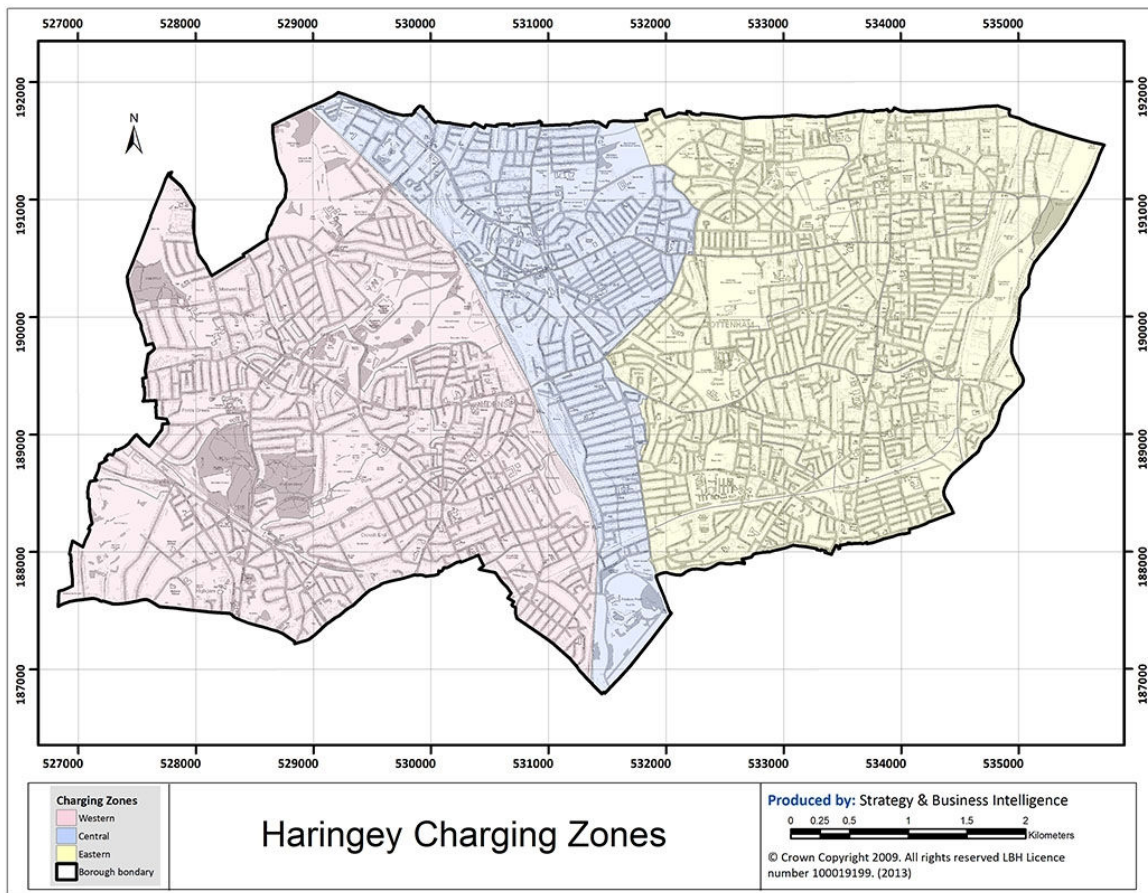
5.5 The schedule will be kept under review for future amendments in light of infrastructure delivery, macro economics trends and changes in local land values. Any further changes to the charging schedule will require a fresh viability study, a repeat of public consultation, and another independent examination.

5.6 Further information was provided in reports to Cabinet in April 2013, and in the form of a report to the Cabinet Member for Planning and Enforcement in October 2013. Following these reports, the Draft Charging Schedule was submitted to the Planning Inspectorate for Examination in Public.

5.7 The Council's Draft Charging Schedule was approved by an Independent Inspector in February 2014, subject to the minor modifications.



Haringey Council



5.8 The Final Charging Schedule in Tabular form is reproduced below. A draft of the Final Haringey CIL Charging Schedule document is included as Appendix A.

| Table 3- Approved CIL Charging Schedule for Haringey | | | | |
|--|----------------|----------------|----------------|--------------------|
| CIL charge (£/square metre) | | | | |
| Use | Western | Central | Eastern | Mayoral CIL |
| Residential | £265 | £165 | £15 | £35 |
| Student accommodation | £265 | £165 | £15 | £35 |
| Supermarkets | | £95 | | £35 |
| Retail Warehousing | | £25 | | £35 |
| Office, industrial, warehousing, small scale retail (use class A1-5) | | Nil Rate | | £35 |
| Health, school and higher education | | Nil Rate | | Nil |
| All other uses | | Nil Rate | | £35 |

Superstores/supermarkets are defined as shopping destinations in their own right where weekly food shopping needs are met and which can also include non-food floorspace as part of the overall mix of the unit.
 Retail warehouses are large stores specialising in the sale of household goods (such as carpets, furniture and electrical goods), DIY items, and other ranges of goods, catering mainly for car borne customers.



Haringey Council
Delivery of CIL

- 5.9 Once CIL is implemented and contributions are collected, this will become a highly visible and transparent method for funding infrastructure (and will be recorded through the Annual Monitoring Report).
- 5.10 How funding choices for infrastructure are made will continue to be an important part of the Council's role in bringing forward sustainable development in the borough. This will require decisions on the way that funding is distributed across both strategic and local projects - ensuring that local needs can be addressed, alongside improved strategic infrastructure.
- 5.11 The CIL revenue collected will only partially meet the infrastructure delivery gap. The development of a coherent, long term plan for growth (the Haringey Local Plan) will therefore need to take place alongside a refresh of the infrastructure delivery plan, and wider programme funds from across and beyond the Council. Monitoring growth trends and managing the investment in infrastructure through short and longer term infrastructure plans (linked to growth programmes) will also be required.
- 5.12 In consultation with colleagues across the Council, officers will monitor and update the Infrastructure Delivery Plan and its short term delivery priorities as part of the Council's plan-making process. In the first instance, the emerging Site Allocations Development Plan Document and the Tottenham Area Action Plan will take account of identified infrastructure needs.
- 5.13 There is a requirement in the CIL regulations for a "reasonable amount" of CIL revenue to be made available in the area in which the development is built.
- 5.14 In early 2013 the government announced the amount of CIL to be spent locally (a 'meaningful amount') would be 15% with a cap at £100 per council tax dwelling for all areas with a Parish Council in England. For areas with an adopted neighbourhood plan this would be 25% with no cap.

6. Comments of the Chief Finance Officer and financial implications

- 6.1 Section 106 funding has been an important source of funding for the Council, especially for school expansion projects and is largely used to support the capital programme.
- 6.2 Under the new legislation the funding previously received via S106 will be largely replaced by CIL, with the exceptions of those areas highlighted in Section 5.3 of this report. It is envisaged that in future the level of funding received from S106 and CIL combined will be broadly similar with the funding received from S106 in prior years.



Haringey Council

6.3 Once set the Council has the option to review its Regulation 123 list on a periodic basis and allocate funding received differently to reflect the Council's funding priorities.

6.4 In addition to CIL payments to Haringey, the Borough is also responsible for collecting CIL payments due to the Mayor of London.”

7. Comments of the Assistant Director of Corporate Governance and legal implications

7.1 The Assistant Director of Corporate Governance has been consulted on the contents of this report and comments as follows.

7.2 The CIL Charging Schedule has been subject to the relevant statutory process provided for in the Community Infrastructure Levy Regulations and has been found sound by an independent examiner subject to some minor amendments which have been actioned. The final step in the process is formal adoption by the Council.

7.2 The CIL Charging Schedule, when adopted, will provide the legal basis on which a developer's liability for infrastructure payments is assessed and payment is secured.

8. Equalities and Community Cohesion Comments

8.1 The CIL and Planning Obligations SPD are tools to provide the infrastructure necessary to deliver sustainable communities and quality environment. The strategic implications of growth in our borough and its impact on infrastructure that could arise are considered in the Equalities Impact Assessment (EqIA) that supports the adopted Local Plan Strategic Policies. Equality impacts of specific developments are considered as proposals come forward.

9. Head of Procurement Comments

9.1 Not applicable

10. Policy Implication

10.1 The term 'infrastructure' includes schools and other educational facilities, open space, green infrastructure, transport facilities, health and medical facilities, flood defences, sporting and recreational facilities. The Local Plan: Strategic Policies document sets out the basis for strategic infrastructure that will be required to support growth in the borough during the plan period. The CIL will be used to help contribute towards meeting the funding gap that exists for the infrastructure. Documents such as CIL and Planning Obligations SPD help to



Haringey Council

deliver Local Plan Strategic Policies and the Corporate Plan priorities, especially those contained in the “Opportunities for All” section.

11. Reasons for Decision

11.1 The adoption of the Haringey CIL charging schedule will ensure that through the grant of planning permission, development is able to contribute towards the delivery of the necessary strategic infrastructure underpinning sustainable growth in the Borough.

12. Use of Appendices

Appendix A: Haringey CIL Charging Schedule for adoption

13. Local Government (Access to Information) Act 1985



Haringey Council

London Borough of Haringey

CIL Charging Schedule

Adopted July 2014

Implemented 1st November 2014



Haringey Council

Introduction

As part of the changes introduced under the Planning Act 2008, the previous Government introduced the Community Infrastructure Levy (CIL) - a new mechanism to enable infrastructure requirements arising from growth to be funded through developer contributions.

The Community Infrastructure Levy Regulations 2012 (as amended) allows councils to introduce CIL, being a charge on new buildings and extensions to help pay for supporting infrastructure and replaces s.106 contributions (except in relation to affordable housing and on site mitigation measures).

What is CIL?

CIL is a standardised non negotiable local levy that is placed on new development for the purpose of helping to raise funds to support the delivery of the infrastructure that is required as a result of new development. Far from being a new source of funding, CIL provides a more consistent and transparent mechanism to raise financial contributions, currently sought through s106 agreements.

However, under CIL, developers can still be required to directly provide both 'off-site' infrastructure, through s106 contributions, and 'on site' improvements through planning conditions to mitigate the direct impact of the development proposed (e.g. landscaping, access roads).

How is CIL calculated and charged?

The regulations require two distinct aspects to be considered. Firstly, a 'charging authority' (the Local Authority) needs to demonstrate that new development necessitates the provision of new, or improved, infrastructure. Secondly, that the rate of the proposed levy does not make development proposals unviable, in particular with regards to expected costs that would be associated with the provision of on-site infrastructure (for the purposes of CIL, affordable housing is regarded as an on-site requirement and will continue to be secured through s106 agreements).

The levy is to be expressed as £ per m² and collected on the commencement of development. CIL is to be charged on the 'gross internal floor space' of any new development, apart from affordable housing and buildings used for charitable purposes where standard exemptions have been made.

Whilst the rate of CIL is determined by the charging authority, it is scrutinised by an independent examiner to assess whether the charge has regard to the evidence base and that the level of charge is reasonable and will not impact negatively on the economic viability of development.

The Infrastructure Funding Gap

The Council has produced an Infrastructure Study in March 2010 setting out the likely infrastructure impacts of growth identified in the Council's Local Plan. This has been built



Haringey Council

on and an updated document setting out the current anticipated funding requirements to meet infrastructure needs in the Borough was produced in March 2013. The outcomes of this study indicate that there is a total funding gap that CIL can contribute towards of approximately £230m. This is set out below, and the summary document is included on our website.

The level of Investment required is indicative and it includes investment that may need to be undertaken by both the Council and its partners. The investment required will need to be subject to continuous review in light of changes to the funding regimes for both the Council and its partner organisations and changing roles and functions of public sector organisations in years to come. The actual level of investment the Council makes in future years will clearly be subject to Council priorities and available funding and will need to be agreed by Cabinet as appropriate.

| Infrastructure Type | Investment Required (£m) | Funding Available (£m) | Funding Gap (£m) |
|-----------------------------|--------------------------|------------------------|------------------|
| Education | 198.0 | 120.0 | 78.0 |
| Health | tbc | tbc | Tbc |
| Open space/ Leisure | 22.3 | 1.5 | 20.8 |
| Transport | 107.6 | 19.5 | 88.1 |
| Emergency Services | -- | -- | -- |
| Decentralised Energy | 25.0 | 2.5 | 22.5 |
| Water Management & Flooding | 20.6 | tbc | 20.6 |
| Waste | -- | -- | -- |
| Total (£m) | £373.5 | £143.5 | £230 |

Viability in Haringey

Evidence has been provided by BNP Paribas to identify what CIL rates will be viable in Haringey. A primary study was received in February 2012, and updates to the evidence were provided in February 2013. The full set of evidence is available on our website.

The Charging Schedule

The proposed schedule is set out below. The map shows the charging zones:

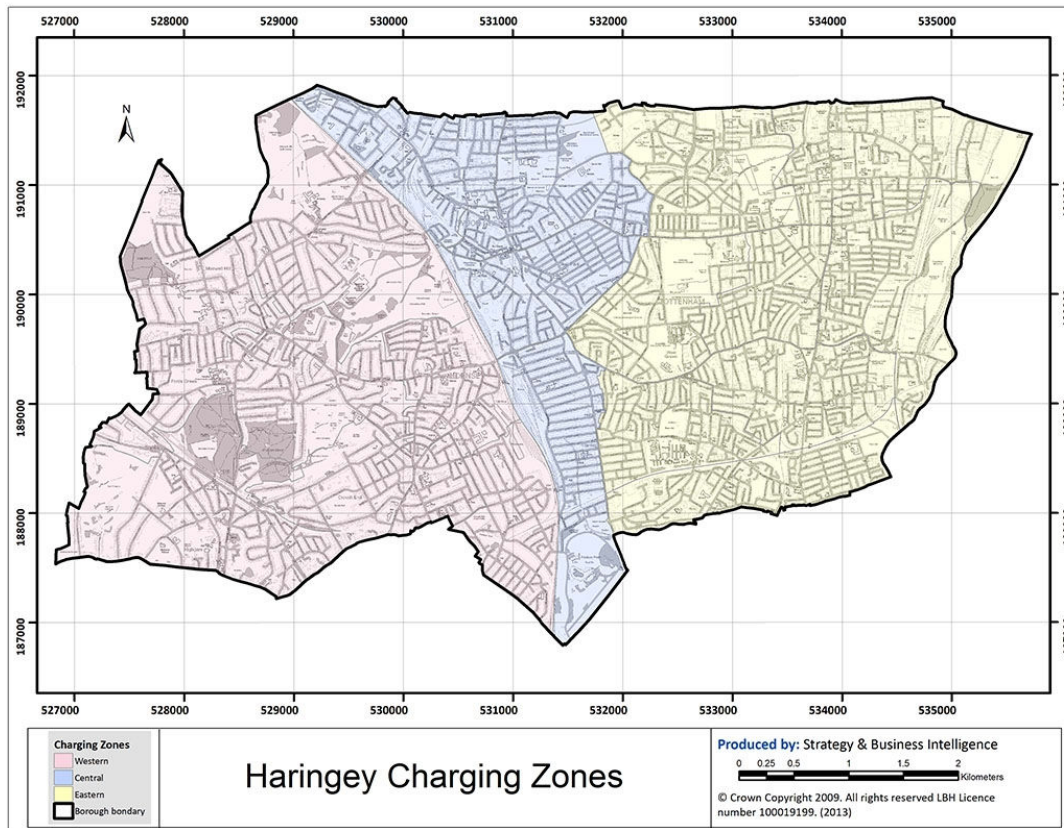
| CIL charge (£/square metre) | | | | |
|--|---------|----------|---------|-------------|
| Use | Western | Central | Eastern | Mayoral CIL |
| Residential | £265 | £165 | £15 | £35 |
| Student accommodation | £ 265 | £165 | £15 | £35 |
| Supermarkets | | £95 | | £35 |
| Retail Warehousing | | £25 | | £35 |
| Office, industrial, warehousing, small scale retail (use class A1-5) | | Nil Rate | | £35 |
| Health, school and higher education | | Nil Rate | | Nil |
| All other uses | | Nil Rate | | £35 |



Haringey Council

Superstores/supermarkets are defined as shopping destinations in their own right where weekly food shopping needs are met and which can also include non-food floorspace as part of the overall mix of the unit.

Retail warehouses are large stores specialising in the sale of household goods (such as carpets, furniture and electrical goods), DIY items, and other ranges of goods, catering mainly for car borne customers.



Exemptions

CIL charges will not be levied on:

- Development that creates less than 100m² of new build floor space measured as Gross Internal Area (GIA) and does not result in the creation of one or more dwellings.
- Buildings into which people do not normally go, or only go to perform maintenance.
- Buildings for which planning permission was granted for a limited period.
- Affordable housing, subject to an application by a landowner for CIL relief (CIL regulation 49).
- Development by charities for charitable purposes subject to an application by a charity landowner for CIL relief (CIL regulation 43).



Haringey Council

The CIL Regulations 2010 set out the situations for both mandatory and discretionary exemptions. Mandatory exemptions include affordable housing and developments occupied solely for the purpose of charitable activity by a registered charity. However, the charging authority has discretionary powers to provide relief on:

- the investment activities of charitable institutions
- in exceptional circumstances where:
 - the cost of complying with s106 planning obligation is greater than the chargeable amount payable by a developer;
 - there is an unacceptable impact on the economic viability of a development
 - that the granting of relief would not constitute state aid.

The Council will not expect to implement any discretionary exemptions. The Council believes the charge is viable and will monitor the charge to ensure it remains viable. Should circumstances change the Council will seek to revise the levy rather than provide any discretionary relief from the charge.

Payments in kind

In circumstances where the liable party and Haringey Council agree, payment of the levy may be made by transferring land. The agreement cannot form part of a planning obligation, must be entered into before the chargeable development is commenced and is subject to fulfilling the following:

- the acquired land is used to provide or facilitate the provision of infrastructure within Haringey;
- the land is acquired by the Council or a person nominated by the Council;
- the transfer of the land must be from a person who has assumed liability to pay CIL;
- the land has to be valued by an independent person agreed by the Council and the person liable to pay CIL;
- 'Land' includes existing buildings and other structures, land covered with water, and any estate, interest, easement, servitude or right in or over the land.

Collection of CIL

London Borough of Haringey is the collecting authority for the purpose of Part 11 of the Planning Act 2008 and CIL Regulations 2010 (as amended by Regulations 2011 and 2012).

When planning permission is granted, Haringey Council will issue a liability notice setting out the amount payable, and the payment procedure.

In the case of development enabled through permitted development orders, the person(s) liable to pay will need to consider whether their proposed development is chargeable, and to issue Haringey Council a notice of chargeable development.



Haringey Council

Payment Instalments

Where the payable amount of CIL is £500,000 or less, the whole amount shall be paid in a single installment not more than 60 days after commencement of the development.

Where the payable amount is more than £500,000, developers should have the option to pay two installment payments:

- The greater of £500,000 or half the value of the total payable amount 60 days after commencement, and
- The remainder 240 days after commencement.

Appeals

A liable person can request a review of the chargeable amount by the charging authority within 28 days from the issue of the liability notice. CIL Regulations allow for appeals on:

- The calculation of the chargeable amount following a review of the calculation by the Council.
- Disagreement with the Council's apportioned liability to pay the charge.
- Any surcharges incurred on the basis that they were calculated incorrectly, that a liability notice was not served or the breach did not occur.
- A deemed commencement date if considered that the date has been determined incorrectly.
- Against a stop notice if a warning notice was not issued or the development has not yet commenced.

A person aggrieved by the levy (or attempt to levy) of a distress can appeal to the Magistrates Court.

Spending CIL revenue

CIL revenue will be spent on infrastructure needed to support development in Haringey. This need is assessed as part of the Local Plan making process and an Infrastructure Delivery Plan is included in the adopted Local Plan: Strategic Policies. This infrastructure needs and delivery plan are updated regularly.

The Council includes as part of this submission the proposed Regulation 123 list below.

| 2014/15-2018/19 Reg 123 Projects |
|---|
| Lordship Lane Recreation Ground improvements |
| Down Lane Park improvements |
| Bruce Castle Park improvements |
| 4 Improved Greenway cycle & pedestrian routes |
| Alexandra Primary School Expansion |
| Welbourne Primary School Expansion |
| Bounds Green Primary School extension |



Haringey Council

The Council will publish annual reports showing, for each financial year:

- How much has been collected in CIL;
- How much has been spent;
- The infrastructure on which it has been spent;
- Any amount used to repay borrowed money;
- Amount of CIL retained at the end of the reported year.

It is the Government's intention to allow for a proportion of CIL to be passed to Local Councils and Neighbourhoods. The Council will abide by regulations to administer this as they are introduced.

Administrative costs

Up to 5% of all contributions will be used to pay for the costs of administering the Community Infrastructure Levy. This charge would support the Council in monitoring and enforcement of the charge as well as providing infrastructure planning support to manage and co-ordinate the delivery of infrastructure improvements that address the impacts resulting from development.

CIL and Section 106 agreements

Unlike s106, the levy is to provide infrastructure to support the development of an area, not to make individual planning applications acceptable in planning terms. It breaks the link between a specific development site and the provision of infrastructure and thus provides greater flexibility for delivery of infrastructure when and where it is needed.

Section 106 agreements and Section 278 Highways Agreements will continue to be used to secure site-specific mitigation and affordable housing. In some instances, S106 agreements may be used in large development sites needing the provision of their own specific infrastructure for which delivery may be more suitably dealt with through s106s. Type of s106 requirements may include the following:

- Specific infrastructure requirements that directly arises from five or fewer developments, section 106 arrangements may continue to apply if the infrastructure is required to make the development acceptable in planning terms
- Affordable housing contributions
- New access roads/ junction improvements serving the site
- Connections to a renewable/ decentralised energy network
- On-site open space requirements
- Employment and training provision
- Travel plans / Car clubs / Cycle parking
- Town Centre management funding



Haringey Council
Mayoral CIL

The Mayoral CIL has been in effect since April 2012 in accordance with Regulation 25 (a) of the Community Infrastructure Regulations 2010 (as amended). The Mayor published his CIL charging schedule on the GLA's website, and it is intended to contribute towards the funding of Cross Rail, and the Mayor has in effect declared his aim of raising £300m from Mayoral CIL towards this project. The Mayor's target is expected to be achieved by 2019. It is very likely that further London wide infrastructure funding will be required in the future and the revision and required collection of Mayoral CIL will now form a permanent feature of the planning and development policy framework operating in London.

The London boroughs collect the Mayor's CIL on his behalf. Haringey falls within Zone 2 of the Mayor's Charging Schedule which means that Haringey is required to collect £35/m² on behalf of the Mayor for any development that falls within scope of the regulations.

**REPORT OF THE CORPORATE COMMITTEE No. 01/2014-15
COUNCIL 21 JULY 2014**

Item 13 b

Chair:
Councillor George Meehan

Deputy Chair:
Councillor Eddie Griffith

INTRODUCTION

1. This report to full Council arises from the report entitled "Treasury Management 2013/14 Outturn" considered at our Corporate Committee on 26 June 2014.
2. On consideration of the report Treasury Management 2013/14 Outturn we noted information detailing the treasury management activity and performance during 2013/14 in accordance with the CIPFA Treasury Management Code of Practice.

WE RECOMMEND

That the treasury management activity and performance during 2013/14 be noted.

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|--------------------|--|--------------------|--|
| Report for: | Corporate Committee 26th June 2014 | Item number | |
|--------------------|--|--------------------|--|

| | |
|---------------|-------------------------------------|
| Title: | Treasury Management 2013/14 Outturn |
|---------------|-------------------------------------|

| | |
|-------------------------------|--|
| Report authorised by : | Kevin Bartle, Assistant Director – Finance (CFO) |
|-------------------------------|--|

| | |
|----------------------|---|
| Lead Officer: | George Bruce Head of Finance – Treasury & Pensions George.bruce@haringey.gov.uk 020 8489 3726 |
|----------------------|---|

| | |
|------------------------------|------------------------------------|
| Ward(s) affected: N/A | Report for Non Key Decision |
|------------------------------|------------------------------------|

1. Describe the issue under consideration

- 1.1 This is a report to Members on treasury management activity and performance during 2013/14 in accordance with the CIPFA Treasury Management Code of Practice. It is a requirement of the Code for this to be reported on to Council once Corporate Committee has considered it.

2. Cabinet Member Introduction

- 2.1 Not applicable.

3. Recommendations

- 3.1 That Members note the treasury management activity and performance during 2013/14.

4. Other options considered

- 4.1 None.

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5. Background information

5.1 The Council's treasury management activity is underpinned by CIPFA's Code of Practice on Treasury Management ("the Code"), which requires local authorities to produce annually Prudential Indicators and a Treasury Management Strategy Statement. CIPFA has defined Treasury management as: "The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

5.2 The Code recommends that members are informed of treasury management activities at least twice a year. Formulation of treasury policy, strategy and activity is delegated to the Corporate Committee and this Committee receives reports quarterly.

5.3 However, overall responsibility for treasury management remains with the Council and the Council approved the Treasury Management Strategy Statement and set the Prudential Indicators for 2013/14 on 27th February 2013.

5.4 This outturn report is a requirement of the Code and it summarises the activity during 2013/14.

5.5 With regard to investments, Government guidance on local authority treasury management states that local authorities should consider the following factors in the order they are stated:

Security – Liquidity – Yield

The Treasury Management Strategy reflects these factors and it is explicit that the priority for the Council is the security of its funds. However, no treasury management activity is without risk and the effective identification and management of this risk are integral to the Council's treasury management activities.

5.6 This report has been written in consultation with the Council's treasury management advisers, Arlingclose.

6. Comments of the Chief Financial Officer and financial implications

6.1 The treasury management strategy in 2013/14 was to continue to maximise internal borrowing and, therefore, to minimise cash balances. This policy not only reduced credit risk in the year but also

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reduced the cost of borrowing. In addition, the policy of taking short term borrowing from other local authorities instead of long term also saved interest costs during 2013/14. This active management of the debt portfolio realised savings of £1.8m in the year.

7. Head of Legal Services and Legal Implications

7.1 The contents and recommendation of this report are in accordance the Treasury Management Strategy Statement and consistent with legislation governing the financial affairs of the Council. In considering the report Members must take into account the expert financial advice available to it and any further oral advice given at the meeting of the Committee.

8. Equalities and Community Cohesion Comments

8.1 Not applicable.

9. Head of Procurement Comments

9.1 Not applicable.

10. Policy Implications

10.1 None.

11. Use of Appendices

11.1 Appendix 1: Summary of Treasury Management activity and performance
Appendix 2: Prudential Indicators

12 Local Government (Access to Information) Act 1985

12.1 Not applicable.

13. Economic and treasury portfolio background in 2013/14

(prepared by Arlingclose)

13.1 At the beginning of the 2013-14 financial year markets were concerned about lacklustre growth in the Eurozone, the UK and Japan. Lack of growth in the UK economy, the threat of a 'triple-dip' alongside falling real wages and the paucity of business investment were a concern for the Bank of England. The Eurozone had navigated through a turbulent period and the likelihood of a near-term disorderly collapse had significantly diminished.

13.2 The recovery in the UK surprised with strong economic activity and growth. Q1 2014 GDP showed year-on-year growth of 2.7%. Much of the improvement was down to the dominant service sector, and

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an increase in household consumption. However, business investment had yet to recover convincingly and the recovery was not accompanied by meaningful productivity growth. Worries of a housing bubble were tempered by evidence that net mortgage lending was up by only around 1% annually.

- 13.3 CPI fell from 2.8% in March 2013 to 1.8% in April 2014. Although the fall in unemployment (down from 7.8% in March 2013 to 6.8% in April 2014) was faster than forecast, it hid a stubbornly high level of underemployment. Importantly, average earnings growth remained muted. The Bank of England implied that when official interest rates were raised, the increases would be gradual – this helped underpin the ‘low for longer’ interest rate outlook despite the momentum in the economy.
- 13.4 The Office of Budget Responsibility’s 2.7% forecast for economic growth in 2014 forecast a quicker fall in public borrowing over the next few years.
- 13.5 The Federal Reserve announcement in May 2013 that the Fed’s quantitative easing (QE) programme may be ‘tapered’ caught markets by surprise. ‘Tapering’ (a slowing in the rate of QE) began in December 2013. The impact went further than a rise in the dollar and higher US Treasury bond yields. Gilt yields also rose as a consequence and emerging markets, which had previously benefited as investors searched for yield through riskier asset, suffered large capital outflows in December and January.
- 13.6 With the Eurozone struggling to show sustainable growth, the European Central Bank cut main policy interest rates an all time low of 0.15% and the deposit rate which it pays banks for parking funds overnight to -0.1%.
- 13.7 Gilt yields ended the year higher than the start in April. The peak in yields was during autumn 2013. The biggest increase was in 5-year gilt yields which increased by nearly 1.3% from 0.70% to 1.97%. 10-year gilt yields rose by nearly 1% ending the year at 2.73%. The increase was less pronounced for longer dated gilts; 20-year yields rose from 2.74% to 3.37% and 50-year yields rose from 3.23% to 3.44%.
- 13.8 3-month, 6-month and 12-month Libid rates remained at levels below 1% through the year.
- 13.9 The position of the treasury portfolio at the end of the financial year compared to the previous financial year end is shown in the table below. This shows a net reduction of £24.5m in long term PWLB borrowing and £30m in short term borrowing from other local authorities arising from the repayment of maturing debt and further use of cash balances in lieu of borrowing. The sections which follow

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describe the activity in the borrowing and investment portfolios in more detail.

| Treasury Portfolio | Position at 31/03/13 £'000 | Position at 31/03/14 £'000 |
|---------------------------------|---|---|
| <u>Borrowing</u> | | |
| PWLB fixed maturity | 192,178 | 170,540 |
| PWLB fixed EIP | 7,746 | 5,809 |
| PWLB variable EIP | 6,778 | 5,810 |
| Market loans | 125,000 | 125,000 |
| Other local authorities | 30,000 | 0 |
| Total External Borrowing | 361,702 | 307,159 |
| | | |
| <u>Investments</u> | | |
| Fixed term deposits | 7,100 | 0 |
| Money market funds | 7,095 | 0 |
| Bank balances | 0 | 9,570 |
| Total Investments | 14,195 | 9,570 |

14. Borrowing

- 14.1 During the year the Council continued its policy of undertaking limited external long term borrowing and maximising the use of internal balances in lieu. The reason for this was to continue to minimise the “cost of carry” associated with external borrowing and thus to reduce overall borrowing costs. The cost of carry is the difference between the interest rate paid for long term borrowing and the rate of interest which can be earned from temporarily investing the funds borrowed which has amounted to 3-4% over the last year. As a result, £54.5m of maturing loans were repaid and no permanent borrowing undertaken. On two occasions, short term loans (aggregate £3.8 million) of a few days duration were required to cover cash flow mismatches, but these were promptly repaid from income.
- 14.2 To minimise the risks associated with interest rate changes, 98% of the Council’s loans portfolio is held at fixed rates.
- 14.3 The Council has £125m of market loans which are LOBO loans (Lender’s Options Borrower’s Option) and all of them are in their call periods. A LOBO is called when the lender exercises its right to amend the interest rate on the loan at which point the borrower can accept the revised terms or reject them and repay the loan without penalty. Whilst none of the LOBOs had been called they do represent a potential refinancing risk to the Council since the decision to call a LOBO is entirely at the lender’s discretion. At present the PWLB 50 year rate of 4.22% is lower than the LOBO interest rate of 4.7%, such that any calls could be refinanced at a

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saving to the Council. Any LOBO called will be discussed with the Council's treasury advisers prior to acceptance of revised terms.

14.4 The average maturity of the debt portfolio shown in table 3 of appendix 1 is 29.8 years. If the LOBO loans are treated as repayable at their next 6 monthly call date, the average maturity falls to 11.1 years.

14.4 The table below summarises the transactions undertaken during the year:

| | 1/4/12 £'000 | Maturing loans £'000 | New loans £'000 | 31/3/13 £'000 |
|-------------------------|-------------------------|-------------------------------------|--------------------------------|--------------------------|
| PWLB fixed maturity | 192,178 | (21,638) | 0 | 170,540 |
| PWLB fixed EIP | 7,746 | (1,937) | 0 | 5,809 |
| PWLB variable EIP | 6,778 | (968) | 0 | 5,810 |
| Market loans | 125,000 | 0 | 0 | 125,000 |
| Other local authorities | 30,000 | (33,800) | 3,800 | 0 |
| Total borrowing | 361,702 | (58,343) | 3,800 | 307,159 |

14.5 At the end of the financial year the average interest payable on the borrowing portfolio had increased marginally to 5.45% from 5.38% as at 1 April 2013 due to the repayment of the short term local authority debt. The interest paid in 2013-14 of £17.9 million is £1.8 million lower than the previous year. Looking forward, there is £55 million of debt with a coupon of 9-11% maturing by 2022 that offers further scope for savings.

15. Investments – activity and performance

15.1 The Council held average cash balances of £39.6m during the year. The balances represented working cash balances and the Council's reserves. The Council invested these funds in accordance with the Treasury Management Strategy Statement agreed for 2013/14. All investments made during the year complied with the Council's agreed Treasury Management Strategy and Treasury Management Practices. Maturing investments were repaid to the Council in full and in a timely manner.

Credit Risk

15.2 Counterparty credit quality was assessed and monitored with reference to credit ratings (the Council's minimum long term counterparty rating of A- Fitch, Standard and Poors and Moody's); credit default swaps; any

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potential support mechanisms from the UK Government and share price. The Council has sought to minimise its security risks by setting limits on each institution on the lending list. The Council has complied with all these limits during 2013/14.

15.3 There were no significant changes in credit rating impacting on the Council's counterparties during the year. More recently, Moody's downgrading of RBS by one level to Baa1 in April 2014, which is below minimum required credit rating and use of RBS as a counterparty has been suspended. The Council moved its banking arrangement from RBS to Barclays from September 2013, although we are still in the process of closing the residual RBS accounts.

15.4 The credit ratings of the Council's main bank, Barclay's, is long term A (minimum A-). Credit rating agencies are looking at the impact of new rules under which depositors will be required to contribute to bank losses before governments are permitted to support banks, known as bail-in provisions. As a consequence of the weaker government support, credit ratings for banks could fall further.

15.5 The main counterparties in use during the year and the balances as at 31st March 2014 are shown in the table below.

| Institution | Long term credit rating | Amount (£'000) | % of total deposits |
|------------------------|--------------------------------|-----------------------|----------------------------|
| Deutsche MMF | AAA | 0 | 0 |
| RBS MMF | AAA | 0 | 0 |
| JP Morgan MMF | AAA | 0 | 0 |
| Invesco MMF | AAA | 0 | 0 |
| Goldman Sachs MMF | AAA | 0 | 0 |
| BlackRock MMF | AAA | 0 | 0 |
| Debt Management Office | AA+ | 0 | 0 |
| Barclays Bank | A | 9,570 | 100 |
| Royal Bank of Scotland | Baa1 | 0 | 0 |
| TOTAL | | 9,570 | 100.0 |

The Debt Management Office does not have a credit rating, therefore the UK sovereign rating is used.

15.6 The only outstanding balance at the year end was an overnight deposit with Barclay's Bank.

15.7 Throughout 2013-14 credit risk scores have been reported to Committee based on a methodology devised by Arlingclose. The scores show credit risk on a scale of 0 to 10 on both a value weighted and a time weighted basis and the table below demonstrates how to interpret the scores:

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

The scores during 2013-14 are shown below:

| | Quarter 1 2013/14 | Quarter 2 2013/14 | Quarter 3 2013/14 | Quarter 4 2013/14 |
|----------------|----------------------|----------------------|----------------------|----------------------|
| Value weighted | 3.3 | 3.5 | 5.6 | 6.0 |
| Time weighted | 1.9 | 2.1 | 5.0 | 6.0 |

Investment balances during the year varied between nil and £86 million, being £10 million at the year end. As the balances decreased during the year, a higher proportion was retained at Barclay's to aid banking liquidity, and as a consequence the credit rating score deteriorated, although because balances are low at the year end, credit risk is also reduced.

Liquidity

15.8 In keeping with the Government's Guidance on Investments, the Council maintained a sufficient level of liquidity through the use of bank deposit accounts, Money Market Funds and Debt Management Office investments which operate on an instant access basis. The weighted average maturity of the investment portfolio at the year end is one day.

Yield

15.9 The Council sought to optimise returns commensurate with its objectives of security and liquidity. £129,000 was earned on the Council's investments during 2013/14 at an average rate of 0.32%, 0.18% below the Bank of England Base Rate. The DMO pay 0.25%, money market funds 0.3-0.4% and deposits with RBS and Barclays averaged around 0.5%.

16. Update on Investments with Icelandic Banks

16.1 Further distributions of £9.5 million were received from the Icelandic deposits in the year, bringing total distributions to £34.8 million, compared with the original deposits of £36.9 million. Future recoveries are estimated at £0.9 million.

16.2 The residue of the Landsbanki claim was sold by way of auction and the remaining balances relate to deposits held in escrow in Iceland (£0.5 million) and possible future distributions estimated at £0.4 million.

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17. Compliance with Prudential Code indicators

17.1 The Council set prudential indicators for 2013/14 in February 2013. The set of indicators is made up of those which provide an indication of the likely impact of the planned capital programme and those which are limits set on treasury management activity. Appendix 2 sets out the approved indicators for 2013/14 and the final position for each of the capital indicators and the year end position on each of the treasury management limits.

17.2 Borrowing is well within the operational and authorised limits and has steadily decreased throughout the year in line with the policy of using internal cash balances to fund the capital programme.

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Appendix 1: Summary of Treasury Management Activity and Performance

1. Treasury Portfolio

| | Position March 2014 £000 | Position December 2013 £000 | Position September 2013 £000 | Position June 2013 £000 |
|---|-----------------------------------|--------------------------------------|---------------------------------------|----------------------------------|
| Long Term Borrowing PWLB | 182,159 | | | 196,683 |
| Long Term Borrowing | 125,000 | 195,715 | 195,715 | 125,000 |
| Market | 0 | 125,000 | 125,000 | 0 |
| Short Term Borrowing | | 0 | 0 | |
| Total Borrowing | 307,159 | 320,715 | 320,715 | 321,683 |
| Investments: Council | 9,570 | 17,260 | 40,960 | 40,085 |
| Investments: Icelandic deposits in default | 2,177 | 8,069 | 8,331 | 12,455 |
| Total Investments | 11,747 | 25,329 | 49,291 | 52,540 |
| Net Borrowing position | 295,412 | 295,386 | 271,424 | 269,143 |

2. Security measure

| | Quarter 4 2013/14 | Quarter 3 2013/14 | Quarter 2 2013/14 | Quarter 1 2013/14 |
|-------------------------------|----------------------|----------------------|----------------------|----------------------|
| Credit score – Value weighted | 6.0 | 5.58 | 3.5 | 3.3 |
| Credit score – Time weighted | 6.0 | 4.96 | 2.1 | 1.9 |

3. Liquidity measure

| | Quarter 4 2013/14 | Quarter 3 2013/14 | Quarter 2 2013/14 | Quarter 1 2013/14 |
|---|----------------------|----------------------|----------------------|----------------------|
| Weighted average maturity: deposits (days) | 1.0 | 1.0 | 4.5 | 14.4 |
| Weighted average maturity: borrowing (years) | 29.8 | 28.9 | 29.1 | 29.5 |

4. Yield measure

| | Quarter 4 2013/14 | Quarter 3 2013/14 | Quarter 2 2013/14 | Quarter 1 2013/14 |
|-----------------------|----------------------|----------------------|----------------------|-------------------------|
| Interest rate earned | 0.32 | 0.32 | 0.32 | 0.32 |
| Interest rate payable | 5.45 | 5.44 | 5.44 | 5.83 |

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Appendix 2: Prudential Indicators

The Prudential indicators are designed to demonstrate the affordability of current and forecast borrowing. There is no 'correct' value in each table and the trend is at least as important as the absolute numbers. Debt is used to finance the capital programme and each decision to incur capital expenditure will consider how it is to be funded.

| | Prudential Indicator | 2013/14 Original Indicator | Position/Actual at 31/3/2014 |
|---------------------------|-----------------------------|-----------------------------------|-------------------------------------|
| CAPITAL INDICATORS | | | |
| 1 | Capital Expenditure | £'000 | £'000 |
| | General Fund | 47,811 | 41,510 |
| | HRA | 34,202 | 32,074 |
| | TOTAL | 82,013 | 73,584 |

This indicator is set to ensure that the level of proposed capital expenditure remains within sustainable limits, and in particular, to consider the impact on tax and housing rent levels.

Capital expenditures is lower than projected, which helps explain the decrease in borrowing

| 2 | Ratio of financing costs to net revenue stream | 2013/14 Original Indicator | Actual as at 31 March 2014 |
|---|---|-----------------------------------|-----------------------------------|
| | General Fund | 2.62% | 2.38% |
| | HRA | 12.94% | 11.89% |

This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs, net of investment income.

The indicators show a marginally lower impact of capital expenditure on budgets.

| 3 | Capital Financing Requirement | 2013/14 Original Indicator (£'000) | Actual as at 31 March 2014 (£'000) |
|---|--------------------------------------|---|---|
| | General Fund | 277,726 | 272,753 |
| | HRA | 271,096 | 271,096 |
| | TOTAL | 548,822 | 543,849 |

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The above is the maximum external borrowing requirement representing the remaining cost of capital expenditure. The out-turn is in line with the start of year projections.

| 4 | Incremental impact of capital investment decisions | 2013/14 Original Indicator (£) | Actual as at 31 March 2014 (£) |
|---|---|---------------------------------------|---------------------------------------|
| | Band D Council Tax | 8.77 | 11.59 |
| | Weekly Housing rents | 0.13 | 0.09 |

This is an indicator of affordability and shows the impact of capital investment decisions on Council tax and housing rent levels. The increase in the Council tax impact is due to capital receipts being lower than projected.

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| | Prudential Indicator | 2013/14 Original Indicator | 2013/14 Position/Actual at 31/3/2014 | |
|--|--|---|---|----------------------------|
| TREASURY MANAGEMENT LIMITS | | | | |
| 5 | Borrowing Limits | £'000 | £'000 | |
| | Authorised Limit | 671,293 | 307,159 | |
| | Operational Boundary | 537,280 | 307,159 | |
| Actual borrowing is considerably lower than the limit set for the year. | | | | |
| 6 | HRA Debt Cap | £'000 | £'000 | |
| | Headroom | 55,824 | 56,442 | |
| The capacity of HRA to incur additional borrowing is in line with projections. | | | | |
| 7 | Gross debt compared to CFR | £'000 | £'000 | |
| | Gross Debt | 393,972 | 307,159 | |
| | CFR | 548,822 | 551,938 | |
| | | 72% | 56% | |
| Gross debt is less than previous projections due to use of internal balances to finance capital expenditure. | | | | |
| 8 | Upper limit – fixed rate exposure | 100% | 98% | |
| | Upper limit – variable rate exposure | 40% | 2% | |
| With no new borrowing in the year, the vast majority of debt remains fixed rate. | | | | |
| 9 | Maturity structure of borrowing (U: upper, L: lower) | L | U | As at 31 March 2014 |
| | under 12 months | 0% | 40% | 4.3% |
| | 12 months & within 2 years | 0% | 35% | 3.5% |
| | 2 years & within 5 years | 0% | 35% | 11.6% |
| | 5 years & within 10 years | 0% | 35% | 15.3% |
| | 10 yrs & within 20 yrs | 0% | 35% | 0.7% |
| | 20 yrs & within 30 yrs | 0% | 35% | 7.2% |
| | 30 yrs & within 40 yrs | 0% | 35% | 16.8% |
| | 40 yrs & within 50 yrs | 0% | 50% | 16.2% |
| 50 yrs & above | 0% | 50% | 24.4% | |
| The maturity profile of debt is shown above. The ranges set have been complied with and there is a spread of maturities. | | | | |

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| | Prudential Indicator | 2013/14 Original Indicator | 2013/14 Position/Actual at 31/3/2014 |
|----|--|---|---|
| 10 | Sums invested for more than 364 days | £0 | £0 |
| 11 | Adoption of CIPFA Treasury Management Code of Practice | √ | √ |

| 12 LOBO Adjusted Maturity Structure for Debt | | | |
|--|----|-----|---|
| Maturity structure of borrowing (U: upper, L: lower) | L | U | As at 31st March 2014 |
| under 12 months | 0% | 55% | 45.0% |
| 12 months & within 2 years | 0% | 40% | 3.5% |
| 2 years & within 5 years | 0% | 40% | 11.6% |
| 5 years & within 10 years | 0% | 35% | 15.3% |
| 10 yrs & within 20 yrs | 0% | 35% | 0.7% |
| 20 yrs & within 30 yrs | 0% | 35% | 3.9% |
| 30 yrs & within 40 yrs | 0% | 35% | 3.8% |
| 40 yrs & within 50 yrs | 0% | 50% | 16.2% |
| 50 yrs & above | 0% | 50% | 0% |

The above table restates table 9 showing the earliest data on which the interest rate on LOBO loans (see 14.3) can change as the maturity date. The impact is to restate 40% of debt previously classified as between 20 years and 50+ years to less than one year.

Chair: Councillor George Meehan

INTRODUCTION

- 1.1 This report to Full Council arises from the appointment of the positions of (i) Assistant Director of Safeguarding & Social Care, and (ii) Assistant Director, Quality Assurance, Early Help, and Prevention confirmed by the Special Committee that took place on 17 June 2014. Our Committee comprised of Councillors Meehan, Morris, and Waters.
- 1.2 We considered a report on the appointment to the positions of (i) Assistant Director of Safeguarding & Social Care, and (ii) Assistant Director, Quality Assurance, Early Help, and Prevention in accordance with the Local Authorities Standing Orders (England) Regulations 2001 and Part 4 Section K of the Council's Constitution, arising from recommendations of an interview panel which took place prior to the Committee convening.
- 1.3 We were advised that in accordance with guidance issued by the Department of Communities and Local Government issued under section 40 of the Localism Act 2011, 'Openness and Accountability in Local Pay', and as recognised in the authority's pay policy statement, the Full Council was required to vote on any salary package of £100,000 or above in respect of a new appointment.
- 1.4 We were further advised that in appointing to the position of Assistant Director of Safeguarding & Social Care, we would be agreeing to the appointment within a salary range of over £100K - and accordingly seek Full Council's confirmation of the salary. We agreed that the salary point that the successful candidate would be appointed to would be £105K in a salary range of £90-£105K. In appointing the candidate to the top of the salary range this reflected the experience and knowledge that the candidate would bring to the position.

WE RECOMMEND

That Full Council be asked to confirm, in accordance with the authority's pay policy statement, the salary package for the post of Assistant Director of Safeguarding & Social Care which will be in excess of £100,000. (the salary range being £95,000-£105,000 and the offer to the successful candidate be at £105,000.00), and that it be noted that in appointing the candidate to the top of the salary range this reflected the experience and knowledge that the candidate would bring to the position.

Chair: Councillor George Meehan

INTRODUCTION

- 1.1 This report to Full Council arises from the appointment of the position of Assistant Director Customer Services that took place on 11 July 2014. Our Committee comprised of Councillors Elliott, Meehan, and Vanier.
- 1.2 We considered a report on the appointment to the position of Assistant Director Customer Services in accordance with the Local Authorities Standing Orders (England) Regulations 2001 and Part 4 Section K of the Council's Constitution, arising from recommendations of an interview panel which took place prior to the Committee convening.
- 1.3 We were advised that in accordance with guidance issued by the Department of Communities and Local Government issued under section 40 of the Localism Act 2011, 'Openness and Accountability in Local Pay', and as recognised in the authority's pay policy statement, the Full Council was required to vote on any salary package of £100,000 or above in respect of a new appointment.

WE RECOMMEND

That Full Council be asked to confirm, in accordance with the authority's pay policy statement, the salary package for the post of Assistant Director Customer Services which will be in excess of £100,000. (the salary range being £90,000-£105,000 and the offer to the successful candidate be at £100,000.00).

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**REPORT OF THE STANDARDS COMMITTEE No. 01/2014-15
COUNCIL 21 JULY 2014**

Chair: Councillor Reg Rice

INTRODUCTION

- 1.1 This report to Full Council arises from consideration of the attached reports considered by our Standards Committee regarding (i) amendments to the Council's Code of Conduct for Members, and (ii) Arrangements for dealing with allegations that a member or co-opted member of Haringey Council has failed to comply with the Members' Code of Conduct, considered by the Standards Committee that took place on 7 July 2014.
- 1.2 On consideration of the attached report marked **A** - amendments to the Council's Code of Conduct for Members- we agreed to the proposed amendments to the code as detailed in tracked changes on the attached appendix marked **A(i) including the following additional amendment suggested by Committee:**

The Code

Paragraph 2.6(c) to be amended to omit the word 'act'.

- 1.3 On consideration of the attached report marked **B** - Arrangements for dealing with allegations that a member or co-opted member of Haringey Council has failed to comply with the Members' Code of Conduct- we agreed to the proposed amendments to the arrangements as detailed in tracked changes on the attached appendix marked **B(i) including** the following additional amendments suggested by Committee:

The arrangements

Para 5.3(f) in the current version, which was inadvertently omitted, to be reinserted in the document put forward for approval to full Council .

The new para 5.3(f) we recommended inserting now becomes 5.3.(g) and has been amended as agreed by our Committee and as attached.

Para 9.3 in the current version of the arrangements, which was inadvertently omitted, reinserted and subsequent para's renumbered. Reference to 9.6(b) in the final para in section 9 to be amended to read 9.7(b) as a consequence of the renumbering.

WE RECOMMEND

That Full Council be asked to confirm the proposed amendments to (i) the Council's Code of Conduct for Members, and (ii) Arrangements for dealing with allegations that a member or co-opted member of Haringey Council has failed to comply with the Members' Code of Conduct, as endorsed and

recommended by the Standards Committee and as attached in tracked changes as appendix to this report and marked A(i) and B(i) respectively.



Haringey Council

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| | | | |
|--------------------|----------------------------|---------------------|--|
| Report for: | Standards Committee | Item Number: | |
|--------------------|----------------------------|---------------------|--|

| | |
|---------------|---|
| Title: | Amendments to the Members' Code of Conduct |
|---------------|---|

| | |
|------------------------------|--|
| Report Authorised by: | Bernie Ryan, Assistant Director of Governance and Monitoring Officer. |
|------------------------------|--|

| | |
|----------------------|--|
| Lead Officer: | Bernie Ryan, Assistant Director of Governance and Monitoring Officer. |
|----------------------|--|

| | |
|---------------------------------|---|
| Ward(s) affected: N/A | Report for Key/Non Key Decisions: N/A |
|---------------------------------|---|

1. Describe the issue under consideration

This report recommends some amendments to the Members' Code of Conduct.

2. Cabinet Member introduction

N/A

3. Recommendations

- (a) That Members consider the proposed amendments to the Members Code of Conduct and recommend their adoption by full Council.

4. Alternative options considered

- 4.1 No significant amendments to the Code are required, however some minor changes are required to improve clarity and include additional definitions.

5. Background information

- 5.1 S27 of the Localism Act 2011 imposes a duty on councils to promote and maintain high standards of conduct by members and co-opted members of



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the authority. In discharging this duty councils are required to adopt a code dealing with the conduct which is expected of members and co-opted members of the authority when they are acting in that capacity.

- 5.2 Section 28 of the Localism Act 2011 requires that codes of conduct adopted by councils are consistent, when viewed as a whole, with the principles of selflessness, integrity, objectivity, accountability, openness, honesty and leadership. Codes must also include appropriate provisions in relation to the registration and disclosure of pecuniary interests and interests other than pecuniary interests.
- 5.3 Section 29 of the Localism Act 2012 requires the Monitoring officer to establish and maintain a register of interests of members and co-opted members of the authority. The register must be available for inspection at a place in the authority's area and on the council's website.
- 5.4 Section 30 of the Localism Act 2011 requires a member or co-opted member of the council, before the end of 28 days from the day when the person becomes a member or co-opted member, to notify the Monitoring Officer of any disclosable pecuniary interests which they have at the time the notice is given. Disclosable pecuniary interests are specified by the Secretary of State in Regulations and are included in the Code at Appendix A. Section 31 of the Localism Act 2011 includes provisions relating to actions members must take at meetings where they have a disclosable pecuniary interest and these are included in the Code at paragraph 9 of the Code.
- 5.5 Section 34 of the Localism Act makes it a criminal offence if a member or co-opted member fails, without reasonable excuse, to comply with requirements under section 30 or 31 to register or declare disclosable pecuniary interests. It is also a criminal offence to take part in council business at meetings, or act alone on behalf of the council, when prevented from doing so by a conflict caused by disclosable pecuniary interests.
- 5.6 Councils can amend their code as they see fit provided they comply with these requirements.
- 5.7 Haringey Council Members Code of Conduct was adopted by full Council on 16th July 2012. The Code has now been reviewed in light of its use over the past two years and some minor amendments and clarifications are now proposed.
- 5.8 The proposed changes are:
- (a) Explanatory Note (page 1) – addition of 'co-opted members' to make clear that the register contains their interests as well as elected members.



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- (b) Application of the code para 2.6 – amended to make clear that members are acting in their capacity as a member when they claim to or give the impression they are acting as a representative of the authority.
- (c) Application of the code para 2.9 – a definition of ‘relevant authority’ is added for clarity.
- (d) Personal interests para 5.3 – definition of family member added for clarity.

5.9 Changes to the Code of Conduct must be approved by full Council. Standards Committee is requested to consider and then make recommendations for changes to full Council.

6. Comments of the Chief Finance Officer and financial implications

6.1 There are no financial implications arising from this report

7. Comments of the Assistant Director of Corporate Governance and legal implications

7.1 These are included within the body of the report.

8. Equalities and Community Cohesion Comments

N/A

9. Head of Procurement Comments

N/A

10. Policy Implications

N/A

11. Reasons for Decision

11.1 The Standards Committee supports the Council in discharging its duty to promote and maintain high standards of conduct by members and co-opted members. It is good practice to periodically review and amend (if needed), the Code of Conduct.

12. Use of Appendices

Appendix A – Members’ Code of Conduct

13. Local Government (Access to Information) Act 1985

Background papers used in the preparation of this report – current version of the Members Code of Conduct

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Part Five, Section A

Members' Code of Conduct

MEMBERS' CODE OF CONDUCT

Explanatory Note

This Code of Conduct, is adopted under powers contained in the Localism Act 2011 (“the 2011 Act”), and contributes towards the discharge of the Council’s duty under the 2011 Act to promote and maintain high standards of conduct by elected and co-opted members of Haringey Council. It is consistent with the principles of public life which are prescribed in the 2011 Act and which are included in the Code at paragraphs 1.1 - 1.7 below.

The 2011 Act requires the Council’s Monitoring Officer to establish and maintain a register of interests of the members *and co-opted members* of the Council. It is a legal requirement that members must notify the Monitoring Officer of all their disclosable pecuniary interests within 28 days of becoming a member. Disclosable pecuniary interests are the member’s interests, those of the member’s spouse or civil partner, or person the member is living with as spouse or as if they were civil partners, and falling within categories specified in Regulations by the Secretary of State as set out at Appendix A. The Register of Members’ Interests will be available for inspection by the public at all reasonable hours and will be published on the Council’s website.

The 2011 Act has created a number of criminal offences for failure to comply with requirements relating to disclosable pecuniary interests. A summary of the offences is attached at Appendix B.

In addition to disclosable pecuniary interests personal interests as specified in the Code must be notified to the Monitoring Officer and declared at meetings if prejudicial in the manner described in the Code.

Part 1: GENERAL PROVISIONS**1. The General Principles****1.1 Selflessness**

Members should serve only the public interest and should never improperly confer an advantage or disadvantage on any person.

1.2 Integrity

Members should not place themselves in situations where their integrity may be questioned, should not behave improperly and should on all occasions avoid the appearance of such behaviour.

1.3 Objectivity

Members should make decisions on merit, including when making appointments, awarding contracts, or recommending individuals for rewards or benefits.

1.4 Accountability

Members should be accountable to the public for their actions and the manner in which they carry out their responsibilities, and should co-operate fully and honestly with any scrutiny appropriate to their particular office.

1.5 Openness

Members should be as open as possible about their actions and those of their authority, and should be prepared to give reasons for those actions.

1.6 Honesty

Members should not place themselves in situations where their honesty may be questioned, should not behave improperly and should on all occasions avoid the appearance of such behaviour.

1.7 Leadership

Members should promote and support these principles by Leadership, and by example, and should act in a way that secures or preserves public confidence.

2. Application of the Code

- 2.1 This Code applies to you as a member of Haringey Council.
- 2.2 In your capacity as a member you should at all times adhere to the general principles set out at paragraphs 1.1 – 1.7 above.
- 2.3 It is your responsibility to comply with the provisions of this Code.
- 2.4 In this Code "meeting" means any meeting of
- (a) the Council; or
 - (b) the executive of the Council; or
 - (c) any of the Council's or its executive's committees, sub-committees, joint committees, joint sub-committees, or area committees;

"member" means an elected member and a co-opted member

"co-opted member" means a person who is not an elected member of the Council but who has been appointed to a committee or sub-committee of the Council or represents the Council on a joint committee or joint sub-committee of the Council and who is entitled to vote on any question that falls to be decided at any meeting of that committee or sub-committee.

- 2.5 You must comply with this Code whenever you are acting in your capacity as a member
- 2.6 This Code regards you as acting in your capacity as a member when you
- (a) conduct the business of your authority (which in this Code includes the business of the office to which you are elected or appointed); or
 - (b) act as a representative of your authority; or
 - (c) claim to act or give the impression you are acting as a representative of your authority.
- 2.7 This Code does not have effect in relation to your conduct other than where you are acting in your capacity as a member.
- 2.8 Where you act as a representative of your authority
- (a) on another relevant authority, you must, when acting for that other authority, comply with that other authority's code of conduct; or
 - (b) on any other body, you must, when acting for that other body, comply with your authority's code of conduct, except and insofar as it

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conflicts with any other lawful obligations to which that other body may be subject.

2.9 “Relevant authority” as referred to in paragraph 2.8(a) above is as for the time being defined in section 43 Localism Act 2011 and currently means –

-
- (a) a county council,
 - (b) a county borough council,
 - (c) a district council,
 - (d) a London borough council,
 - (e) the Common Council of the City of London in its capacity as a local authority,
 - (f) the Council of the Isles of Scilly,
 - (g) the London Fire and Emergency Planning Authority,
 - (h) a metropolitan county fire and rescue authority, or
 - (i) a fire and rescue authority constituted by a scheme under section 2 of the Fire and Rescue Services Act 2004 or a scheme to which section 4 of the Act applies.

3. General Obligations

3.1 You must treat others with respect.

3.2 You must not

- (a) do anything which may cause your authority to breach any of its equality duties;
- (b) bully any person;
- (c) intimidate or attempt to intimidate any person who is or is likely to be
 - (i) a complainant,
 - (ii) a witness, or
 - (iii) involved in the administration of any investigation or proceedings,
 in relation to an allegation that a member (including yourself) has failed to comply with this Members' Code of Conduct; or
- (d) do anything which compromises or is likely to compromise the impartiality of those who work for, or on behalf of, your authority.

3.3 You must not

- (a) disclose information given to you in confidence by anyone, or information acquired by you which you believe, or ought reasonably to be aware, is of a confidential nature, except where
 - (i) you have the consent of a person authorised to give it;
 - (ii) you are required by law to do so;
 - (iii) the disclosure is made to a third party for the purpose of obtaining professional advice provided that the third party agrees not to disclose the information to any other person; or
 - (iv) the disclosure is
 - (aa) reasonable and in the public interest; and
 - (bb) made in good faith and in compliance with the reasonable requirements of the Council; or
- (b) prevent another person from gaining access to information to which that person is entitled by law.

3.4 You must not conduct yourself in a manner which could reasonably be regarded as bringing your office or your authority into disrepute

3.5 You must not use or attempt to use your position as a member improperly to confer on or secure for yourself or any other person, an advantage or disadvantage.

3.6 You must when using or authorising the use by others of the resources of your authority

Section A– Member Code of Conduct

- (a) act in accordance with your authority’s reasonable requirements;
- (b) ensure that such resources are not used improperly for political purposes (including party political purposes);
- (c) have regard to any applicable Local Authority Code of Publicity made under the Local Government Act 1986.

3.7 When reaching decisions on any matter you must have regard to any relevant advice provided to you by

- (a) the Council’s Chief Finance Officer; or
- (b) the Council’s Monitoring Officer,

where that officer is acting pursuant to his/her statutory duties.

3.8 You must give reasons for all decisions you make in accordance with any statutory requirements and any reasonable additional requirements imposed by your authority.

PART 2: MEMBERS INTERESTS**4. Disclosable Pecuniary Interests**

4.1 You have a disclosable pecuniary interest in any matter to be considered or being considered by your authority if it is of a description set out at Appendix A and either:

- (a) it is an interest of yours, or
- (b) it is an interest of
 - (i) your spouse or civil partner
 - (ii) a person with whom you are living as husband and wife, or
 - (iii) a person with whom you are living as if you were civil partners

and you are aware that that other person has the interest.

4.2 You must comply with the statutory requirements to register, disclose and withdraw from participating and voting in respect of any matter in which you have a disclosable pecuniary interest

5. Personal Interests

5.1 You have a personal interest in any matter to be considered or being considered by your authority where your interest is not a disclosable pecuniary interest in that matter and either

- (a) the matter relates to or is likely to affect
 - (i) any body of which you are a member or in a position of general control or management and to which you are appointed or nominated by your authority;
 - (ii) any body
 - (aa) exercising functions of a public nature;
 - (bb) directed to charitable purposes; or
 - (cc) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union),

of which you are a member or in a position of general control or management;

- (iii) the interests of a person from whom you have received a gift or hospitality with an estimated value of at least £50 or

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- (b) a decision in relation to that matter might reasonably be regarded as affecting your well-being or financial position or the well-being or financial position of a relevant person to a greater extent than the majority of other council tax payers, ratepayers or inhabitants of the electoral division or ward, as the case may be, affected by the decision;

5.2 For the purpose of Paragraph 5.1(b) a “relevant person” is

- (a) a member of your family or any person with whom you have a close association; or
- (b) any person or body who employs or has appointed such persons, any firm in which they are a partner, or any company of which they are directors; or
- (c) any person or body in whom such persons have a beneficial interest in a class of securities exceeding the nominal value of £25,000; or
- (d) any body of a type described in Paragraph 5.1(a)(i) and (ii) above of which such persons are members or in a position of general control or management.

5.3 “Family member” as referred to in paragraph 5.2(a) above is for the time being defined as –

A spouse, partner, parent, parent in law, son, daughter, step son, stepdaughter, child of a partner, brother, sister, grandparent, grandchild, uncle, aunt, nephew, niece, or the spouse or partner of any of the preceding persons; and partner means a member of a couple who live together.

6. Prejudicial Interests

6.1 Where you have a **personal interest** in any matter to be considered or being considered by your authority you also have a prejudicial interest in that matter where 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 your judgment of the public interest and where that matter

- (a) affects your financial position or the financial position of a person or body described in Paragraph 5 above, or
- (b) relates to the determining of any approval, consent, licence, permission, or registration in relation to you or any person or body described in Paragraph 5 above.

6.2 A personal interest in any matter to be considered or being considered by your authority is not a prejudicial interest where that matter relates to the functions of your authority in respect of

Section A– Member Code of Conduct

- (i) housing, where you are a tenant of your authority provided that those functions do not relate particularly to your tenancy or lease;
- (ii) school meals or school transport and travelling expenses, where you are a parent or guardian of a child in full time education, or are a parent governor of a school, unless it relates particularly to the school which the child attends;
- (iii) statutory sick pay under Part XI of the Social Security Contributions and Benefits Act 1992, where you are in receipt of, or are entitled to the receipt of, such pay;
- (iv) an allowance, payment or indemnity given to members;
- (v) any ceremonial honour given to members;
- (vi) setting council tax or a precept under the Local Government Finance Act 1992

PART 3: REGISTRATION OF MEMBERS' INTERESTS**7. Notification and Registration of Members' Interests**

- 7.1 You must, within 28 days of adoption of this code or of becoming a member notify the Monitoring Officer of any disclosable pecuniary interest, or personal interest as set out in Paragraph 5 (1)(a) above, which you have, and the Monitoring Officer shall, subject to Paragraph 8 (Sensitive Interests) below, enter the interest(s) notified in the Council's Register of Members' Interests maintained under the Localism Act 2011.
- 7.2 You must, within 28 days of becoming aware of any new interest or change to any interest registered under Paragraph 7.1 above, register details of that new interest or change by providing written notification to the Monitoring Officer who shall, subject to Paragraph 8 (Sensitive Interests) enter the interests notified in the Register of Members' Interests.
- 7.3 You must observe the notification provisions relating to disclosable pecuniary interests which arise at meetings or when a member is acting alone which are set out at Paragraphs 9.4 and 9.6. respectively.

8. Sensitive Interests

- 8.1 Where you have an interest (whether or not a disclosable pecuniary interest) and the nature of it is such that you and the Monitoring Officer consider that disclosure of the details of the interest could lead to you or a person connected with you being subject to violence and intimidation if the interest is entered in the Register of Members' Interests then copies of the register available for inspection and any published version of the register must not include details of the interest but may state that you have an interest the details of which are withheld under section 32(2) of the Localism Act 2011.
- 8.2 If Paragraph 8.1 above refers to the entry of the interest in the Register of Members' Interests that provision is to be read as requiring you to disclose not the interest but merely the fact that the you have a disclosable pecuniary interest in the matter concerned.
- 8.3 You must, within 28 days of becoming aware of any change of circumstances which means that information excluded under Paragraph 8.1 above is no longer sensitive information, notify the Monitoring Officer asking that the information be included in the Register of Members' Interests.

PART 4: DISCLOSURE OF MEMBERS' INTERESTS AND EFFECT UPON PARTICIPATION AT MEETINGS**9. Disclosure of Interests**

- 9.1 Subject to paragraphs 9.3 to 9.6 below, where you have a disclosable pecuniary interest or a prejudicial interest in any matter being considered by your authority and you are present at a meeting of the authority or of any committee, sub-committee, joint committee, or joint sub-committee of the authority at which the matter is considered, you must disclose to that meeting the existence and nature of that interest whether or not such interest is registered in the Register of Members' Interests or for which you have made a pending notification.
- 9.2 Where you have a personal interest in any matter being considered by your authority which is not a disclosable pecuniary interest nor a prejudicial interest and you are present at a meeting of the authority or of any committee, sub-committee, joint committee, or joint sub-committee of the authority, at which the matter is considered, you are under no obligation to make a disclosure to the meeting but you may do so if you wish.
- 9.3 Paragraphs 9.1 - 9.2 above only apply where you are aware or ought reasonably to be aware of the existence of the interest.
- 9.4 Where you have disclosed a disclosable pecuniary interest pursuant to Paragraph 9.1 above, and that interest is not registered in the Register of Members' Interests and is not the subject of a pending notification, you must notify the Monitoring Officer of the interest before the end of 28 days beginning with the date of the disclosure.
- 9.5 Where you have an interest in any matter to be considered or being considered by your authority which would be disclosable by virtue of Paragraph 9.1 but by virtue of Paragraph 9 (Sensitive Interests) details of the interest are not registered in the Council's published Register of Members' Interests, at a meeting at which you are present you must disclose the fact that you have a disclosable interest in the matter concerned but details of that interest need not be disclosed.
- 9.6 If a function of the Council may be discharged by **a member acting alone** and you have a disclosable pecuniary interest or a prejudicial interest in any matter to be dealt with or being dealt with in the course of discharging that function:
- (a) if the interest is a **disclosable pecuniary interest** and is not registered in the Register of Members' Interests and is not the subject of a pending notification, you must notify the Monitoring Officer of the interest before the end of 28 days beginning with the date upon which you first became aware of having the interest in relation to the matter;

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- (b) you must not take any steps or any further steps in relation to the matter (except for the purpose of enabling the matter to be dealt with otherwise than by yourself).

10. Effect of Disclosable Pecuniary Interest or Prejudicial Interest on participation at meetings

10.1 Subject to Paragraph 10.3, if you are present at a meeting and you have a **disclosable pecuniary interest or a prejudicial interest** in any matter to be considered, or being considered at the meeting;

- (a) You may not participate, or participate further, in any discussion of the matter at the meeting, or
- (b) participate in any vote, or further vote, taken on the matter at the meeting, and
- (c) You must withdraw from the room or chamber where the meeting considering the matter is being held,

unless you have obtained a dispensation from your authority's Standards Committee.

10.2 Subject to Paragraph 10.3, if you are present at a meeting and you have a **disclosable pecuniary interest or a prejudicial interest** in any matter to be considered, or being considered at the meeting;

- (a) You may not exercise executive functions in relation to that matter, or
- (b) seek improperly to influence a decision about that matter.

10.3 Where you have a **prejudicial interest** in any matter to be considered or being considered at a meeting of your authority, you may attend a meeting (including a meeting of the overview and scrutiny committee of your authority or of a sub-committee of such a committee) but only for the purpose of making representations, answering questions or giving evidence relating to the matter, provided that the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise.

Appendix A**Disclosable Pecuniary Interests**

In the extract from the Regulations * below, 'M' means the member and 'relevant person' means the member, the member's spouse or civil partner or a person with whom the member is living with as spouse or as if they were civil partners.

| <u>Subject</u> | <u>Prescribed description</u> |
|---|--|
| Employment, office, trade, profession or vocation | Any employment, office, trade, profession or vocation carried on for profit or gain. |
| Sponsorship | Any payment or provision of any other financial benefit (other than from the relevant authority) made or provided within the relevant period in respect of any expenses incurred by M in carrying out duties as a member, or towards the election expenses of M. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992 |
| Contracts | Any contract which is made between the relevant person (or a body in which the relevant person has a beneficial interest) and the relevant authority— (a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged. |
| Land | Any beneficial interest in land which is within the area of the relevant authority. |
| Licences | Any licence (alone or jointly with others) to occupy land in the area of the relevant authority for a month or longer. |

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| | |
|---------------------|---|
| Corporate tenancies | Any tenancy where (to M’s knowledge)— (a) the landlord is the relevant authority; and (b) the tenant is a body in which the relevant person has a beneficial interest. |
| Securities | Any beneficial interest in securities of a body where— (a) that body (to M’s knowledge) has a place of business or land in the area of the relevant authority; and (b) either— (i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or (ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person has a beneficial interest exceeds one hundredth of the total issued share capital of that class. |

*The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 specify the interests above as disclosable pecuniary interests for the purposes of Chapter 7 of Part 1 of the Localism Act 2011.

The Regulations provide the following definitions of terms used in the specification of disclosable pecuniary interests:

“the Act” means the Localism Act 2011;

“body in which the relevant person has a beneficial interest” means a firm in which the relevant person is a partner or a body corporate of which the relevant person is a director, or in the securities of which the relevant person has a beneficial interest;

“director” includes a member of the committee of management of an industrial and provident society;

“land” excludes an easement, servitude, interest or right in or over land which does not carry with it a right for the relevant person (alone or jointly with another) to occupy the land or to receive income;

“M” means a member of a relevant authority.

“member” includes a co-opted member;

“relevant authority” means the authority of which M is a member;

“relevant period” means the period of 12 months ending with the day on which M gives a notification for the purposes of section 30(1) or 31(7), as the case may be, of the Act;

“relevant person” means M or any other person referred to in section 30(3)(b) of the Act;

“securities” means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

Appendix B**Offences**

It is a criminal offence to

- Fail to notify the Monitoring Officer of any disclosable pecuniary interest within 28 days of election
- Fail to disclose a disclosable pecuniary interest at a meeting if it is not on the register
- Fail to notify the Monitoring Officer within 28 days of a disclosable pecuniary interest that is not on the register that you have disclosed to a meeting
- Participate in any discussion or vote on a matter in which you have a disclosable pecuniary interest
- As an executive member discharging a function acting alone, and having a disclosable pecuniary interest in such a matter, failing to notify the Monitoring Officer within 28 days of becoming aware of the interest.
- Knowingly or recklessly providing information that is false or misleading in notifying the Monitoring Officer of a disclosable pecuniary interest or in disclosing such interest to a meeting
- As an executive member discharging a function alone, takes steps or further steps in relation to the matter (except for the purpose of enabling the matter to be dealt with otherwise than by the member)

The criminal penalties available to a court are to impose a fine not exceeding level 5 on the standard scale and disqualification from being a councillor for up to 5 years.



Haringey Council

'B'

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|---------------------------------|--|---------------------|--|
| Report for: | Standards Committee | Item Number: | |
| Title: | Amendments to the 'Arrangements for dealing with allegations that a member or co-opted member of Haringey Council has failed to comply with the Members' Code of Conduct' | | |
| Report Authorised by: | Bernie Ryan, Assistant Director of Governance and Monitoring Officer. | | |
| Lead Officer: | Bernie Ryan, Assistant Director of Governance and Monitoring Officer. | | |
| Ward(s) affected: N/A | Report for Key/Non Key Decisions: N/A | | |

1. Describe the issue under consideration

This report recommends some amendments to the procedure for dealing with alleged breaches of the Members' Code of Conduct, known as the 'Arrangements for dealing with allegations that a member or co-opted member of Haringey Council has failed to comply with the Members' Code of Conduct' (the Arrangements)

2. Cabinet Member introduction

N/A

3. Recommendations

That Members consider and approve the proposed amendments to the 'Arrangements' procedure.

4. Alternative options considered

- 4.1 Experience of using the procedure in recent cases has identified some inconsistencies and areas for improvement in the Arrangements procedure,



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which, if left unamended, may impact on the ability of Members to deal effectively with complaints about alleged breaches of the Code.

5. Background information

- 5.1 S27 of the Localism Act 2011 imposes a duty on councils to promote and maintain high standards of conduct by members and co-opted members of the authority. In discharging this duty councils are required to adopt a code dealing with the conduct which is expected of members and co-opted members of the authority when they are acting in that capacity. Section 28 of the Localism Act 2011 provides that local authorities must have in place arrangements under which allegations against members may be investigated and arrangements under which decisions on allegations can be made.
- 5.2 It is also important to have a procedure for dealing with complaints that the Council receives about breaches of the Code of Conduct, not only for the use of Members determining such complaints, but also for complainants and their representatives, so that they are clear about what the process is.
- 5.3 The current version of the Arrangements has been reviewed in light of recent experience of its use, including during the preparation for Hearing sub-committee meetings, and the proposed changes:
- (a) 4.1 Adding wording to encourage complaints to be made in writing on the standard complaints form.
 - (b) New para 4.5 making clear that the Monitoring Officer will advise the member about whom a complaint is made the nature of it and the remedy sought by the complainant, unless to do so would risk the investigation being prejudiced or frustrated in some way.
 - (c) Additional wording to para 5.3 making clear that the Monitoring Officer may use a number of criteria for assessing complaints and determining whether or not to refer them to the Assessment sub-committee. The assessment may include consultation with the Independent Person and may include discussion with the Party Whips/Leaders.
 - (d) Additional wording to 5.3.(a) to make clear that dissatisfaction with Council services are not considered to be breach of the Code.
 - (e) Additional word 'or' inserted into para 5.3(c) which was inadvertently omitted previously.
 - (f) Additional para 5.3(f) enabling complaints from vexatious complainants to be rejected.
 - (g) Additional wording to 5.4 clarifying that the Monitoring Officer will promptly notify the member and the complainant where he decides a complaint will not be referred to the Assessment sub-committee, and that he will give reasons for his decision.
 - (h) Removal of reference in paras 5.7 and 5.8 to the referral of investigation reports to the Standards Committee. The proposal is to streamline the process and in future it is recommended that investigation reports are



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referred straight to a Hearing sub-committee in cases where a breach of the Code is found.

- (i) Additional wording to 6.4 making clear that the Investigating Officer has discretion about the appropriate witnesses and documents to consider during the investigation so that it is effective and provides the relevant information for a Hearing sub-committee to consider.
- (j) Amendment to para 6.5 and 6.6 to streamline the process and remove the additional step of referring an investigation report to the Standards Committee prior to it being referred to a Hearing sub-committee.
- (k) Additional wording to paragraph 7.1 making it clear that a finding of no breach after an investigation will be referred to the Standards Committee for consideration.
- (l) Amendment to para 8.2 to streamline the process and remove the additional step of referring an investigation report to the Standards Committee prior to it being referred to a Hearing sub-committee.
- (m) Additional wording in the heading of para 9 to include the pre-hearing process
- (n) New para at 9.1 to set out information about the pre-hearing process, since this has been an issue of some dispute in recent cases.
- (o) New para 9.4 to make clear that in the absence at a Hearing of a member about whom a complaint has been made, the sub-committee has the discretion to adjourn or to carry on with proceedings.
- (p) Additional point in para 10(1)(j) to add the ability to take no further action to the suite of outcomes available to the Hearing sub-committee.
- (q) Some minor additional amendments made in consequence of the above.

6. Comments of the Chief Finance Officer and financial implications

6.1 There are no financial implications arising from this report

7. Comments of the Assistant Director of Corporate Governance and legal implications

7.1 These are included within the body of the report.

8. Equalities and Community Cohesion Comments

N/A

9. Head of Procurement Comments

N/A

10. Policy Implications

N/A



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11. Reasons for Decision

- 11.1 The Standards Committee supports the Council in discharging its duty to promote and maintain high standards of conduct by members and co-opted members. It is good practice to periodically review and amend (if needed), the arrangements for dealing with complaints about breaches of the Code of Conduct. In addition, the Hearing sub-committee has in the past year dealt with two investigation reports and some issues of clarity have arisen in relation to the procedure. These are being addressed in this review to ensure all parties to complaints are clear about the process.

12. Use of Appendices

Appendix A – ‘Arrangements for dealing with allegations that a member or co-opted member of Haringey Council has failed to comply with the Members’ Code of Conduct’

13. Local Government (Access to Information) Act 1985

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

Current version of ‘Arrangements for dealing with allegations that a member or co-opted member of Haringey Council has failed to comply with the Members’ Code of Conduct’

Arrangements for dealing with allegations that a member or co-opted member of Haringey Council has failed to comply with the Members' Code of Conduct**1. Introduction**

- 1.1 These arrangements set out how an allegation may be made that an elected member or a co-opted member of Haringey Council has failed to comply with the Members' Code of Conduct and how the Council will deal with such allegations.
- 1.2 Under Section 28 of the Localism Act 2011 the Council must have arrangements in place whereby allegations can be investigated and decisions upon them can be made. In addition the arrangements must provide for the Council to appoint at least one Independent Person whose views must be sought and taken into account by the Council before it makes a decision and who may be consulted by the Council at other stages in the process or by the member or co-opted member against whom an allegation has been made. These arrangements fulfil the Council's statutory obligations.
- 1.3 In these Arrangements a number of terms are used which have the following meanings:

| | |
|-----------------------|---|
| Member | An elected Councillor |
| Co-opted Member | A person who is not an elected member of the Council but has been appointed to a committee or sub-committee of the Council. |
| Monitoring Officer | A officer of the Council designated under section 5 of the Local Government and Housing Act 1989 to undertake the statutory duties prescribed which include ensuring that the Council and its members and officers act lawfully at all times. Under Section 29 of the Localism Act 2011 the Monitoring Officer must establish and maintain a register of interests of members and co-opted members. |
| Investigating Officer | An appropriate person appointed by the Monitoring Officer to conduct an investigation into an allegation. |
| Independent Person | A person appointed by the Council pursuant to Section 28 of the |

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 PROTOCOL – COMPLAINTS AGAINST MEMBERS

Localism Act 2011, whose views are sought and taken into account before decisions upon allegations against members are taken and who may be consulted by a member who is the subject of allegations or the Council, generally.

Standards Committee A committee of members responsible for promoting and maintaining high standards of member conduct within the Council.

Assessment Sub-Committee A Sub-Committee of Standards Committee established to decide whether allegations against members are worthy of being investigated.

Hearing Sub-Committee A Sub-Committee of Standards Committee established to conduct hearings which ~~Standards Committee may require~~ into allegations against members and to determine such allegations following a hearing.

2. The Members’ Code of Conduct

2.1 The Council has adopted a Members’ Code of Conduct which is available for inspection on the Council’s website and on request from the Monitoring Officer.

3. The Independent Person

3.1 Pursuant to Section 28 of the Localism Act 2011, the Council shall appoint an Independent Person. The person appointed shall have responded to a public advertisement for the vacancy and submitted an application for the post. The appointment of the successful applicant shall be approved by a majority of the members of the Council.

3.2 The views of the Independent Person shall be sought and taken into account by the ~~Standards Committee~~/Hearing Sub-Committee before it makes its decision on an allegation which it has decided to investigate.

3.3 The views of the Independent Person may be sought:

- (i) by the Standards Committee/Assessment Sub-Committee/Hearing Sub-Committee or by the Monitoring Officer/Investigating Officer in relation to an allegation in circumstances not within paragraph 3.2, above.

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- (ii) by a member or co-opted member of the Council if that person's behaviour is the subject of an allegation.

4. Making an allegation

- 4.1 An allegation that a member or a co-opted member of Haringey Council has failed to comply with the Members' Code of Conduct should be made in writing, wherever possible, using the Complaint Form on the Council's website to:

Bernie Ryan
Monitoring Officer
Haringey Council
7th Floor
Alexandra House
10 Station Road
London
N22 7TR

Tel: 0208 489 3974

or email:

bernie.ryan@haringey.gov.uk

- 4.2 It is important that a person making an allegation provides his/her name and a contact address or email address, so that the Council can acknowledge receipt of the allegation and keep the person informed of its progress. The person must indicate if he/she wants to keep his/her name and address confidential and the Monitoring Officer will consider any such requests.
- 4.3 The Council does not normally investigate anonymous allegations unless there is a clear public interest in doing so.
- 4.4 The Monitoring Officer will acknowledge receipt of an allegation within five clear working days of receiving it and will keep the person making the allegation informed of progress.
- 4.5 The Monitoring officer will inform the councillor against whom an allegation has been made and will give the details of the complaint and remedy sought to them. In exceptional circumstances the Monitoring Officer has the discretion not to inform the Councillor if, in his opinion, to do so would risk an investigation being frustrated or prejudiced in some other way.

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5. Assessment of an allegation

- 5.1 The Monitoring Officer will review every allegation received and may consult the Independent Person before taking a decision as to whether or not it merits reference to the Assessment Sub-Committee of the Standards Committee.
- 5.2 If the Monitoring Officer requires additional information in order to reach a decision, he/she may revert to the person making the allegation for such information and may request information from the member against whom the complaint is directed. If the person making the allegation fails to provide the additional information requested the allegation may be dismissed by the Monitoring Officer pursuant to paragraph 5.3 (c), below.
- 5.3 The Monitoring Officer will use a number of criteria for assessing complaints, and may consult with the Independent Person and if necessary the appropriate party group Whips and party Leaders. The decision whether to investigate a complaint will be a proportionate response to the issues raised and likely outcomes. The Monitoring Officer may determine that an allegation does not merit any further action, where:
- (a) The allegation does not demonstrate a breach of the Members' Code of Conduct; for example it relates to a member's private life to which the Code does not apply or it is about dissatisfaction with a Council decision or service, or
 - (b) It is about someone who is no longer a member or a co-opted member of the Council, or
 - (c) There is insufficient evidence upon which to investigate and/or the person making the allegation has failed to co-operate with the Monitoring Officer to specify the allegation sufficiently, or
 - (d) The same or a similar allegation has been investigated and determined, or
 - (e) It is an anonymous allegation which does not include sufficient documentary evidence to indicate a significant breach of the Member's Code of Conduct, or
 - (f) The Monitoring Officer facilitates an informal resolution without the need for a formal investigation. This may involve the member accepting that his/her conduct was unacceptable and offering an apology or other remedial action by the Council. If the Monitoring Officer considers an offer of informal resolution is reasonable but the person making the allegation is not willing to accept it, the allegation will be referred to the Standards Committee for determination, or

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(g) the complainant is considered to be vexatious.

- 5.4 If the complaint is dealt with under 5.3 above, the Monitoring Officer will promptly notify the complainant and the member of the outcome, giving reasons for the decision. Except as provided for in Paragraph 5.3 above, the Monitoring Officer shall refer all allegations to the Assessment Sub-Committee for consideration.
- 5.5 The Assessment Sub-Committee shall determine whether the allegation:
- (a) merits no further investigation and is dismissed, or
 - (b) merits further investigation.
- 5.6 The Assessment Sub-Committee may determine that an allegation merits no further investigation for whatever reasons it thinks fit, but it may have regard to the criteria set out in Paragraph 5.3 above and to the following additional criteria:
- (a) The allegation is not considered sufficiently serious to warrant investigation, or
 - (b) The allegation appears to be motivated by malice or is ‘tit-for-tat’, or
 - (c) The allegation appears to be politically motivated, or
 - (d) The matter about which the allegation is made took place more than three months prior to receipt of the allegation unless there are exceptional circumstances or it is otherwise appropriate to investigate.
- 5.7 Where the Assessment Sub-Committee considers that an allegation merits further investigation, the Monitoring Officer shall undertake such investigation ~~and report to the Standards Committee.~~
- 5.8 The decision as to whether or not an allegation should be investigated will normally be taken within thirty clear working days from receipt. The Monitoring Officer will inform the person making the allegation of that decision and if the allegation is to be investigated, an indication of the timescale for the investigation. ~~and the likely meeting of the Standards Committee to which the report will be submitted.~~ The Monitoring Officer will keep the person informed if the initial timetable changes substantially,

6. The Investigation

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- 6.1 The Monitoring Officer may conduct the investigation personally or may appoint an Investigating Officer, who may be another senior officer of the Council, an officer of another authority or an external investigator.
- 6.2 The Monitoring Officer/Investigating Officer will decide if he/she needs to meet or speak to the person making the allegation to understand the nature of the allegation and so that the person can explain his/her understanding of events and identify what documents he/she considers the Monitoring Officer/Investigating Officer needs to see and who he/she considers the Monitoring Officer/Investigating Officer needs to interview.
- 6.3 The Monitoring Officer/Investigating Officer will normally write to the member against whom the complaint is made and provide him/her with a copy of the complaint and ask the member to provide his/her explanation of events and to identify what documents he/she considers the Monitoring Officer/Investigating Officer needs to see and who he/she considers the Monitoring Officer/Investigating Officer needs to interview. Where it is appropriate to keep confidential the identity of the person making the allegation the Monitoring Officer/Investigating Officer will delete the person's name and address from the papers given to the member. Where disclosure of details of the allegation to the member might prejudice the investigation, the Monitoring Officer/Investigating Officer may delay notifying the member until the investigation has progressed sufficiently.
- 6.4 The Monitoring Officer/Investigating Officer has absolute discretion about which are the appropriate witnesses to interview and documents to consider but will follow best practice in conducting investigations. Having considered all relevant documentation identified and having interviewed all relevant witnesses, at the end of the investigation the Monitoring Officer/Investigating Officer will produce a draft report and may where appropriate send copies of that draft report, in confidence, to the person making the allegation and to the member concerned, to give ~~both~~ them an opportunity to identify any matter in that report with which there is disagreement or which is considered to require more consideration.
- 6.5 Where an Investigating Officer has been appointed, having received and taken account of any comments which the person making the allegation and/or the member have made on the draft report, the Investigating Officer will send his/her final report (the Investigation Report) to the Monitoring Officer for the latter's consideration prior to onward transmission to the Hearing Sub-Standards Committee where appropriate. If the Monitoring Officer is not satisfied that the investigation has been conducted properly, he/she may ask the Investigating Officer to reconsider the report or may appoint a new Investigating Officer.

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- 6.6 Where the Monitoring Officer has undertaken the investigation personally, having received and taken account of any comments which the person making the allegation and/or the member have made on the draft report, and, where appropriate, having sought to achieve an informal resolution pursuant to paragraph 8.1 below, the Monitoring Officer shall submit the Investigation Report to the Hearing Sub-Committee and the Independent Person.
7. **Where the Monitoring Officer/Investigating Officer concludes that there is no evidence of a failure to comply with the Code of Conduct.**
- 7.1 In these circumstances the Monitoring Officer will refer the matter to the Standards Committee. When the Standards Committee receives an Investigation report which recommends that there is no evidence of failure to comply with the Members' Code of Conduct, the Committee may:
- (a) accept the recommendation resolve that no further action is required and dismiss the allegation, or
 - (b) remit the report to the Monitoring Officer for further consideration, or
 - (b) remit the complaint to the Hearing Sub-Committee to conduct a hearing for the consideration of the allegation and the Investigation Report and to determine the allegation.
- 7.2 Prior to making a determination under Paragraph 7.1 above, the Standards Committee shall seek and shall take into account the views of the Independent Person.
8. **Where the Monitoring Officer/Investigating Officer concludes that there is evidence of failure to comply with the Code of Conduct.**
- 8.1 Where an Investigation Report concludes that there is evidence of failure to comply with the Code of Conduct the Monitoring Officer may consider that the matter can reasonably be resolved without the need for a hearing. In such a case, he/she will consult the Independent Person and the person making the allegation and seek to agree what the person considers to be a fair resolution which also helps to ensure higher standards of conduct for the future. Such resolution may include the member accepting that his/her conduct was unacceptable and offering an apology, and/or other remedial action by the Council. If the member complies with the suggested resolution, the Monitoring Officer will report the matter to the Standards Committee which will note the outcome but take no further action.

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8.2 If the Monitoring Officer considers that an informal resolution is not appropriate, or the member concerned is not prepared to undertake any proposed remedial action, such as giving an apology, then the Monitoring Officer will submit the Investigation Report to the Hearing Sub-Committee. ~~The Committee may:~~

- ~~(a) note the recommendation and remit the allegation to the Hearing Sub-Committee to conduct a hearing for the consideration of the allegation and the Investigation Report and to determine the allegation.~~
- ~~(b) remit the report to the Monitoring Officer for further action including, where the Committee considers it appropriate, to pursue an alternative informal resolution. If the further action does not achieve a resolution, the Monitoring Officer may refer the allegation and the Investigation Report to the Hearing Sub-Committee.~~

9. The Pre Hearing Process and Hearing

9.1 In advance of the Hearing the Monitoring Officer (and/or his nominees) will:

- (a) agree a date for the hearing with all the relevant parties;
- (b) provide a timetable for the member to provide details about whether they wish to give evidence (and whether orally or in writing) at the hearing and any witnesses they intend to call, and additional papers they may wish to provide in time for inclusion in the committee papers;
- (c) establish whether the member will be represented or accompanied at the hearing;
- (d) establish whether the member wishes any part of the Investigation Report to be kept confidential or the Hearing itself to be held in private, and the reasons for this;
- (e) provide information about the procedure to be used at the hearing;
- (f) establish whether the member disagrees with any of the findings of fact in the Investigation Report;
- (g) establish whether the Investigating Officer intends to call any witnesses.

9.2 Wherever possible hearings conducted by the Hearing Sub-Committee shall take place within three calendar months of the referral to the Hearing Sub-Committee.

9.3 At the hearing, the Monitoring Officer/Investigating Officer will present the Investigation Report, call such witnesses as he/she considers necessary and make representations to substantiate his/her conclusion that the member has failed to comply with the Code of Conduct. For this purpose, the Monitoring Officer/Investigating Officer may request the person making the allegation to attend and give evidence to the Standards Committee.

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- 9.4 The member will then have an opportunity to give his/her evidence, to call witnesses and to make representations to the Standards Committee as to why he/she considers that he/she did not fail to comply with the Members' Code of Conduct.
- 9.5 *If a member fails to attend the hearing, the Hearing Sub-Committee may decide to proceed in the members absence and make a determination, or to adjourn the hearing to a later date*
- 9.6 Full details of the process to be undertaken at the hearing are contained in the Hearing Procedure note comprising Appendix A to these arrangements.
- 9.7 The Hearing Sub-Committee, having sought and taken into account the views of the Independent Person may conclude:
- (a) that the member did not fail to comply with the Members' Code of Conduct, and dismiss the complaint, or
 - (b) that the member did fail to comply with the Members' Code of Conduct.
- 9.8 In the event of a finding under Paragraph 9.7 (b) above, the Chair will inform the member of this finding and the Hearing Sub-Committee will then consider what action, if any, it should take as a result of the member's failure to comply with the Members' Code of Conduct. In doing this, the Hearing Sub-Committee will give the member an opportunity to make representations to the Sub-Committee as to whether any action should be taken and what form any action should take and will seek and take into account the views of the Independent Person. It will then decide what action, if any, to take in respect of the matter.
- 10. Action which may be taken where a member has failed to comply with the Code of Conduct**
- 10.1 Having determined that a member has failed to comply with the Members' Code of Conduct, the Hearing Sub-Committee may:
- (a) Publish its findings in respect of the member's conduct;
 - (b) Report its findings to Council for information;
 - (c) Issue the member with a formal censure or be reprimanded, a report of which may be submitted to Council
 - (d) Recommend to the member's Group Leader (or in the

case of ungrouped members, recommend to Council or to Committees) that he/she be removed from any or all Committees or Sub-Committees of the Council;

- (e) Recommend to the Leader of the Council that the member be removed from the Cabinet, or removed from particular Portfolio responsibilities;
- (f) Instruct the Monitoring Officer to arrange training for the member;
- (g) Recommend to Council or Cabinet (as appropriate) that the member be removed from outside appointments to which he/she has been appointed or nominated by the Council/Cabinet
- (h) Withdraw facilities provided to the member by the Council, such as a computer, website and/or email and internet access; or
- (i) Exclude the member from the Council's Offices or other premises, with the exception of meeting rooms as necessary for attending Council, Cabinet, Committee and Sub-Committee meetings.
- (j) Take no further action
- (k) Any other appropriate sanction which may be available to the Sub-Committee.

10.2 The Hearing Sub-Committee has no power to suspend or disqualify the member or to withdraw members' or special responsibility allowances.

10.3 At the end of the hearing, the Chair shall state the decision of the Hearing Sub-Committee as to whether the member failed to comply with the Code of Conduct and as to any action which the Sub-Committee has resolved to take.

10.4 As soon as reasonably practicable thereafter, the Monitoring Officer shall prepare a formal decision notice after consultation with the Chair of the Hearing Sub-Committee, and send a copy to the person making the allegation; to the member concerned; make that decision notice

available for public inspection and report the decision to the next convenient meeting of the Council.

11. Appeals

11.1 There is no right of appeal for either the person making the allegation or for the member against whom the allegation is made, against a decision of the Monitoring Officer or of the Standards Committee/Assessment Sub-Committee/Hearing Sub-Committee

11.2 If a person making the allegation considers that the Council has failed to deal with an allegation properly, he/she may make a complaint to the Local Government Ombudsman.

Appendix A**Hearing Procedure**

The model procedure which follows comprises good and equitable practice and should be followed closely wherever possible. There may be occasions when circumstances require variations and subject to the maintenance of the principles of natural justice these may be effected at the discretion of the Hearing Sub-Committee and advised to the parties

1. The Chair shall facilitate introductions and explain the procedure for the hearing.
2. The Monitoring Officer/Investigating Officer shall be invited to present his/her Investigation Report including any documentary evidence or other material and to call witnesses as required. This report and documentary and witness evidence must be based on the allegation made to the Council; no new or additional matters will be allowed.
3. The Member against whom the allegation has been made or his/her representative may question the Monitoring Officer/Investigating Officer upon the content of the Investigation Report and any witnesses called by the Monitoring Officer/Investigating Officer. This is the Member's opportunity to ask questions arising from the Investigation Report and the direct evidence and not to make a statement.
5. Members of the Sub-Committee may question the Monitoring Officer/Investigating Officer upon the content of the Investigation Report and any witnesses called by the Monitoring Officer/Investigating Officer
6. The Member against whom the allegation has been made or his/her representative may present his/her case and call witnesses as required.
7. The Monitoring Officer/Investigating Officer may question the Member and any witnesses
8. Members of the Sub-Committee may question the Member and any witnesses.
9. The Monitoring Officer/Investigating Officer may sum up the investigation into the allegation and make a closing speech.
10. The Member or his/her representative may sum up his/her case and make a closing speech.
11. The Chair shall invite the parties to withdraw to enable the Sub-Committee to deliberate upon the allegation. Prior to reaching a determination the

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Sub-Committee shall seek and take into account the views of the Independent Person.

12. The parties shall be invited to return and the Chair shall announce the Sub-Committee's decision in the following terms:-

- (a) The Sub-Committee has determined that the Member has failed to comply with the Code of Conduct, or
- (b) The Sub-Committee has determined that the Member has not failed to comply with the Code of Conduct and the allegation is dismissed.

The Sub-Committee will give reasons for its decision.

13. If the Sub-Committee has determined that the Member has failed to comply with the Code of Conduct it shall consider any representations from the Member as to whether any action should be taken and what form any action should take.

14. The Chair shall invite the parties to withdraw to enable the Sub-Committee to deliberate upon what action if any should be taken. Prior to reaching a determination the Sub-Committee shall seek and take into account the views of the Independent Person.

15. In addition to any action upon the current matter, the Sub-Committee shall consider whether in consequence it should make recommendations to the Council with a view to promoting high standards of conduct amongst Members.

16. The parties shall be invited to return and the Chair shall announce the Sub-Committee's decision

17. A full written decision shall be issued to the Complainant and the Member within ten clear working days following the hearing and shall be published.

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