

# **MINUTES OF THE MEETING OF THE CABINET HELD ON Tuesday, 19th January, 2016**

## **PRESENT:**

**Councillors: Claire Kober (Chair), Jason Arthur, Alan Strickland,  
Bernice Vanier and Ann Waters**

### **164. FILMING AT MEETINGS**

The Leader referred to agenda item 1 as shown on the agenda in respect of filming at this meeting, and Members noted this information.

### **165. APOLOGIES**

Apologies for absence were received from Councillor McNamara, Councillor Morton, Councillor Demirci and Councillor Goldberg.

### **166. URGENT BUSINESS**

There were no new items of late business received.

### **167. DECLARATIONS OF INTEREST**

No declarations were put forward.

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

No representations were received.

### **169. MINUTES**

Cllr Engert asked for a correction to be made to the minutes, CAB 143. This was in relation to her 2 separate questions put forward on availability of funding for a swimming pool in Wood Green and the reduction in capital receipts if the Council has to hand back to the treasury unused RTB receipts. These two questions had been put together in the minutes as one question and would need to be separated with a response provided.

Subject to this amendment the minutes of the meeting held on the 15<sup>th</sup> December 2015 were agreed.

### **170. DEPUTATIONS/PETITIONS/QUESTIONS**

There were no deputations, questions or petitions put forward to the meeting.

## **171. BUDGET MONITORING 2015/16 - PERIOD 8**

The Cabinet Member for Resources and Culture introduced the report which set out a range of indicators relevant to the Council's overall financial health. These included the forecast financial revenue and capital outturns for 2015/16 based on actual performance to 30<sup>th</sup> November 2015. The budget challenges outlined in the previous budget monitoring report, considered by Cabinet in November remained. Children's Services remained focused on reducing spend, including utilising the use of foster carers to bring down placement costs.

In terms of Adult Social Care overspend, there were measures in place to reduce spend including: care package reviews, contract re-negotiations, reducing dependency of existing clients on existing packages through re-aliment and Improving VFM for spot contracts.

The commitment to a co-production approach remained as this would bring the benefits of services transformation, but at this current time, would delay some savings being achieved. There would be another 3 year budget review to make sure the savings proposals coming forward were realistic as possible.

Also there would be actions taken to mitigate against the increasing cost of temporary accommodation. These actions will be assisted, in the long term, by Capital Strategy which will help push down and manage housing cost.

In response to Cllr Engert's question, concerning the reasons for the less than expected capital receipts for the current year, this was due, mainly, to not yet receiving the capital receipt for Apex House which was still expected for this current year but still could slip to the next financial year.

Agreed that Cllr Engert is provided with details, outside of the meeting, on the placement and duties, of the newly appointed air quality apprentice.

### **RESOLVED**

1. To note the report and the progress being made against the Council's 2015/16 budget in respect of net revenue and capital expenditure;
2. To approve the budget changes (virements) as set out in Appendix 1;
3. To delegate to the Lead Finance Officer the authority to agree cash flow support for Alexandra Palace in support of the East Wing Restoration Project (Set out in paragraphs 9.7 to 9.10 of the interleaved report).
4. To maintain under review the key risks and issues identified in this report.
5. To note that a provisional outturn report will be brought to the March Cabinet meeting.

### **Reasons for decision**

Members' involvement in financial monitoring is an essential part of delivering the Council's priorities.

The constitution requires Members to approve certain financial transactions such as virements according to approved limits.

### **Alternative options considered**

This report proposes that the Cabinet considers the financial position for 2015/16 in line with existing procedures. It also includes enhanced financial information to give the Cabinet a more rounded view of the Council's finances.

A risk based approach to budget monitoring has been developed in order to manage the Council's finances at a time of economic and financial uncertainty including additional financial information.

At this stage of the year the impact of management action on the current years position is limited however, given the overall position and the further savings to be delivered in 2016/17 it is still as important that corrective action is identified to bring expenditure back into line with the budget.

## **172. 2016/17 BUDGET UPDATE**

The Cabinet Member for Resources and Culture introduced the report which set out the issues arising from the recent Autumn Statement and Spending Review 2015 and provisional local government finance settlement with particular focus on their effect on the Council's budget for 2016/17. Cabinet noted that the impact on future years' budgets will be considered later in 2016 as the Council begin to review the MTFs for future years.

The Cabinet Member reported that the Local Government Finance settlement had, generally, not been kind to local authorities with a reduction in spending powers. Cabinet also noted that there would now be 4 year settlements to provide local authorities with more certainty to plan their budgets. Therefore the Council's early choice to take forward a three year MTFs and Corporate Plan had been the correct course of action to take.

The report was proposing to keep Council Tax fixed but due to the demand pressures in Adult social care, the Council would take forward an Adult's Services precept, meaning a 2% increase in Council Tax. This would be for specific use on Adult Social Care and reducing the pressure on care packages.

In regards to the impact of this in the savings programme of the Council, the Cabinet Member for Resources and Culture reiterated that these were still financially challenging times for the Local Authority and it was important to adhere to the existing financial savings timetable.

In response to Cllr Engert's question on the use of the expected £1.7m income coming forward from the precept and keeping services open for local people, it was evident from the budget monitoring report that even with day care centres currently still open, there was a continuing budget pressure in Adults services to tackle. The additional £1.7m income, from the 2% precept, on a financial yearly basis, would provide the Council with the flexibility to support reducing spend arising from demographic pressures or to support the co production initiatives coming forward.

The Leader reminded Cabinet of the London and national funding issue with Adults Social Care Services; even with all local authorities applying the 2% precept for funding social care this would only fund £1 in every £3 for Adults Social Care and would not provide a sustainable financial future for Adult Social Care.

The Leader further reiterated that when taking forward changes in social care the Council has an obligation to further fill better care outcomes for all adults in the borough.

### **RESOLVED**

1. To note the outcomes arising from the Provisional Local Government Finance Settlement and the impact on the Council's financial plans for setting the 2016/17 budget.

2. To agree that the Council should advise the Department for Communities and Local Government of its intention to consult on the implementation of the 2% Adult Social Care precept.

### **Reasons for decision**

In February 2015, and following extensive consultation, the Council approved its Corporate Plan and Medium Term Financial Strategy (MTFS) covering the period 2015 - 18. The Corporate Plan set out the Council's priorities, the MTFS outlined the overall financial strategy and the Workforce Plan outlined the workforce strategy for achieving those priorities.

As a result of the significant reductions to the Council's funding from central government grants, the MTFS required around £70m of approved saving proposals to deliver a balanced budget position in each of the three years' covered by the MTFS (2015 – 18).

Previous government Spending Reviews have provided information covering the financial years up to and including 2015/16; projections beyond that point have been made on assumptions based on national data and trajectories provided by the Office for Budget Responsibility (OBR).

Following the General Election in May 2015 a new Spending Review was necessary and the November 2015 announcement provided summary financial data for the period up to 2020.

On 17<sup>th</sup> December the Department for Communities and Local Government (DCLG) provided much of the authority level detail necessary to update the information required to finalise the setting of the 2016/17 budget. Whilst the Council has already approved a three year MTFS, the Council must statutorily set an annual budget including agreeing the level of the Council tax for that year.

### **Alternative options considered**

The Council has already approved a three year Medium Term Financial Strategy in February 2015 and we are not proposing to revisit the savings decisions made at that point in time as we still consider them to be the right ones. The approved savings for 2016/17 have been restated in Appendix B for ease of reference. A number of further alternatives have also been considered as set out below:

- (i) The 2015/16 budget monitoring information indicates that there are some financial pressures (slippage) arising from the delivery of the 2015/16 saving proposals and consideration has been given to using reserves to cover the slippage in the short term. However, whilst it has been concluded that the use of reserves is an appropriate approach to dealing with slippage, and the Council will adopt this approach where it is agreed through the budget monitoring process, the Council has no evidence to suggest that it should change any of these savings plans however, we will be conducting further reviews in 2016/17. If these reviews identify that savings are unachievable then the Council will explore what different options are available to achieve the transformational changes that are required in the provision of Council services.
- (ii) Further Service Savings - There has been consideration, as an alternative to raising Council tax, that the organisation could find more savings in its service base thereby reducing the service budget requirement. This was discounted because the services are already faced with a significant savings programme. Adding more savings to an already difficult programme would be detrimental to the achievement of outcomes already agreed in the Corporate Plan.
- (iii) The option of raising Council tax has also been considered. Due to the significant pressures in Adults Social Care we are consulting on whether to apply the Adult Social Care precept, announced by the government in the Spending Review. This would raise an estimated £1.7m. It is further possible to increase Council tax by up to 2% before a referendum is required. We are not proposing to implement this more general increase. This decision has been

made because the Council's current level of Council tax is above the London average and there are concerns about the regressive nature of the tax.

### **173. PROPOSED CHANGES TO OUR APPROACH TO WELFARE ASSISTANCE**

The Cabinet Member for Resources and Culture introduced the report which set out a proposed timetable for responding to welfare reform changes and signalled the Council's commitment to developing a more strategic approach to supporting those in financial hardship. The report also proposed some immediate changes to existing provision of financial assistance to ensure that these resources are prioritised where they can have the most impact.

The Cabinet Member continued to speak about the ideological nature of the Government's reforms, their negative impact, including the loss of benefits for 13,000 households in the borough. This meant the Council would need to ensure that it was offering assistance through its current welfare assistance schemes as effectively as possible. The report further discussed better aligning support funding with the DHP scheme to meet families that were most in need and there would be separate reports on the DHP and Support fund policy coming forward for key decisions in March.

#### **RESOLVED**

1. To note progress to date in preparing for welfare reform changes (paragraph 6.1) and agree the proposed timetable for developing our strategic response to welfare reform (paragraph 6.4).
2. To agree that when the current Support Fund contract ends on 31 March 2016, the existing scheme should be brought to an end, and that a proposal for how the Council will meet the needs of those who would have been eligible for support under the scheme is brought to the Cabinet Member for Resources in March 2016 for approval (paragraphs 6.34-6.38)
3. That subject to agreement of 3.2 above, to agree that the remaining resources for local welfare assistance held in reserves following the Support Fund closure should be aligned with other forms of assistance for those in financial hardship and that a clear plan is developed for how these resources will be targeted to meet existing and future support needs (paragraphs 6.34-6.38)
4. To agree that the Council reviews its Discretionary Housing Payment policy and as part of this review takes steps to improve the monitoring of support, ensuring that systems are in place to deliver support in line with agreed policies in a fair and consistent manner (paragraphs 6.39-6.40)
5. To note proposals to engage with the voluntary and community sector to develop a shared strategic response to welfare reform (paragraphs 6.43-6.45)

#### **Reasons for decision**

The existing contract for the Support Fund ends on 31 March 2016 and a decision is needed as to how to proceed following the end of the contract. Remaining resources for local welfare assistance are limited and the Council needs to ensure that these resources are targeted efficiently and at the areas of greatest need.

The Discretionary Housing Payments policy is approved annually to take account of any national policy changes and local financial settlement. Any spend on DHP over and above the

government allocation is at cost to the Council's General Fund. This policy will need to be reviewed and updated by the end of 2015/16 to take account of the Local Government Financial Settlement allocation and the changes that are due to come in through the Welfare Reform and Work Bill.

Decisions on the use of resources for local welfare assistance must be taken in the context of our longer-term response to the changes within the Welfare Reform and Work Bill. The magnitude of these changes for our residents will require the Council to have a clear strategic response in place and members are asked to agree the timetable and process for this.

### **Alternative options considered**

#### Re-tender the Support Fund contract

An alternative option would be to retender the Support Fund contract, which is currently due to end on 31 March 2016. Although there is currently enough remaining in reserves to extend the contract for an additional year, this is not considered the best use of these resources as the Support Fund is expensive to administer and only supports a small proportion of those facing financial hardship. Retendering the existing contract would also be a resource intensive process and, given remaining resources would only support a new contract for a period of 1 to 2 years; this would not be an efficient use of Council resources. Continuing with an externally administered scheme also reduces opportunities to better coordinate existing resources.

#### Bring the existing contract in house

An alternative option would be to end the existing contract with Northgate and bring the Support Fund scheme in house. This would enable the scheme to be aligned with other forms of financial assistance and reduce the potential for duplication. However, there are likely to be significant administrative and set up costs associated with developing the scheme in house. Given the limited resources remaining within reserves it is not considered good value for money to use these resources to set up an in-house scheme which could only be supported for a limited period of time.

#### Do nothing

Doing nothing is not considered to be a viable option given the anticipated impact of welfare reform changes on demand for financial assistance and support in the borough.

## **174. WOOD GREEN INVESTMENT FRAMEWORK AND AREA ACTION PLAN**

The Cabinet Member for Housing and Regeneration introduced the report which outlined to Members the four broad development options for Wood Green and the emergent preference for one of the options for how regeneration might take place in Wood Green. The report further sought approval to carry out a first stage public consultation on these 4 growth options through publication of the draft of the Wood Green Area Action Plan: Issues and Options Report (the 'Wood Green AAP'). There would then later follow a second consultation process on the preferred option.

The report also sought Members approval to the revised budget to complete the Wood Green Investment Framework in order to put in place the necessary staff and resources to manage the project effectively through to completion of the AAP and to commence the implementation stage. The Investment Framework would be reported separately to Cabinet in due course.

Cllr Engert questioned the consideration being given to Cross Rail 2 in the plans when no decision by government had been made on this. In response it was noted that the plans for Wood Green were much needed and were at an early stage so amendments could be made according to changes in London and regional plans. However, it was important to include a transport plan for Wood Green and give consideration to the impact of Cross Rail 2 even at this early stage.

Cllr Engert further asked a question about whether GP services had been included in the plans to regenerate Wood Green. Councillor Strickland responded by setting out the importance being given to social infrastructure in Wood Green and the discussions already taking place with the community about schools, and health provision. The Council were alive to this issue and also speaking with the appropriate organisations.

Cllr Engert further asked questions about the community benefits of the AAP including a swimming pool for Wood Green. The Cabinet Member for Housing and Regeneration was happy to speak with Cllr Engert on the leisure provision but no commitments could be made about a swimming pool for the local area.

## **RESOLVED**

1. To approve for Regulation 18 consultation purposes the publication of the draft Wood Green Area Action Plan: Issues and Options report (attached at Appendix 1) for a period of seven weeks commencing on 1<sup>st</sup> February 2016.
2. To note the consultation programme set out at Appendix 2.
3. To approve the revised expenditure budget and external funding plans to complete the Wood Green Investment Framework and AAP as set out in Section 6.
4. To agree a maximum additional Council contribution of £694,000 to finance the current shortfall to the end of March 2017.

## **Reasons for decision**

Haringey faces considerable challenges in planning for long term growth. Following the publication London Plan 2015, the Borough's housing target has risen from 830 net new dwellings per year to 1,502. In parallel, the borough has a target to increase employment levels by 29% over the next 20 years.

The Wood Green area (which includes the Chocolate Factory and Clarendon Road sites) is identified in the London Plan and the adopted (2013) and emerging update to the Local Plan Strategic Policies DPD as a Growth Area able to accommodate a significant portion of the borough's future development needs. Significant development opportunities have already been identified in the emerging Site Allocations DPD for sites along the railway, Clarendon Road, Cobourg Road and the Council's own landholdings, including the Civic Centre, Station Road sites and the Wood Green Library site. However, at the moment there is no comprehensive long-term strategy for the future of the Metropolitan Town Centre and its hinterland to co-ordinate these development opportunities.

The Investment Framework and Wood Green AAP are required to ensure there is a clear and structured plan for delivering change within this area that delivers on Council's and the community's aspirations for the place and maximises the benefits to be achieved from new development and strategic investment in infrastructure.

Public consultation is an important statutory requirement in the preparation of the Local Plan and the documents cannot progress to the next stages in the plan-making process without carrying out appropriate consultation – for the AAP this will need to be in accordance Council's statutory duty to consult and the adopted Statement of Community Involvement (SCI).

#### **Alternative options considered**

If an Investment Framework and Area Action Plan were not developed and adopted, it is expected that the market will respond to increasing demand for residential and commercial development. This risks undermining the community and the Council's ability to secure managed change in Wood Green against a backdrop of a coherent spatial vision and would be likely instead to see more piecemeal development in the area.

Proceeding without an area specific planning policy framework also risks undermining the status of Wood Green as a Metropolitan Town Centre (in the London Plan), as the developers and investors respond to short term commercial demands which may not correspond with longer-term housing and employment growth aspirations.

Without clear and adopted area based planning policies and a coherent regeneration programme, the Council will have reduced control over future development of its own land and property assets in Wood Green, limiting what can be achieved in delivering the Council's housing and employment targets.

Options regarding the content and timetable for the production of Haringey's Local Plan, including the Wood Green Area Action Plan, were considered in January 2015 by Cabinet in the context of agreeing the revised Local Development Scheme. Therefore, no further options in respect of the preparation of an Area Action Plan or valid alternatives are considered in the context of preparing this report.

All local development plan documents must comply with the requirements of Section 19 of the Planning and Compulsory Purchase Act 2004 (as amended) and Regulation 18 of the Town & Country Planning (Local Planning) (England) Act 2012. There is therefore no alternative to progressing the statutory Development Plan Documents (DPD) other than in accordance with these provisions, Council's statutory duty to consult and its adopted SCI.

### **175. ST MARY'S CE PRIMARY EXPANSION - CHURCH LANE SITE**

The Cabinet Member for Children and Families introduced the report which sought approval to award a contract for construction works to be undertaken on the St Mary's CE Primary School building located on the Church Lane site so the school can accommodate an additional form of entry as allowed under CSO 9.06.1.d and be ready to include additional pupils in September 2016.

#### **RESOLVED**

1. To appoint T&B (Contractors) Ltd in the amount of £686,663.60 for a contract period of 27 weeks. To allow timely delivery of the project to enable accommodation of an additional form of entry by September 2016.
2. To approve the issuance of a Letter of Intent not exceeding 10% of the contract sum.



**Reasons for decision**

To award a contract which will enable the timely mobilisation and construction works to St Marys CE Primary School Church Lane Site which aims to support the Council's requirement for additional school places from September 2016.

**Alternative options considered**

The proposed expansion of St Mary's CE Primary School is expected to support additional cohorts from September 2016. A do nothing option would not support local demand for additional pupil places.

Four contractors were invited to tender and therefore considered to undertake the required construction works at St Marys CE Primary School Church Lane site. The tenderers proposals were evaluated using a 60% quality and 40% price weighting and on this basis the recommended contractor is deemed to be the most economically advantageous tender representing the best value option to deliver the required works.

**176. AWARD OF TENDER FOR SCHOOL NURSING SERVICE**

The Cabinet Member for Children and Families introduced the report which detailed the outcome of an open tender process for the award of a contract for the provision of a School Nursing Service for one year to Whittington Health, the sole bidder for this contract. Cabinet noted that the School Nursing Service promotes and protects the health and well being of school age children and young people who attend mainstream schools in Haringey and school age children not in school.

**RESOLVED**

1. To approve the award in accordance with CSO 9.06.1(d) of the provision of a school nursing service contract to Whittington Health NHS Trust for a period of one year commencing 1<sup>st</sup> April 2016 at a value of £867,413 with an option to extend for a further period of up to one year.
2. To note that £150,000 of the first year's contract price relating to delivery of the school age immunisation element of the service will be funded by NHS England and the rest of that year's cost of £717, 413 for the school nursing service will be funded by the Council from the public health grant.

**Reasons for decision**

As a result of the procurement exercise, which was carried out in accordance with the Procurement Code of Practice, only one application was received, from the current provider of the school nursing service, Whittington Health NHS Trust.

The original contract length specified in the tender documentation was for two years with an option to extend for a period of up to three years. However, in order to re-align future service provision to support integrated services and to meet the medium term financial strategy, it is now proposed to work with Whittington Health to redesign the service over the next one to two years.

Clarification has been sought from Whittington Health as to whether they would be prepared to accept the shorter one year contract term with a one year extension option and they have confirmed that they would.

### **Alternative options considered**

The option of extending the existing contract was not available as the contract made no provision for an extension.

To withdraw from the tender process and not award the contract. This was not considered viable as this would cause considerable disruption to schools and interrupt the delivery of mandated services i.e. the school age immunisations programme and the National Child Measurement Programme.

## **177. INTER AUTHORITY AGREEMENT WITH CONSTITUENT BOROUGHES OF THE NORTH LONDON WASTE AUTHORITY**

The Leader introduced the report which proposed agreement of the Inter Authority Agreement. This proposal had been put forward to all 7 constituent boroughs and would allow them to pay an equal and proportionate cost for waste and recycling. This agreement was needed before the end of January 2016 to allow the menu pricing to begin from April 2016 as per the previous Cabinet and Cabinet Member Signing decisions.

### **RESOLVED**

1. To approve the appended IAA and grant approval for the legal document to be signed by the Chief Operating Officer, such signing to be upon confirmation that all parties have made like resolutions;
2. To agree to apportion the levy from 2016/17 onwards until the parties unanimously agree otherwise in accordance with the menu pricing mechanism (which forms part of the attached IAA);
3. To agree delegated authority for the Chief Operating Officer to approve any minor amendments to the finalised legal document before signing.

### **Reasons for decision**

The IAA will formalise the existing governance arrangements and procedures for considering matters as they relate to the NLWA/borough interface. The detailed case for entering into the IAA is contained in the previous Cabinet and Cabinet Member Signing reports that have been approved up to 2012.

It is worth noting that where the revised IAA differs from the previously agreed document, this is predominantly in respect to the removal of certain obligations on the boroughs that had been deemed necessary to mirror the proposed NLWA contracts. Their removal serves to de-risk the agreement in key areas, in particular the commitment to guaranteed minimum tonnages for specific waste streams, against which any contractual liabilities would have been allocated to boroughs.

Further details of the key changes since the IAA was agreed in-principle in 2011, as well as the main responsibilities placed on the parties to the IAA under the revised text, and a summary of the rationale for the menu pricing system are contained in Appendix B.

### **Alternative options considered**

The Council is not obligated to sign up to an IAA. In the absence of an IAA the constituent boroughs and NLWA would remain subject to the non-binding and less formal arrangements

that currently govern the NLWA/borough interface, other than where specified by statute (i.e. the levy, NLWA power of direction).

The case for formalising the NLWA/borough interface has been outlined in detail in the previous Cabinet reports. Most significantly, not agreeing an IAA will mean retaining the current levying system, which is based on the statutory default (with limited agreed changes) and is recognised by all parties as being unfit for purpose.

## **178. MINUTES OF OTHER BODIES**

### **RESOLVED**

To note the minutes of the following meetings:

- Cabinet Member signing on the 7<sup>th</sup> December 2015
- Cabinet Member signing on the 10<sup>th</sup> December 2015
- Leader's Signing on the 14 December 2015
- Cabinet Member signing on the 5<sup>th</sup> January 2016
- Corporate Parenting Advisory Committee 5 October 2015

## **179. SIGNIFICANT AND DELEGATED ACTIONS**

### **RESOLVED**

To note the delegated decisions taken by Directors in December 2015.

## **180. NEW ITEMS OF URGENT BUSINESS**

None

## **181. EXCLUSION OF THE PRESS AND PUBLIC**

### **RESOLVED**

That the press and public be excluded from the remainder of the meeting as the items contained exempt information, as defined under paragraph 3, of the local government act.

## **182. ST MARY'S CE PRIMARY EXPANSION - CHURCH LANE SITE**

As per CAB item 175.

## **183. SCHOOL NURSING TENDER**

As per item CAB 176.

## **184. NEW ITEMS OF EXEMPT URGENT BUSINESS**

None

CHAIR:

Councillor Claire Kober

