NOTICE OF MEETING

FULL COUNCIL

Monday, 25th February, 2019, 7.30 pm - Civic Centre, High Road, Wood Green, N22 8LE

Members: Councillors Gina Adamou (Mayor), Charles Adje, Peray Ahmet, Amin, Dawn Barnes, Dhiren Basu, Patrick Berryman, John Bevan, Barbara Blake, Mark Blake, Zena Brabazon, Gideon Bull, Dana Carlin, Vincent Carroll, Nick da Costa, Luke Cawley-Harrison, Sakina Chenot, James Chiriyankandath, Pippa Connor, Eldridge Culverwell, Julie Davies, Mahir Demir, Paul Dennison, Isidoros Diakides, Josh Dixon, Erdal Dogan, Joseph Ejiofor, Scott Emery, Ruth Gordon, Makbule Gunes, Mike Hakata, Bob Hare, Kirsten Hearn, Justin Hinchcliffe, Emine Ibrahim, Sarah James, Adam Jogee, Peter Mitchell, Liz Morris, Khaled Moyeed, Lucia das Neves, Julia Ogiehor, Felicia Opoku, Tammy Palmer, Sheila Peacock, Reg Rice, Viv Ross, Alessandra Rossetti, Yvonne Say, Anne Stennett, Daniel Stone, Preston Tabois, Elin Weston, Noah Tucker, Sarah Williams, Matt White and Seema Chandwani

Quorum: 15

1. FILMING AT MEETINGS

Please note this meeting may be filmed or recorded by the Council for live or subsequent broadcast via the Council's internet site or by anyone attending the meeting using any communication method. Although we ask members of the public recording, filming or reporting on the meeting not to include the public seating areas, members of the public attending the meeting should be aware that we cannot guarantee that they will not be filmed or recorded by others attending the meeting. Members of the public participating in the meeting (e.g. making deputations, asking questions, making oral protests) should be aware that they are likely to be filmed, recorded or reported on. By entering the meeting room and using the public seating area, you are consenting to being filmed and to the possible use of those images and sound recordings.

The Chair of the meeting has the discretion to terminate or suspend filming or recording, if in his or her opinion continuation of the filming, recording or reporting would disrupt or prejudice the proceedings, infringe the rights of any individual, or may lead to the breach of a legal obligation by the Council.

2. TO RECEIVE APOLOGIES FOR ABSENCE

3. 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

4. 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

5. TO ASK MEMBERS WHETHER THEY NEED TO MAKE A DECLARATION IN ACCORDANCE WITH SECTION 106 OF THE LOCAL GOVERNMENT FINANCE ACT 1992 IN RELATION TO UNPAID COMMUNITY CHARGE OR COUNCIL TAX LIABILITY WHICH IS TWO MONTHS OR MORE OUTSTANDING.

6. TO APPROVE AS A CORRECT RECORD THE MINUTES OF THE MEETING OF THE COUNCIL HELD ON 27 NOVEMBER 2018 & 31 JANUARY 2019 (PAGES 1 - 18)

Minutes of 27th November 2018 to follow.

7. TO RECEIVE SUCH COMMUNICATIONS AS THE MAYOR MAY LAY BEFORE THE COUNCIL

8. TO RECEIVE THE REPORT OF THE CHIEF EXECUTIVE

9. TO RECEIVE THE REPORT OF THE MONITORING OFFICER AND ASSISTANT DIRECTOR FOR CORPORATE GOVERNANCE

10. STATEMENT OF LICENSING POLICY FOR GAMBLING ACT 2005. (PAGES 19 - 96)

11. TO RECEIVE REPORTS FROM THE FOLLOWING BODIES (PAGES 97 - 98)

a) Corporate Committee 5th February 2019

12. TO CONSIDER REQUESTS TO RECEIVE DEPUTATIONS AND/OR PETITIONS AND, IF APPROVED, TO RECEIVE THEM

13. 2019/20 BUDGET AND MEDIUM TERM FINANCIAL STRATEGY (2019/20 - 2023/24) (PAGES 99 - 342)

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Friday, 15 February 2019

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Agenda Item 6

MINUTES OF THE MEETING OF THE FULL COUNCIL HELD ON THURSDAY, 31ST JANUARY, 2019, 7.00pm

PRESENT:

Councillors: Gina Adamou (Mayor), Charles Adje, Amin, Dawn Barnes, Patrick Berryman, John Bevan, Barbara Blake, Mark Blake, Zena Brabazon, Gideon Bull, Dana Carlin, Vincent Carroll, Luke Cawley-Harrison, Sakina Chenot, James Chiriyankandath, Pippa Connor, Eldridge Culverwell, Mahir Demir, Paul Dennison, Isidoros Diakides, Josh Dixon, Erdal Dogan, Joseph Ejiofor, Scott Emery, Ruth Gordon, Makbule Gunes, Mike Hakata, Bob Hare, Emine Ibrahim, Adam Jogee, Peter Mitchell, Liz Morris, Khaled Moyeed, Julia Ogiehor, Felicia Opoku, Tammy Palmer, Sheila Peacock, Reg Rice, Viv Ross, Alessandra Rossetti, Anne Stennett, Daniel Stone, Preston Tabois, Elin Weston, Noah Tucker, Sarah Williams, Matt White and Chandwani

1. FILMING AT MEETINGS

The Mayor drew attendees' attention to the notice on the summons regarding filming at meetings.

2. TO RECEIVE APOLOGIES FOR ABSENCE

Apologies for absence were noted from:

- Cllr Basu
- Cllr da costa
- Cllr Hinchcliffe
- Ahmet
- Davies
- Des Neves
- Tabois
- Say
- Chiriyankandath
- James

3. DECLARATIONS OF INTEREST

Councillor Berryman declared a personal and prejudicial interest in respect agenda items 5 and 6 by virtue of his voting membership of the North London Waste Authority. He subsequently left the room when these items were being discussed.

4. TO RECEIVE THE REPORT OF THE CHIEF EXECUTIVE

Full Council considered a report setting out changes to committee memberships and outside bodies for the municipal year 2018/19 following the changes to Cabinet membership reported to the Chief Executive on the 31st of December 2018. The Council was required to ensure that appointments to which the political balance rules apply were made in accordance with those rules. This report also provided the membership of the Cabinet for the Council to note at appendix 2.

A schedule of Committees was attached at Appendix 1 to the report and included the proposed changes to memberships of committees. This report also detailed the number of seats available on each Committee and the proportional split between the parties in accordance with the political balance of the authority.

The changes to outside body appointments were included at appendix 3. The appointments to the LGA Leaders Committee, a section 101 joint committee, and the London Councils Grants Committee require councillors to be members of the Cabinet.

The Council were also requested to approve a change in membership to a community body, Jacksons Lane, Management Committee set out in appendix 3.

RESOLVED

1. To agree the updated membership of Committees detailed at Appendix 1.

2. To agree the changes to outside bodies outlined at Appendix 3.

3. To note the membership of the Cabinet as detailed at Appendix 2.

5. TO CONSIDER REQUESTS TO RECEIVE DEPUTATIONS AND/OR PETITIONS AND, IF APPROVED, TO RECEIVE THEM

The Mayor had accepted one deputation for this evening's meeting from Pinkham Way Alliance who were making representations in relation to item 6 on the agenda, Pre Planning submission for the North London Waste Plan. The Mayor invited Stephen Brice to make his deputation and he was supported by Evelyn Ryan and Jeffery Lever.

Mr Brice, Chair of Pinkham Waste Alliance, opened his deputation by stating that waste management was not a party political issue and highlighted the support of Councillors and MP's for not including Pinkham Way in the list of potential sites to be used for waste management in the North London Waste Plan.

Mr Brice provided some background to the reasons behind local opposition to the inclusion of Pinkham Way in the North London Waste Plan, highlighting the mistrust created between the local community, the local authority and North London Waste Authority on their plans for the site. He referred to an assessment in 2008 that considered the suitability of Pinkham Way site for inclusion in the original North

London Waste plan. In this period, Pinkham Way fell into the bottom 20% of sites considered.

Mr Brice continued to provide further background by describing the subsequent North London Waste Authority actions, which were embarking on a PFI funded waste procurement to secure funding and purchasing most of the Pinkham Way site from Barnet Council, noting that, at this time, the site did not have planning permission and presently still does not have this. In the deputation's view, after the North London Waste Authority's financial issues became clear, Pinkham Way was expediently added to the list of waste management preferred sites. However, local community concerns were allayed when the project, which the site was brought for, was abandoned. The procurement stopped and the original waste plan was also halted. The North London Waste Authority, then adopted a different waste management strategy and advised the local community that there were no plans to develop a site for the next ten years.

The deputation felt that, critically, the imprudent purchase of the Pinkham Way in 2009 to keep this site in the plan went against this commitment and the subsequent change in course of action, with the inclusion of the site in the North London Waste Plan, had caused a high community reaction and was the subsequent reason for this deputation at Council.

The deputation drew attention to the Regulatory Committee's recommendation to withdraw the Pinkham Way site from inclusion in the North London Waste Plan and reflected that this resolution had been reached without the political whip and demonstrated that the Committee was fulfilling its duty to examine the complex planning issues, related to this decision. In Mr Brice's view, recommendations from this Committee were normally followed and he questioned what new information had come to light to induce Cabinet to reach a different position of including the Pinkham Way site in the North London Waste Plan.

The deputation referred to the Cabinet meeting proceedings on the 22nd of January 2019 and the Leader's view that a recycling site on Pinkham Way was suitable because it was contaminated and questioning why sites in Tottenham were not disputed. In respect of this claim, the deputation referred to paragraph 4.13 of the North London Waste plan, page 55, which identified the need for recycling reuse centres in Barnet and Enfield and disputed this incorrect assertion.

In relation to the issues of contaminated land and the cost of remediation, the deputation claimed that this would be considerable and up to £15m given the depth of soil to be addressed and likely need to be transported to a separate land fill site. In addition, Arup, the North London Waste Authority's consulting engineers had explained in 2011 that any remediation on this site would destroy that area's conservation value.

The deputation continued to refer to the information shared at Cabinet, including that the other 6 North London local authorities had agreed the waste plan, and the Council would need to do the same. The deputation disputed this claim and referred to the Council's role as the Local Planning authority for the Pinkham Way site which, unlike the other local authorities, had an additional responsibility to consider the evidence,

including its own planning polices, before a decision about inclusion of the site in the plan.

The deputation claimed that the Cabinet was out of step with the Labour party policy on biodiversity, referring to the paper on 'Green Transformation' which set out concerns about the UK being one of the most nature depleted countries in the world and concludes on the need to take the issue of biodiversity decline seriously.

The previous administration handling of this situation was referred to and the public mistrust created. The deputation highlighted the opportunity available, to remedy this by listening to the electors on this issue.

The Mayor invited Councillors to put forward questions to the deputation party and the following information was noted:

- The deputation contended that the objective of the North London Waste Plan could still be met without inclusion of the Pinkham Way site. Furthermore, in the deputation's view, the inclusion of the site in the North London Waste Plan made it unsound. The deputation spoke of the London Plan directing local authorities to look to industrial sites for waste use and Pinkham Way was designated a SINC site for 40 years and has had a second designation as an employment site for the last 20 years. Although, the site had not been used for employment purposes, in the deputations view, it had no place in the North London Waste Plan.

- There were photographs displayed indicating greenery on the Pinkham Way site and 2 acres of hard standing. Councillors noted that the site was covered in vegetation, there were 3.5 hectares of semi woodland which has grown up in the 50 years that the site has not been used. The North London Waste Authority survey identified 1500 trees and over 100 varieties of plant. The deputation advised that in the summer, when standing near the site, it was hard to hear the North Circular. The description of the site as derelict land was felt by the deputation to be a gross misnomer. Although it was abandoned land, it had been recolonised by nature and was now home to endangered creatures.

- Surveys completed by the Pinkham Way Alliance by reputable surveyors and entomologist and passed to Natural England, recognised it as site of metropolitan importance, requiring the highest order for protection, according to the London Plan.

- The nearest homes were a 150 metres from the site. When talking to local people they were concerned at the original plans to house a waste incinerator and there had been outrage that these issues had been kept secret. The route in and out of the site would pass by about 20 to 30 residential homes.

- The deputation reiterated that Pinkham Way was a nature conservation site that had took 50 years to develop and people were conscious that it may look

like empty land when considering this superficially. However, it was home to 1500 trees which was 4% of the trees in Haringey and they played a vital role in extracting pollution in the air, at the point of the North circular road which was the third most contaminated part of London. Therefore, the site fulfilled a key environmental service.

- The deputation further argued that the land was active for an environmental purpose and urged that environmental issues were not deprioritised when being presented with the cost, location, materials and facilities for waste disposal.

- In the view of the deputation, the prospect of the Pinkham Way site being used as an employment site was nil. They felt that this view had been supported by reviews of this site by Atkins in 2015. It had a PTL of 1a which meant lack of access for public transport, making it undesirable as a place of employment. The deputation outlined the practicalities of the site and how it was not conducive for access for employment. There was no employment difficulties registered in the North London Waste plan for residents living in the west part of the borough and there was no policy for it to be in active development. The site was not accessible for residents living in the east of the borough who did have employment difficulties. The site had not been used as employment land for 19 years when there had also been applications for making use of it for these purposes. Therefore, in the deputations view, the site was unlikely to ever be used for employment purposes.
- In the original plans for the site when a larger waste management site had been considered, it was noted that that such a facility would include between 25 to 30 employees. When the Council had considered proposals for the waste transfer station to be relocated from Cricklewood to Pinkham Way, this would have involved 11 employees. Employment in a waste processing site was minimal and would be low paid.
- There were suite of assessments completed by Arup's for the North London Waste Authority in 2011 which combined the list of birds seen at the Pinkham Site. There were 16 birds, 1 red data book and 1 amber and breeding colony of slow worms, which were protected under the habitat directive. The safest way to find the value of a nature conservation site was by assessment of the invertebrates present. Expert advice commissioned found several spiders and beetles which were rare in London. These had mainly remained in existence due to the site being undisturbed.

- The London Mayor's strategy on sites of metropolitan importance emphasised that public access was not the most important factor. These invertebrates were located at the entrance for the site. Ecological appraisal was referred to which demonstrated this was a rich site.

The Mayor invited the Leader of the Council to respond to the deputation.

The Leader acknowledged the commitment of the Pinkham Way Alliance to this campaign and respected their knowledge and expertise as a campaigning force. The Leader provided a reminder of the original plans considered for the site which involved building one of the largest waste incinerators in Western Europe but the current North London Waste Plan made clear that this was no longer the case.

The Leader emphasised that the North London Waste Plan asks for sites to be considered and nothing more than that. It was not guaranteed that the types of facilities identified would be developed but there was a need to find space in North London to reprocess waste and these sites listed would be considered. The Leader reiterated that this evening's decision was not the final decision in respect of the waste plan. This was being agreed for consultation. The Leader advised that the place to challenge these views was when the North London Waste Plan was examined in public by the Planning inspectorate rather than taking a view, at this time, that the site was not suitable to be even considered as a waste management site. The scarcity of land available in Haringey was extreme and the Leader was aware, that the questions put to the deputation by members had not offered alternative land options to be included in the Waste Plan. The reality was there were not a lot of options on the sites in the borough that could be used to transfer and compost waste. The Leader emphasised that there would be no waste incinerator on the site. The Leader had visited the Pinkham Way site and this was not a safe accessible public space.

The Cabinet needed to consider all potential sites and potential evidence. The Cabinet had listened to the Regulatory Committee, campaigners and opposition members and having considered all this information, they agreed that the Pinkham Way site should be considered in the North London Waste Plan. The Leader outlined that other boroughs also believed this site to be suitable and to be included for consultation.

The Leader stressed that sites with employment designation were clearly acceptable as sites for use to process waste. There was no change to this policy.

The Leader concluded his response, by reiterating that the public still had an opportunity to respond with their concerns when the North London Waste Plan was examined in pubic by the Planning inspectorate .

6. PRE-SUBMISSION CONSULTATION ON THE NORTH LONDON WASTE PLAN.

The Mayor invited the Leader to introduce the report.

The Leader advised that every local authority had a statutory duty to have a plan that makes them self-sufficient in waste disposal. Haringey Council had decided to achieve this through a partnership with its 6 neighbouring boroughs.

The Council were at an important stage in the production of the North London Waste Plan - Pre-submission publication. Since consultation on the Preferred Option draft was undertaken, borough officers and members from all seven authorities have been working collaboratively to resolve the complexities of planning for the management of north London's waste alongside meeting our pressing need for additional housing and the regeneration of redundant or surplus industrial land.

The Leader outlined that a revised NLWP had properly engaged the county authorities that currently receive some of north London's waste, fulfilling the Duty to Cooperate. It

identified sufficient designated employment areas suitable for the future provision of the waste facilities we need to manage the waste we generate in north London. The areas selected were the result of robust assessment and an acknowledgement that new facilities should not be concentrated in only one or two boroughs. It also safeguards all existing waste facilities, ensuring that these continue to contribute towards managing north London's waste arising.

The Leader acknowledged that waste and recycling were issues that can raise passions. People were rarely keen to have their own waste processed or incinerated on their own doorsteps. This Council, along its neighbouring boroughs, have had to take a big picture view of how best to manage and dispose of the waste of just over 2 million Londoners.

The inclusion of the Pinkham Way site had been the subject of much debate however the site was deemed suitable for waste use and this use can be compatible with the site's designation as a site of importance for nature conservation if dealt with sensitively. The Leader expressed that removing the site at this stage was neither justified nor possible, as it would render the plan unsound.

The Leader affirmed that the administration was comfortable that it was proposing a balanced plan that took on board conflicting agendas and priorities. As a result, the North London Waste Plan was a justified and robust waste policy document that Haringey Council should welcome and endorse. The Leader formally moved the recommendations of the report for agreement

The following information was provided in response to points of clarification.

- There were two other identified sites in the North London Waste Plan located in Tottenham. It was noted that any future proposals to use any site in Haringey for waste use, would need consideration by the Planning Committee. Therefore, no site in the borough could be taken forward for waste use based solely on the North London Waste plan. The North London Waste Authority would still need to put forward a justification for use of the Pinkham Way site.
- With regards to the potential use of Pinkham Way, if taken forward for waste facility use, this would involve no more than 0.5 hectare for recycling, composting facility 2 Hectare with no maturation. Maturation would unlikely be able to be accommodated on site and Waste Transfer station would involve 1.5 Hectares of land.

- There was no plan at present to use the site for any of the three potential waste usages of waste transfers, composting and recycling.

- As the Council was working with a number of local authority colleagues it would need to contribute to the overall 7-borough plan. It was recognised that all seven local authorities had contributed and believed this to be a fair waste plan.

The Mayor announced that she had received a proposed amendment to the recommendations contained in the report, which was in accordance with the Council procedure rules. The Mayor invited Cllr Chenot to present her amendment, which was tabled for Councillors to consider.

Cllr Chenot began her proposed amendment by underlining that Pinkham Way had been designated as a nature conservation site for over 40 years. It had not been used as employment or industrial land for a considerable number of years. The Councillor had visited the site, which had been taken by nature with significant results.

The site was now home to endangered species such as greenwood peckers and slow worms and helped prevent flooding on the A406 by providing surface water a route.

Councillor Chenot outlined that the 1500 trees on the site help absorb vehicle pollution from road traffic and acted as a vital buffer between the busy A406 road and residents. Cllr Chenot emphasised that building any waste facility on Pinkham Way takes away this vital barrier from homes, some of which were 80 metres from the site. Adding a waste facility would result in busier surrounding roads, with likely increase in traffic as waste vehicles would go back and forth from the site. If the site was built upon, the majority of the North London waste site would be covered in concrete and it would not be possible to mitigate the loss of 1500 trees.

Cllr Chenot contended that destroying this valuable green space was not something the Council should consider. Cllr Chenot highlighted that the Council's Local Plan, London Plan and National Planning policy give conservation sites like Pinkham Way protected status. The Council had already marked this as green space on its own green wood map and Natural England considered it of metropolitan importance. The Mayor's environmental strategy specifically referred to the site's metropolitan importance as including urban habitats colonised by nature.

Cllr Chenot called on councillors to uphold these policies and continue the stance taken up by Councillors on the Regulatory committee, including several labour members. Although Cabinet had not took forward this Committee's advice, the full Council could still consider this. Cllr Chenot contended that none of the other North London boroughs was offering up nature conservations sites for waste development and neither should the Council.

Cllr Chenot argued that the site of Pinkham way should not be included in the Waste Plan as surplus to requirements. The North London Waste Authority had confirmed that they had no plans to use it. The redevelopment of the Edmonton ECO Park for residual waste would likely take up all the North London Waste Authority's attention for the near future.

Cllr Chenot referred to the attached report, which estimated that only nine additional hectares was needed for future waste management. By taking out Pinkham Way, there would still be 93 hectares of land identified for waste usage. In this context, Cllr Chenot believed that if the Council asked them, the other north London boroughs would take out Pinkham Way and move forward, minus this one site.

Cllr Chenot objected the assertion that fellow North London Councils would make the Council find another site or eject the Council from the agreement. She referred to the

Enfield Cabinet meeting in November, in which the Cabinet Member for Housing advised that if one of the other boroughs wanted to drop a site, then Enfield Council was willing to re-approve the site listed, providing Enfield was not required to provide another site.

Cllr Chenot challenged the view that if Pinkham Way were removed from the list of sites, this would have the impact of needing to find another site in the Tottenham area.

Cllr Chenot called on Councillors to consider that the future of Pinkham Way was at stake, and defending this nature conservation site for future generations was critical. Keeping these issues in mind, she called on all Councillors to support her amendment.

Cllr Dixon seconded the amendment.

The Leader responded to the amendment by emphasising that the Pinkham Way site is a SINC and this did not mean that a waste use could not come forward on part of the site. The Leader continued to outline that the remediation of the site to facilitate the waste use could actually improve biodiversity, and not all of the site would be needed for development. Any proposal would have to satisfy the requirements for development on SINC land as set out in Strategy Policy SP13, and include appropriate mitigation and enhancement measures. Any proposal coming forward would be likely to use less than half the site.

The Leader stressed that it was not possible to simply remove Pinkham Way from the NLWP without implications for the soundness of the plan as a whole.

Officer's initial research indicated that there were no alternative sites within Haringey and officers would be putting forward the same sites as currently proposed if Haringey had to produce its own waste plan.

The Leader underlined that it is a requirement under the NPPF and London Plan for boroughs to plan for waste management uses, not to produce a plan was not an option. If the Pinkham Way site were removed, all authorities would have to consider how to proceed. It had taken 6 years to get to this point with the current waste plan since the process restarted in 2013 and there are another 2 years on the current timetable. Stopping the Plan at this point was likely to add another 1-2 years onto this timetable.

The Leader outlined that while Pinkham Way might be small (5 hectares) compared to the total area available (c100ha). It was large in terms of significance because the major waste operator in North London who is most likely to invest in new waste facilities owns it and the site does not contain existing businesses.

If the NLWP was delayed, the main worry expressed by the other six boroughs was around how much of the plan would need to be renegotiated.

The Leader continued to outline that there were a number of Local Plan reviews under way and at least four boroughs were actively moving towards Reg 18, Reg 19 or submission. The local plan waste policies were premised on the fact that the boroughs are working together to plan for waste through the NLWP. Therefore, the soundness of each of the Local Plans depended on whether those boroughs can point to continuing progress on the NLWP. There could therefore be significant problems with

the Council's relationship with these Councils should the Council agree to withdraw the Pinkham Way site from the plan and force a significant delay.

The Leader expressed that if there was a delay to the NLWP because of reconsideration of Pinkham Way, there would need to be evidence that the partnership was still in existence and that work was still ongoing. If the partnership collapsed under the delay, this would raise soundness issues. There were also likely to be credibility and reputational issues, if boroughs again delayed the NLWP, having failed to resolve the issue of new land. As well as the uncertainty in the wider waste and planning worlds, officers would need to justify to their members going back again for approval for a revised plan.

Should the site be removed and additional sites have to be found, this would put additional pressure on the other sites identified in Haringey to accommodate a waste use (Brentwood Road and North East Tottenham Strategic Industrial Locations). Both these sites were much closer to existing residential properties and contain uses that employ a number of people.

The Leader advised full Council that if Haringey were to go forward and produce a waste plan on its own the same sites as currently in the NLWP would be the ones put forward as there are no alternatives in the Borough.

It should also be noted that, should the Plan not be approved, the employment designation would remain extant, and it would still be owned by NLWA.

The Leader emphasised that the NLWP had now been approved by 6 Cabinets and 6 full Councils of the member authorities and Haringey would be the last of the NLWA members to determine the recommendation on the NLWP.

The Leader reiterated that the appropriate route to debate the appropriateness of the designation of the site was through the Examination in Public into the Plan.

The Leader concluded that seeking to change the plan at this stage would have significant implications for the progress and soundness of the NLWP. It was not appropriate to seek to make an ad hoc deletion of just one site in isolation. Therefore, members were asked to vote against the amendment proposals and vote in favour of the original recommendations.

Following a request made by eight Members standing in their place, the Mayor agreed that a named vote be held on the amendment.

The Mayor then called a vote on the amendment. There being:

[33 against] Gina Adamou (Mayor), Charles Adje, Kaushika Amin, Patrick Berryman, John Bevan, Barbara Blake, Mark Blake, Zena Brabazon, Gideon Bull, Dana Carlin, Vincent Carroll, Eldridge Culverwell, Mahir Demir, Isidoros Diakides, Erdal Dogan, Joseph Ejiofor, Ruth Gordon, Makbule Gunes, Mike Hakata, Emine Ibrahim, Adam Jogee, Peter Mitchell , Khaled Moyeed,Felicia Opoku, Sheila Peacock, Reg Rice, Anne Stennett, Daniel Stone, Elin Weston, Noah Tucker, Sarah Williams, Matt White and Seema Chandwani.

[13 in favour] Dawn Barnes, Luke Cawley-Harrison, Sakina Chenot, Pippa Connor, , Paul Dennison, Josh Dixon, Josh Emery, Liz Morris, Julia Ogiehor, Tammy Palmer, Alessandra Rossetti, Viv Ross, Bob Hare.

The amendment was lost

There was a vote on the original recommendations contained in the report. There being 33 in favour, 13 against and no abstentions the original recommendations were agreed.

RESOLVED

To approve the draft NLWP (set out in Annex 1) for publication, consultation and subsequent submission to the Secretary of State as being ready for examination; and

To agree that the Director of Housing Regeneration and Planning in consultation when appropriate with the Cabinet Member responsible for Planning, and in conjunction with the other north London boroughs, are authorised to submit appropriate changes to the NLWP in the run up to, and during, the public examination into the document, in response to objectors' submissions, requests from the Planning Inspector and any emerging evidence, guidance or legal advice.

Reasons for decision

To enable the NLWP to progress to adoption, and to ensure the North London Boroughs have an adopted plan to manage waste arising in the area and to deal with planning applications for waste facilities.

Alternative options considered

The Council could decide not to progress with the North London Plan. However, as a Waste Authority the Council would still be obliged to produce a Waste Local Plan. This is a requirement stemming from Article 28 of the European Union (EU) Waste Framework Directive, which states that all member states must prepare a Waste Management Plan. The National Waste Management Plan for England, supported by the National Planning Policy for Waste (NPPW), identify that each WPA's Waste Local Plan will support the National Waste Management Plan and as such it is a statutory requirement to prepare this document.

Any Waste Plan must be prepared in line with the requirements of the Planning and Compulsory Purchase Act 2004, the Waste (England and Wales) Regulations 2011 and the Town and Country Planning (Local Planning) (England) Regulations 2012. Given the advanced stage of preparation of the NLWP, which has been a robust and sound process, and the delay in putting in place up to date waste management policies, a decision not to proceed with the NLWP would result in the Council needing to commence a Haringey only Waste Local Plan. Officers as not being a reasonable alternative have rejected this option.

7. CHANGES TO 2019/20 COUNCIL TAX REDUCTION SCHEME

The Cabinet Member for Finance introduced the report and thanked Haringey tax payers for their contributions, assuring them that he would endeavour to ensure that that the Council spend the revenue received wisely. Residents were thanked for taking part in the Council Tax consultation, most of which were in favour of the recommendations put forward. The Cabinet Member reflected that managing a budget required priorities and the administration's manifesto was clear that fairness was the cornerstone of the priorities to be taken forward.

The Cabinet Member provided the background to the compilation of the Council Tax reduction proposals, describing the previous collation government's policy to assign the Council tax benefit scheme to local authorities, at the same time as significantly reducing funding. The resultant local government choices made in Haringey on the Council Tax Benefit scheme, in hindsight, had not achieved a fair outcome for low income families.

The Cabinet Member highlighted the inequality of central government's taxation policies with the top rate of tax payers benefiting and families in the lowest tax band seeing an disproportionate rise in their Council tax bills, against their income. This had inevitably resulted in significantly higher bills, causing debt and visits by bailiffs. These proposals would seek to address this imbalance and help ensure that the burden of Council Tax lay on those with the broadest financial shoulders.

The Cabinet Member described how this key issue of a fairer Council Tax reduction scheme had been discussed in local meetings during and prior to the local election and this was considered a key inequality that needed to be tackled. The Cabinet Member for Finance was proud to make these proposals which would benefit over 6000 low income families immediately in the new financial year.

The Cabinet Member thanked local campaigners and finance officers, whose hard work had made these proposals possible.

In response to a clarification point, the Cabinet Member for Finance advised:

6000 families would benefit in the borough from the reformed Council tax scheme, 4000 of those had children under 11, and third of these families were single parent families led by women. Low income families and single parent families were key groups affected by austerity measures and located in the east of the borough. Therefore, these changes to the Council tax scheme would help to, in part, address this inequality.

It was unanimously RESOLVED

To note that, since the public consultation concluded, a Consultation Report had been published, and its findings incorporated in the Equality Impact Assessment and this report.

To agree the preferred option. This was a combination of:

a) Increasing the maximum level of Council Tax Reduction from 80.2% to 100% for working age claimants with children; and

b) Updating the CTRS to align with some national welfare changes.

The maximum level of Council Tax Reduction would continue to be 100% for pensioners and working age claimants in receipt of disability related benefits, as it is under the existing CTRS.

Reasons for decision

The stated ambition of the current administration is to:
Extend Council Tax relief to 100% for our least well-off residents; and

Ensure the greatest weight is placed on the broadest shoulders by consulting on options that make Council tax and our policies for charging for Council services fairer.

Councils have limited powers to effect change to Council Tax without primary legislation. However, the CTRS offers a vehicle through which the Council can redistribute the burden on Council Tax payers and provide additional financial support to those in receipt of Council Tax Reduction.

Since 2013, the existing CTRS has capped the maximum amount of Council Tax Reduction at 80.2% for working age claimants who were not in receipt of disability related benefits. It is recognised that some residents have increasingly struggled to pay contributions towards their Council Tax. Therefore, there is a desire to provide additional financial support to residents who are the least well-off.

The proposal to increase the maximum level of Council Tax Reduction for working age claimants who have children is thought better to balance affordability with the need to provide more financial assistance to a group in particular need.

It is also proposed to update the scheme to bring it in line with some national welfare changes that have taken place since 2013. For pensioners, the CTRS automatically updates each year to align with national welfare changes. For working age claimants, the CTRS has not been updated since 2013. Therefore, it is proposed to update the scheme to ensure it is up to date, easier to understand and reflects inflationary changes. As a result of these changes, most working age claimants would have an increased level of Council Tax Reduction (i.e. would be financially better off) whether or not they have children.

The proposal to align with some national welfare changes is considered to balance the benefit of making the CTRS up to date and easier to understand by reflecting the national welfare scheme, reflecting inflationary changes since 2013, and the desire to provide additional financial support to a group who are in particular need. It is not proposed to align the CTRS with all national welfare changes. For example, it is not proposed to align with the two child limit for child allowances. This is because it would decrease the level of Council Tax Reduction a claimant would be entitled to (i.e. make them financially worse off). It is considered that aligning the CTRS with all national welfare changes would worsen the financial position of groups who are in particular need.

The Council is obliged to consider whether to revise or replace its CTRS each year. However, it is not obliged actually to revise or replace it. If any revision or replacement is to be made, the Council must follow the consultation process set out in the legislation and changes must be made by 11 March, to take effect from 1 April. The decision has to be made by Full Council. In order to give the Council sufficient time to implement any changes, Full Council should formally agree the proposals in January.

Therefore, the proposal was made now to ensure that any additional financial support for residents can take effect as soon as possible, from 1 April 2019.

8. CHANGES TO COUNCIL TAX DISCOUNTS FOR UNOCCUPIED AND UNFURNISHED PROPERTIES AND VACANT PROPERTIES REQUIRING OR UNDERGOING MAJOR REPAIR OR STRUCTURAL ALTERATION

The Cabinet Member for Finance introduced the report which proposed the cessation of two of the Council's discretionary Council Tax discounts related to: unoccupied and unfurnished properties, and vacant properties requiring or undergoing major repair or structural alteration

This was a further step in making the Council Tax scheme fairer for residents. This decision would result in an additional income of around £500k for the Council's budget.

It was unanimously RESOLVED

To agree the recommendation from Cabinet, on 14 August 2018, to cease two of the Council's discretionary Council Tax discounts from 1 April 2019, namely for:

- Unoccupied and substantially unfurnished properties; and
- Vacant properties that either require or are undergoing major repair work to render them habitable; that have undergone such work in the past six months; or that are undergoing structural alteration.

Reasons for decision

The two Council Tax discounts are at the Council's discretion. The administration has indicated a desire to appraise the existing fleet of discretionary powers given the continuing need to make savings to the wider budget.

Abolishing the two Council Tax discounts would generate an estimated saving of £462,800 per year, which would support the Council's Medium Term Financial Strategy and help mitigate its funding pressures.

Under the current arrangements, an unoccupied and furnished property receives no Council Tax discount, while an unoccupied and unfurnished property receives the discount. The Council seeks to address the imbalance and bring the arrangements in line with those for unoccupied and furnished properties.

Some of the Council's neighbouring boroughs, such as LB Enfield, LB Islington and LB Barnet have abolished both Council Tax discounts. Therefore, the proposal would bring Haringey in line with its neighbouring boroughs.

It is recognised that Council Tax payers who currently claim these discounts are unlikely to be making full use of Council services whilst the property is unoccupied. However, Council Tax is not charged on the basis that every payer will use every service and Council services do not stop or reduce in cost when a property becomes empty.

There are a number of means of reducing or eliminating Council Tax liability available and that would not be affected by the recommendation. For example, the exemption following the death of the occupant, the single person discount and disregards for students or those detained in hospital.

Alternative options considered

No Change

The Council could choose not to abolish its Council Tax discount for either (I) unoccupied and unfurnished properties, or (ii) vacant properties requiring or undergoing major repair or structural alteration.

This is not proposed because the Council is under significant financial pressure to deliver a sustainable Medium Term Financial Strategy. Abolishing the Council Tax discounts would generate substantial savings to the Council.

Remove only one of the discounts

Removing only the discount for unoccupied and unfurnished properties would generate an estimated saving of £341,300 per year. Removing only the discount for vacant properties requiring or undergoing major repair or structural alteration would generate an estimated saving of £121,500 per year.

This is not proposed because the Council is under significant financial pressure to deliver a sustainable Medium Term Financial Strategy. Abolishing both Council Tax discounts would generate substantial savings to the Council.

Extend the scope of the Discounts

This is not proposed as it would increase the level of funding pressures already upon the Council and would not be consistent with its policy objectives.

9. CHANGES TO COUNCIL TAX PREMIUM FOR LONG-TERM EMPTY DWELLINGS

The Cabinet Member for Finance introduced the report which proposed an increase to the Council Tax premium, currently charged on long-term empty dwellings, from 50% to 100%, from the 1st of April 2019.

It was noted that central government had introduced the 50% premium on empty properties to encourage their owners to bring back them into use for housing purposes rather than be left empty for future financial security. However, given there was an opportunity to increase this premium further and to enable a fairer distribution of Council Tax benefit, the report proposed to increase this premium to 100% as allowed by government? It was also understood that this course of action was gaining recognition as a necessary policy change to increase income, amongst neighbouring boroughs.

In response to a clarification points:

- The Cabinet Member for Finance commended the work and dedication by officers to bring forward revised Council Tax policies amongst other considerable priorities.
- The Cabinet Member further offered to provide Councillors with further detail of groups exempt from Council tax payments.

It was unanimously RESOLVED

To increase the premium charged on long-term empty dwellings from 50% to 100% from 1 April 2019.

Reasons for Decision

Since 2013, Councils have been given the discretionary power to charge a premium on dwellings deemed to be ‘long-term empty’, i.e. properties which have been unoccupied and substantially unfurnished for at least two years. At present, the amount of Council Tax payable for such properties can be increased by 50%, so that the payer is liable to pay a total of 150% Council Tax.

The legislation has recently been changed to give Councils the power to increase the premium from 50% to 100% from 01 April 2019. This means that the total amount of Council Tax payable for such properties could be increased from 150% to 200%.

Increasing the premium to 100% has the potential to bring in additional income which would support the Council’s Medium Term Financial Strategy and help mitigate its funding pressures.

Some of the Council’s neighbouring boroughs, such as LB Enfield, LB Islington and LB Barnet currently charge the maximum existing premium of 50% and are also considering increasing this to a 100% premium following the change in legislation. Therefore, the proposal is likely to mean Haringey is acting in line with its neighbouring boroughs.

It is recognised that Council Tax payers who are liable to pay the premium are unlikely to be making full use of Council services whilst the property is long-term empty. However, Council Tax is not charged on the basis that every payer will use every service and Council services do not stop or reduce in cost when a property becomes long-term empty.

In addition, an increased premium may encourage residents to bring long-term empty properties back into use. There is shortage of housing in the area and so there is potential for long-term empty dwellings to be put to better use if used to increase the available housing. This would in turn reduce the pressure on housing stock.

Some properties are exempt from the premium by statute and this will not change:

- A property which would be the sole/main residence of a person but which is empty while that person resides in accommodation provided by the Ministry of Defence by reason of their employment (e.g. service personnel posted away from home).

- A dwelling forming part of a single property, where other parts of the property are used as a sole or main residence.

The Council will continue to have the means to reduce or eliminate Council Tax liability, for example to cater for cases of exceptional hardship.

Alternative Options Considered

No change or increasing the premium to less than 100%

The Council could choose not to extend the premium and leave it at 50%, or to increase the premium to more than 50% but less than 100%.

This is not proposed because the Council is under significant financial pressure to deliver a sustainable Medium Term Financial Strategy. Increasing the Council Tax premium to 100% would generate additional income for the Council.

In addition, increasing the premium to the maximum 100% may encourage residents to bring long-term empty properties back into use which could in turn lead to an increase in available housing.

Removing or reducing the existing premium

The Council could choose to remove or reduce the existing premium.

This is not proposed because the Council is under significant financial pressure to deliver a sustainable Medium Term Financial Strategy. Removing or reducing the Council Tax premium would reduce the Council's income.

In addition, removing or reducing the premium may reduce the incentive for residents to bring long-term empty properties back into use.

CHAIR:

Signed by Chair ……..

Date ……

Report for: **Full Council - 25th February 2019**

Item number:

Title: **Adoption of revised Statement of Gambling Policy under the Gambling Act 2005**.

Report authorised by : **Stephen McDonnell – Director Commercial & Operations**

Environmental Services & Community Safety
Lead Officer: **Daliah Barrett – Licensing Team Leader -Regulatory Services. 0208489 8232. Daliah.barrett@haringey.gov.uk**

Ward(s) affected: 'All'

Report for Key/ Non Key Decision: **Key Decision**

1. Describe the issue under consideration

1.1 Under Section 349 of the Gambling Act 2005, a Licensing Policy statement must be produced and published every three years The Licensing Authority is required to consult various specified authorities in revising its Gambling Policy Statement.

1.2 The Council's Statement of Gambling Policy for the Gambling Act 2005 for the years 2019-2022 needs to be approved and this report requests approval of adoption by Full Council as recommended by Cabinet.

1.3 The review puts in place background information for the Local Area Profiles. These profiles will provide a good evidence base of gambling in the local area and help identify any future risks, which will inform the decision making process.

2. Cabinet Member Introduction

2.1 The Gambling Policy is a policy framework document and is required to be revised, consulted and adopted every 3 years. Section 349 of the Gambling Act 2005 requires all Licensing Authorities to prepare and publish a statement of policy that they propose to apply in exercising their functions under the Act during the term to which the policy applies. Working together with partners, Haringey has developed this document with due regard to all available regulations, conditions, codes of practice, statutory guidance, practical experience of legislation and any consultee responses.

2.2 Haringey Council takes its responsibilities as a licensing authority very seriously and has strongly opposed the proliferation of betting shops, particularly on the borough's High Street.We welcome the positive effects of considering Local

Area Profiles. We consider this to be a valuable tool to enable Haringey to fully assess the impact of betting within our communities.

3. Recommendations

That Full Council:

3.1 approve and adopt the Statement of Gambling Policy at Appendix 1.

3.2 Note the supplementary guidance containing the local area profile information at Appendix 2;

4. Reasons for decision

The Council is obliged to review and adopt a Statement of Licensing Policy for Gambling every three years, the current policy expired in January 2019. Therefore a new policy has to be adopted.

5. Alternative options considered

No alternatives were considered. It is a legislative requirement that the policy be reviewed at least every three years, and that a public consultation is carried out. Failure to review and adopt the Statement of Gambling Policy would result in the Council failing to comply with legislation.

6. Background information

6.1 The revised policy statement 2019-2022, retains the vast majority of the current policy, but has been updated to reflect practical changes that have arisen since its publication inclusing statutory guidence. The local police as a Responsible Authority have been consulted and have contributed to the development of new policy.

6.2 Although changes have been made to the Licence Conditions and Codes of Practice (LCCP) there have been no changes to the Gambling Act with respect to the three licensing objectives remaining the same. They are:

- Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime;
- Ensuring that gambling is conducted in a fair and open way; and
- Protecting children and other vuln erable persons from being harmed or exploited by gambling.

6.3 As a Licensing Authority we are required by the Licensing Act to aim to permit the use of premises for gambling in so far as the authority think it:

(a) in accordance with the LCCP;
(b) in accordance with the guidance issued by the Commission;
(c) reasonably consistent with the licensing objectives; and
(d) in accordance with the statement published by the authority under Section 349 of the Gambling Act 2005.

6.4 As part of the new changes reflected within this policy is the need for all applicants for gambling premises licences to submit an accompanying risk assessment. This change enables the Council to better capture equalities considerations and mitigating actions e.g. the risk assessment should consider whether the premises is located near to areas with high numbers of children and young people, include measures to reduce access for known vulnerable groups and consider local crime statistics, demography and deprivation levels.

6.5 The draft revised policy and the Local Area Profile Supplementary document at Appendix 2 establishes that the Council has serious concerns of the impact from on street gambling premises particularly those in the most vulnerable and 'at risk' areas of the borough. The Council considers that it may be necessary to seek to control the number of facilities for gambling in areas where its most vulnerable residents may be placed at increasing risk whilst balancing and considering the aim to permit gambling insofar as it is reasonably consistent with the pursuit of the licensing objectives.

6.6 All areas shown within the local area profile as being at high overall risk of gambling related harm, are generally considered inappropriate for further gambling establishments, which could potentially raise the risk of gambling related harm to vulnerable people living in those areas. Operators are asked to consider very carefully whether seeking to locate new premises or relocating existing premises within these areas would be consistent with the licensing objectives and the local risks identified.

7 Proposed changes

7.1 There are a number of changes and amendments to the policy that are highlighted in the draft document. The changes reflect the update in the Guidance published by the Gambling Commission(GC) Guidance published by the Gambling Commission. The draft policy is attached at Appendix 1.

7.2 There are no changes to the direction or intent of the policy, which sets out how the Council seeks to regulate gambling activities under its control and provide a framework for consistent decision-making.

7.3 The draft policy refers to Local Area Profiles as encouraged by the latest GC guidance. It recommends improvement to the approach to gambling licensing and regulation by:

- Increased focus on risk and regulation.
- Increased attention to local area risk.
- Encourage paternership and collaboration between stakeholders to mitigate risks.

7.4 All industry operators have had to undertake local area risk assessments to explore what risks their gambling establishments pose to the licensing objectives, including the protection of young and vulnerable people. The Local Area Profile, acts as a guide which gambling operators can use when undertaking and preparing their local premises risk assessments.

7.5 The policy statement now has the supplementary guidance on the Council's expectations around operators local risk assessments. This will enable the Council to regulate local gambling more effectively by being able to hold operators to account if their assessments fall short of the Council's expectations.

7.6 The updated policy includes a revised format of the policy document and changes are as follows:

- Foreword - New lead Member commentary
- New index page
- Section 1.1 - Updates introduction to the document / Address updated
- Section 1.7 - Consultation updated section
- Section 2 - Objectives updated section
- Section 6 – Update for information sharing
- Section 6.3 – Gambling Prevalence
- Section 11 – Application of the social responsibility codes
- Section 12 – Location
- Section 14 – Conditions
- Part E – Enforcement and Reviews
- Supplementary document – Graphs and background information on local area profile across the borough

7.7 The policy has been subject to a 10 week consultation with stakeholders.

8.0 **Consultation Outcome**

8.1 The Gambling Act 2005 contains details of the consultees that are to be consulted as part of the review of the policy. These are:

- The Chief Officer of Police for the authority's area;
- One or more persons who appear to the authority to represent the interests of persons carrying on gambling businesses in the authority's area;
- One of more persons who appear to the authority to represent the interests of persons who are likely to be affected by the exercise of the authority's functions under the Act.

8.2 All of the above were consulted and had input into the drafting in addition the following were also included in the consultation:

- Holders of licences issued under the Gambling Act 2005;
- Trade Associations representing the gambling industry;
- Haringey Social Services;
- Haringey Public Health Directorate;
- Residents Associations; and
- Faith Groups.

8.3 A response was received from Cllr Mitchell representating Woodside Ward regarding the cluster of betting shops in Lordship Lane. Cllr Mitchell highlights

the crime stats raised in the suppplementary documents that refer to betting shops along Lordship Lane, some of the betting premises are located in Woodside and some in Noel Park Ward. After seeking clarification from the Police the crime stats represent the betting shops in both areas. The Local Area Profile document will have Woodside Ward added as an area that the Council expect further consideration from the betting operators who operate or seek to operate in this area.

8.4 Cabinet considered and agreed the the Gambing pPolicy attached at appendix 1 at their meeting on the 12 of February 2019 and recommended approval by full Council in accordance with Regulations 4(1) (a) and (2) of the Local Authorities (Functions and Responsibilities) (England) Regs 2000.

9.0 **Contribution to strategic outcomes**

9.1 Priority 3 of the Corporate Plan - A clean, well maintained and safe borough where people are proud to live and work.

Objective 1 - Strengthening Communities and partnerships to improve our environment and reduce crime, enabling residents and traders to feel safe and proud of where they live. This will be delivered by effectively working with community networks, such as traders and residents associations and working in partnership with police colleagues. For gambling premises this may be achieved through better CCTV provisions, operating a local Bet Watch Scheme for the trade.

Objective 2 – To make our streets, parks and estates, clean, well maintained and safe. Gambling premises would be visited to ensure that they had waste contracts and were disposing of their rubbish via suitable arrangements.

Objective 4- To prevent and reduce violence against women and girls. This will be delivered by raising awareness with the boroughs licence holders of the issues and scale of Violence Against Women & Girls.

Objective 5 – To work with partners to prevent and reduce more serious crime, in particular youth crime and gang activity. This will be delivered by working in partnership with police colleagues, schools and residents and businesses.

9.2 The above priorities and objectives are underpinned by a number of cross – cutting principles, namely:

- Prevention and early intervention – preventing poor outcomes for young people and intervening early when help and support is needed;
- A fair and equal borough – tackling the barriers facing the most disadvantaged and enabling them to reach their potential;
- Working together with our communities – building resilient communities where people are able to help themselves and support each other;
- Value for Money – achieving the best outcome from the investment made;
- Customer focus – placing our customers needs at the centre of what we do;
- Working in partnership – delivering with and through others.

10 Statutory Officers comments (Chief Finance Officer (including

procurement), Assistant Director of Corporate Governance, Equalities)

10.1 Finance and Procurement

The statutory consultation and adoption costs will be met from existing budgets. There are no other financial implications.

10.**2** **Legal**

10.3 The Assistant Director of Corporate Governance has been consulted in the preparation of this report and comments as follows.

10.4 In accordance with section 349 of the Gambling Act 2005 the Council, as licensing authority, is required at least every 3 years to prepare and publish its statement of Gambling Policy. The attached Policy Statement complies with the revised Gambling Commission Guidance.

10.5 In preparing its Policy Statement the Council is required to consult with the consultees listed at paragraph 8.2 of this report and in accordance with the so called Sedley Principles the outcome of any consultation must be conscientioulsy taken into account by the Cabinet in arriving at a decision.

10.6 Under Regulations 4(1) (a) and (2) of the Local Authorities (Functions and Responsibilities) (England) Regs 2000, Cabinet must be involved in the formulation/ preparation of the Gambling Policy. The Policy therefore was reviewed by Cabinet first, before recommendation to Full Council for adoption.

11 **Equality**

11.1 The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
- Advance equality of opportunity between people who share those protected characteristics and people who do not
- Foster good relations between people who share those characteristics and people who do not.

The three parts of the duty applies to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.

11.2 The decision is to approve the Council's draft Statement of Gambling Policy for the years 2019-2022 in order that it can be recommended to Full Council for adoption.

11.3 The current EQiA Screening Tool does not show any negative impact on groups or individuals with protected characteristics. There is scope to have a positive

impact in terms of age (the protecting children objective). There is a fundamental lack of data around service users which limits the equality analysis. In mitigation the fact that the local area profiles supplementary document will be kept up to date, will help to provide betting operators with a greater understanding of local areas. The EQiA Screening Tool is shown at Appendix 3.

11.4 Use of Appendices

Appendix 1- Haringey Statement of Licensing Policy for the Gambling Act 2019-2022

Appendix 2- Local Area Profile
Appendix 3– EQIA Screening Tool

12.0 Local Government (Access to Information) Act 1985
N/A

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HARINGEY STATEMENT OF GAMBLING POLICY 2019-2022

Haringey
LONDON

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Foreword – Cllr Amin (Cabinet Member)

Haringey is the Future of London, an exciting, vibrant borough with a wide range of leisure and cultural opportunities. This includes gambling, a legal entertainment activity that brings enjoyment to many Haringey residents. The Council's policy is that residents should have the opportunity to enjoy gambling in safe, controlled way, free from harm. This is only possible if the specific risks associated with gambling in Haringey are understood by all, if the Council takes a strong approach to licensing, and if gambling operators show genuine responsibility in the steps they take to respond to risks.

This Gambling Policy lays out the risks associated with gambling that we face in Haringey, and what the Council expects of gambling operators in terms of their response to those risks. The risks we are concerned about include those covered by the licensing objectives of the Gambling Act 2005 - crime and disorder, and the harm/exploitation of children and other vulnerable persons. There are also Haringey-specific risks - we are particularly concerned about the clustering of betting shops in Haringey's most deprived communities, where there is also a higher incidence of crime, mental health conditions and demand for debt advice. Haringey is particularly concerned about the health impacts of problem gambling. In particular there are significantly higher risks associated with category B Fixed Odds Betting Terminals (FOBTs) in gambling addictions and the associated harm to health and wellbeing.

We welcome the requirement of the Gambling Commission's Licence Conditions and Codes of Practice, for licensees to assess and respond to the local risks to the licensing objectives posed by the provision of gambling facilities at their premises. We will ensure that the local risks assessments produced by gambling operators are meaningful and reflective of the real risks in Haringey. This policy lays out the evidence for what those local risks are, identifies the particular borough wards in which risks are most manifest, and crucially, clearly defines what sorts of policies, procedures or control measures we expect gambling operators to put in place to mitigate the risks.

Considering local risks is only part of the overall approach needed to control gambling we are still reliant on gambling operators demonstrating genuine social responsibility and responding to the spirit, not just the letter, of their responsibilities around local risk assessments. We work with operators to strive to meet expectations in full and put in place policies, procedures and control measures that make a genuine difference in reducing the risk of gambling related harms. In particular, we call on operators to respond to our concerns about FOBTs, through policies that promote verified accounts and enable problem gambling to be identified early in a way that triggers effective interventions.

For these reasons, this Authority has set out to establish a gambling licensing policy which recognises good industry practice and intends to support responsible operators but sets out to offer adequate protections to our local community.

The clarity of our expectations and our commitment to constructive partnership working with operators, means there is no excuse for inadequate risk assessments or policy proposals from operators. We will continue to monitor the impact of gambling on our communities in detail and listen to the views of our residents, public sector partners and voluntary sector. Whilst self-regulation is important if operators consistently fail to respond to Haringey's specific risks and exercise social responsibility and governance, we will not hesitate to lead the call for greater licensing powers to be granted to Local Authorities.

Integral to this has been the analysis of gambling related harm which informs this policy. The analysis explored local area based vulnerability to gambling related harm and, as such, provided both context to this policy and a 'local area profile'. This enables consideration to be

given to local issues that must be addressed by local operators and to the extent to which any further development of a gambling offer within the borough may be appropriate.

Part A Statement of Gambling Policy

1. Introduction

The London Borough of Haringey (the Council)became a “Licensing Authority” under the Gambling Act 2005 (the Act), which came into force in 2007 and established a new regime for the regulation of commercial gambling whilst repealing a number of pieces of older law.

1.1. The policy opens with a more general introduction to Haringey (Section A), followed by detail on the objectives this Authority will rely on in fulfilling its licensing responsibilities (section B). Section C of this policy sets out the principles and considerations this Authority will go through in determining gambling premises licences. All new and current operators must have regard to this section when compiling local risk assessments and should make this section their starting point when absorbing the content of this policy alongside the Local Area Profile supplementary guidance. The steps that this and other responsible authorities would wish to see given appropriate consideration within risk assessments and operating schedules. It is intended to reflect and enhance industry good practice. This section is also intended to make clear certain aspects of the applications process for the benefit of all. This includes information on consultation, responsible authorities, interested parties and relevant objections. Sections D (permits etc) sets out in some detail the various permits, Section E deals with enforcement matters, establishing how this Authority and partner service and external agencies intend to work collaboratively together, in a fair, transparent, open and consistent manner, to provide intelligent directed regulation.

1.2. The Act requires the Council, along with all other licensing authorities, to publish a statement of Gambling Policy that will be applied when carrying out its licensing functions. This statement of Licensing Policy (the statement) fulfils that statutory requirement and details the Council’s general approach to the making of decisions under the Act. Where updates are required due to changes in national legislation, statutory guidance or contact details the council reserves the right to amend this policy without consultation where it is necessary to ensure policy reflects national legislation or statutory guidance.

1.3. The main function of the Council as a Licensing Authority, through its licensing committee, will be to licence premises where gambling is to take place and issue a range of licences, permits and authorisations for gambling in its area. The Licensing Authority will also have power to impose conditions and review licences.

1.4. The Council will be empowered by the Act to take enforcement action when an offence under the legislation has been committed. Offences include when premises or activities are unlicensed, or licence conditions are not complied with; to support this enforcement there are powers of entry and inspection.

1.5. This policy refers to the Gambling Commission, which has wider functions under the Act and with whom the Council will work alongside as a dual regulator. However, it does not discuss the role and responsibilities of the Commission and any references in this policy will only be insofar as it impacts on, or clarifies, this Authority’s functions. For example, the Commission is exclusively responsible for issuing operator and personal licences, which is a necessity before the Council can consider an application for a premises licence.

1.1 The Gambling Commission is also mentioned in this policy as being responsible for issuing

Codes of Practice and Guidance to licensing authorities regarding the manner in which they are to exercise their functions. This policy endorses the principles set out in the Gambling Commission Guidance and key licensing objectives and confirms that the Council will take account of all such guidance. This statement must be published at least every three years. The statement must also be reviewed from "time to time" and any amended parts re-consulted upon. The policy must then be re-published.

2. Consultation

Haringey Council consulted widely upon this Policy statement before finalising and publishing. A list of those persons consulted is provided below, in line with the Act and the Gambling Commission's Guidance.

- The Chief Officer of Police;
- The Fire Authority
- One or more persons who appear to the authority to represent the interests of persons carrying on gambling businesses in the authority's area;
- One or more persons who appear to the authority to represent the interests of persons who are likely to be affected by the exercise of the authority's functions under the Gambling Act 2005.
- Services within the Council with an interest in the gambling process (Responsible Authorities)
- Local Safeguarding Children Board
- Councillors
- H.M Revenue and Customs
- Other organisations that appear to be affected by licensing matters covered in the Policy.
- Neighbouring boroughs.
- Local residents association

2.1. Our consultation took place between November 2018 and January 2019 and we followed the HM Government Code of Practice on Consultation (published July 2012).

2.2. The full list of comments made and the consideration by the Council of those comments is available/will be available by request to: Licensing@haringey.gov.uk ***/*** via the Council's website at: www.haringey.gov.uk/licensing

2.3. The policy was approved at a meeting of the Full Council on 25th February 2019 and was published via our website on. Copies were placed in the public libraries of the area as well as being available in the Civic Centre.

2.4. Should you have any comments as regards this policy statement please send them via e-mail or letter to the following contact:

Licensing Team
Level 1 River Park House
225 High Road, Wood Green
London
N22 8GH
licensing@haringey.gov.uk

2.5. It should be noted that this statement of licensing policy will not override the right of any person to make an application, make representations about an application, or apply for a review of a licence, as each will be considered on its own merits and according to the statutory requirements of the Gambling Act 2005. The council acknowledges that it may need to depart from this policy and from the guidance issued under the Act in individual and exceptional circumstances, and where the case merits such a decision in the interest of the promotion of the licensing objectives. Any such decision will be taken in consultation with the appropriate legal advisors for the Licensing Authority, and the reasons for any such departure will be fully recorded.

3. Objectives

In exercising most of its functions under the Gambling Act 2005 the Council as the Licensing Authority must have regard to the following licensing objectives:

- **Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or used to support crime;**
- **Ensuring that gambling is conducted in a fair and open way**
- **Protecting children and other vulnerable persons from being harmed or exploited by gambling.**

3.1. It should be noted that the Gambling Commission has stated: “The requirement in relation to children is explicitly to protect them from being harmed or exploited by gambling”.

3.2. The Council is aware that, as per Section 153, in making decisions about premises licences and temporary use notices it should aim to permit the use of premises for gambling insofar as it thinks it is:

- **In accordance with any relevant code of practice issued by the Gambling Commission;**
- **In accordance with any relevant guidance issued by the Gambling Commission;**
- **Reasonably consistent with the licensing objectives;**
- **In accordance with the Council’s Statement of Licensing Policy. In particular, the Council requires operators to take account of the local area profile of the borough contained within this policy.**

The Council is required under the Act to:

- Be responsible for the licensing of premises where gambling activities are to take place by issuing Premises Licences;
- Issue Provisional Statements;
- Regulate members’ clubs who wish to undertake certain gaming activities via issuing Club Gaming Permits and/or Club Machine Permits; Issue Club Machine Permits to Commercial Clubs;
- Grant permits for the use of certain lower stake gaming machines at unlicensed family entertainment centres;
- Receive notification from alcohol licensed premises (under the Licensing Act 2003) of the use of two or fewer gaming machines;
- Issue Licensed Premises Gaming Machine Permits for premises licensed to sell/supply alcohol for consumption on the licensed premises, under the Licensing Act 2003, where there are more than two machines;
- Register small society lotteries below prescribed thresholds;
- Issue Prize Gaming Permits; Receive and endorse Temporary Use Notices;
- Receive Occasional Use Notices;

- Provide information to the Gambling Commission regarding details of licences issued (see section below on information exchange);
- Maintain registers of the permits and licences that are issued under these functions.

3.3. It should be noted that local licensing authorities are not involved in licensing remote gambling at all, which is regulated by the Gambling Commission via Operator Licences.

3.4. The Council recognises that the licensing function is only one means of promoting delivery of the three objectives and should not therefore be seen as a means for solving all problems within the community. The Council will therefore work in partnership with neighbouring authorities, Metropolitan Police Service, the Community Safety Partnership, local businesses, local people and those involved in child protection to promote the licensing objectives as outlined. In addition, the Council recognises its duty under Section 17 of the Crime and Disorder Act 1998, with regard to the prevention of crime and disorder.

3.5. The scheme of delegation is set out at Appendix 1.

4. Declaration

This statement of licensing policy will not override the right of any person to make an application, make representations about an application, or apply for a review of a licence, as each will be considered on its own merits and according to the statutory requirements of the Gambling Act 2005.

4.1. In producing this document, the council declares that it has had regard to the licensing objectives of the Gambling Act 2005, the guidance issued by the Gambling Commission, and any responses from those consulted on the policy statement.

5. Responsible Authorities

The Act empowers certain agencies to act as responsible authorities so that they can employ their particular area of expertise to help promote the licensing objectives. Responsible authorities are able to make representations about licence applications, or apply for a review of an existing licence. Responsible authorities will also offer advice and guidance to applicants.

5.1. The council is required by regulations to state the principles it will apply to designate, in writing, a body which is competent to advise the authority about the protection of children from harm. The principles are:

- The need for the body to be responsible for an area covering the whole of the licensing authority's area and the need for the body to be answerable to democratically elected persons, rather than any particular vested interest group etc.
- Answerable to democratically elected Councillors and not to any particular interest group.

5.2. In accordance with the regulations the Council designates the Director of Children Services for this purpose.

5.3. The following are Responsible Authorities:

- The Gambling Commission

- Her Majesty's Commissioners of Customs and Excise (now known as Her Majesty's Revenue & Customs)
- The Metropolitan Police Service
- The London Fire and Emergency Planning Authority
- The Council, as Licensing Authority
- The Council, as Planning Authority
- The Council's Director of Children's Services
- The Council's Environmental Health Service
- The Council's Public Health Service
- Any other person or body who may be prescribed by regulations made by the Secretary of State for Culture, Media and Sport ('the Secretary of State')

5.4. Contact details of all the Responsible Authorities under the Gambling Act 2005 are available on the Council's web site. Contact details of all the responsible authorities under the Gambling Act 2005 are available on the council's website within the guidance documents at Appendix 5.

6. Interested parties

Interested parties are certain types of people or organisations that have the right to make representations about licence applications, or apply for a review of an existing licence. These parties are defined in the Gambling Act 2005 as follows:

"For the purposes of this Part a person is an interested party in relation to an application for or in respect of a premises licence if, in the opinion of the licensing authority which issues the licence or to which the applications is made, the person-

lives sufficiently close to the premises to be likely to be affected by the authorised activities,

has business interests that might be affected by the authorised activities, or

represents persons who satisfy paragraph (a) or (b)"

6.1. The Council is required by regulations to state the principles it will apply to determine whether a person is an interested party. The principles are:

- Each case will be decided upon its merits. The council will not apply a rigid rule to its decision making. It will consider the examples of considerations provided in the Gambling Commission's Guidance to local authorities.
- Within this framework the Council will accept representations made on behalf of residents and tenants associations.
- In order to determine if an interested party lives or has business interests, sufficiently close to the premises to be likely to be affected by the gambling activities, the council will consider factors such as the size of the premises and the nature of the activities taking place.

6.2. The following are not valid reasons to reject applications for premises licences:

a) Moral objections to gambling
b) The 'saturation' of gambling premises unless there is evidence that the premises poses a risk to the licensing objectives in that locality
c) A lack of 'demand'
d) Whether the proposal is likely to receive planning or building regulations consent

6.3. The council will provide more detailed information on the making of representations in a separate guidance note. The guidance note has been prepared in accordance with relevant Statutory Instruments and Gambling Commission guidance.

7. Exchange of information

Licensing authorities are required to include in their policy statement the principles to be applied by the authority with regards to the exchange of information between it and the Gambling Commission, as well as other persons listed in Schedule 6 to the Act.

7.1. The principle that the council applies is that it will act in accordance with the provisions of the Gambling Act 2005 in its exchange of information which includes the provision that the Data Protection Act 2018 will not be contravened. The council will also have regard to any guidance issued by the Gambling Commission to local authorities on this matter, as well as any relevant regulations issued by the Secretary of State under the powers provided in the Gambling Act 2005.

8. Gambling Prevalence and Problem Gambling

In 2015 the Gambling Commission commissioned research by NatCen to study gambling behaviour in the UK. The research aim was to:

- Describe the prevalence of gambling participation, at-risk gambling and problem gambling and;
- Explore characteristics associated with gambling participation, at-risk gambling, and problem gambling.

8.1. It found that 63% of adults (16+) in Great Britain had gambled in the previous year, with men (66%) being more likely than women (59%) to do so. Previous year gambling participation varied by age with participation rates being highest among the middle age groups and lowest among the very young or very old. This pattern was the same for men and women. Rates of previous year gambling are heavily influenced by the popularity of the National Lottery. Overall, 45% of British adults had gambled on other activities in the past year. When National Lottery only gamblers are excluded, gambling participation was highest among younger adults. Among both men and women the most popular forms of gambling were: purchase of tickets for the National lottery (46%); purchase of scratch cards (23%), and participation in other lotteries (15%).

8.2. At-risk gambling was measured using the Problem Gambling Severity Index (PGSI). This identifies people who have experienced some difficulty with their gambling behaviour but who are not classified as problem gamblers. Two groups are identified: gamblers at ‘low risk of harm’ (a PGSI score of 1-2) and gamblers at ‘moderate risk’ of harm (a PGSI score of 3-7). Overall, 2.8% of adults were low risk gamblers (a PGSI score of 1-2) and a further 1.1% were moderate risk gamblers (a PGSI score of 3-7), meaning that overall 3.9% of adults had a PGSI score which categorised them as ‘at-risk’ gamblers. Rates of low risk and moderate risk gambling were higher among men than women and were higher among younger age groups.

8.3. The highest rates of problem gambling were among those who had participated in spread betting (20.1%), betting via a betting exchange (16.2%), playing poker in pubs or clubs (15.9%), betting offline on events other than sports or horse or dog racing (15.5%) and playing machines in bookmakers (11.5%).

8.4. Problem gambling was more prevalent among people who had participated in a number of gambling activities in the past year (prevalence was 11.9% for those who participated in

seven or more activities compared to 0.3% of those who had taken part in just one gambling activity in the last year).

8.5. The GamCare annual review (2016-2017)2 reported the following:

- 43,367 calls/webchats were answered by Help Line in 16/17 compared to 34,198 the year before – a 23% in calls.
- An even split of calls made in relation to online and offline gambling.
- 77% of calls were made by the gambler, 20% were made by an affected other.
- The greatest impact of problem gambling reported is anxiety/stress, financial difficulties and family/relationship difficulties.
- 2 million unique visitors to the website, which was double to last year.
- 1,200 more clients treated this year compared to last year.

9. Gambling in Haringey

In Haringey we currently have 64 Betting shops, 5 AGCs, 1 Bingo premises and 2 track betting premises.

9.1 In April 2011 a Haringey scrutiny report noted that betting shops were located disproportionately within the east of the borough (85%), and that here was a correlation between the location of betting shops and social deprivation with 43% of betting shops are located in the most deprived super output areas (10%) of the borough.

9.2 Although gambling is a legal entertainment activity it can, in some locations have a negative impact on individuals and the wider community. The Council has worked to understand how gambling can affect its residents and visitors. The Council has also sought to identify individuals who live in the local area who are potentially vulnerable to gambling related harm. Haringey has considered the evidence gathered on the health/social impacts of gambling through our partners such as Public Health and Citizens advice Centres to bring together the local area profile. We expect license applicants/holders to take account of that information to mitigate those impacts effectively through their risk assessments and thereby have meaningful dialogue with the Council, Police and other partners in addressing the concerns identified.

Part B Promotion of the licensing objectives

10. Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime

10.1. This licensing authority is aware that the Gambling Commission will be taking a leading role in preventing gambling from being a source of crime, and that regulatory issues arising from the prevention of disorder are likely to focus almost exclusively on premises licensing, which is the remit of the Licensing Authority. The Gambling Commission's guidance does however envisage that licensing authorities should pay attention to the proposed location of

gambling premises in terms of this licensing objective. Where an area is known to have high levels of crime this authority will consider carefully whether gambling premises are suitable to be located there, taking into account such factors as,

- levels of recorded crime,
- the type of that crime,
- levels of ASB related complaints.

10.2. Applicants are advised to examine crime and ASB statistics that relate to the vicinity of their application. This will allow for the application to be tailored to the specific locality and to include any additional measures potentially required to support the objective to be set out in the application. This may also reduce the likelihood of objections being made to the application. Advice about accessing such data can be provided by the Licensing Authority.

10.3. This Licensing Authority accepts that issues of nuisance cannot be addressed via the Gambling Act provisions, although preventing gambling from being a source of disorder is a licensing objective. The Licensing Authority is also mindful that what starts as nuisance may subsequently escalate to disorder, and that such disorder can have a serious effect on the lives of local residents. If an application for licence review were to be made on the basis of disorder the authority will then distinguish between disorder and nuisance, considering factors such as:

- whether police assistance was required;
- how threatening the behaviour was to those who could see it;
- how frequently it is reported;
- prevalence of persons loitering outside;
- the times of day when disorder is reported;
- the impact on residents.

10.4. Issues of nuisance cannot be addressed by the Gambling Act provisions however problems of this nature can be addressed through other legislation as appropriate.

11. Ensuring that gambling is conducted in a fair and open way

11.1. The council is aware that except in the case of tracks (see section 21) generally the Gambling Commission does not expect licensing authorities to become concerned with ensuring that gambling is conducted in a fair and open way as this will be addressed via operating and personal licences.

11.2. However the council will familiarise itself with operator licence conditions and will communicate any concerns to the Gambling Commission about misleading advertising or any absence of required game rules or other matters as set out in the Gambling Commission's Licence Conditions and Code of Practice.

11.3. Examples of the specific steps the council may take to address this area can be found in the various sections covering specific premises types in Part C of this document and also in Part D which covers permits and notices.

12. Protecting children and other vulnerable persons from being harmed or exploited by gambling

12.1 Protection of children

This licensing objective means preventing children from taking part in most types of gambling. The council will therefore consider whether specific measures are required at

particular premises, with regard to this licensing objective. Appropriate measures may include supervision of entrances / machines, segregation of areas etc.

12.2 In premises that may attract children this Authority expects licence holders to train staff to recognise child sexual exploitation, and for staff to be able to demonstrate an understanding of the steps they should take if their suspicions are aroused.

12.3 The Act provides the following definition for child and young adult in Section 45: Meaning of "child" and "young person"

(1) In this Act "child" means an individual who is less than 16 years old.

(2) In this Act "young person" means an individual who is not a child but who is less than 18 years old.

For the purpose of this section protection of children will encompass both child and young person as defined by the Act.

12.4 The council will pay particular attention to any codes of practice which the Gambling Commission issues as regards this licensing objective in relation to specific premises.

12.5 Examples of the specific steps the council may take to address this area can be found in the various sections covering specific premises types in Part C of this document and also in Part D which covers permits and notices.

13 Protection of vulnerable people

The council is aware of the difficulty in defining the term "vulnerable person".

13.1 The Gambling Commission, in its Guidance to Local Authorities, does not seek to offer a definition for the term "vulnerable people" but will, for regulatory purposes assume that this group includes people:
"who gamble more than they want to, people who gamble beyond their means, elderly persons, and people who may not be able to make informed or balanced decisions about gambling due to a mental impairment, or because of the influence of alcohol or drugs."

13.2 The Department of Health document "No Secrets" offers a definition of a vulnerable adult as a person:
"who is or may be in need of community care services by reason of mental or other disability, age or illness; and who is or may be unable to take care of him or herself, or unable to protect him or herself against significant harm or exploitation."

13.3 In the case of premises licences the council is aware of the extensive requirements set out for operators in the Gambling Commissions Code of Practice. In this document the Gambling Commission clearly describe the policies and procedures that operators should put in place regarding:

- Combating problem gambling;
- Access to gambling by children and young persons;
- Information on how to gambling responsibly and help for problem gamblers;
- Customer interaction;
- Self-exclusion;
- Employment of children and young persons.

13.4 All applicants should familiarise themselves with the operator licence conditions and codes of practice relating to this objective and determine if these policies and procedures are appropriate in their circumstances. The council will communicate any concerns to the Gambling Commission about any absence of this required information.

13.5 Applicants should consider the following proposed measures for protecting and supporting vulnerable persons, for example:

- leaflets offering assistance to problem gamblers should be available on gambling premises in a location that is both prominent and discreet, such as toilets;
- training for staff members which focuses on building an employee's ability to maintain a sense of awareness of how much (e.g. how long) customers are gambling, as part of measures to detect persons who may be vulnerable;
- trained personnel for the purpose of identifying and providing support to vulnerable persons;
- self-exclusion schemes;
- operators should demonstrate their understanding of best practice issued by organisations that represent the interests of vulnerable people;
- posters with GamCare Helpline and website in prominent locations;
- windows, entrances and advertisements to be positioned or designed not to entice passers-by.

13.6 It should be noted that some of these measures form part of the mandatory conditions placed on premises licences.

13.7 The council may consider any of the above or similar measures as licence conditions should these not be adequately addressed by any mandatory conditions, default conditions or proposed conditions by the applicant.

Part C Types of Gambling Premises licences

14. Premises licences are subject to the requirements set-out in the Gambling Act 2005 and regulations, as well as specific mandatory and default conditions which are detailed in regulations issued by the Secretary of State. Licensing authorities are able to exclude default conditions and also attach others, where it is believed to be appropriate.

14.1 The Council is aware that in making decisions about premises licences it should aim to permit the use of premises for gambling in so far as it thinks it: is :

- in accordance with any relevant code of practice issued by the Gambling Commission;
- in accordance with any relevant guidance issued by the Gambling Commission;
- reasonably consistent with the licensing objectives; and
- in accordance with the authority's statement of licensing policy.

14.2 It is appreciated that as per the Gambling Commission's Guidance for local authorities "moral objections to gambling are not a valid reason to reject applications for premises licences" (except as regards any 'no casino resolution') and also that unmet demand is not a criterion for a licensing authority.

14.3 The council will issue premises licences to allow those premises to be used for certain

types of gambling. For example premises licences will be issued to amusement arcades, bingo halls, bookmakers and casinos.

14.4 Applicants should also be aware that the Gambling Commission has issued Codes of Practice for each interest area for which they must have regard. The council will also have regard to these Codes of Practice.

15 Definition of "premises"

Premises are defined in the Act as "any place". Different premises licences cannot apply in respect of a single premises at different times. However, it is possible for a single building to be subject to more than one premises licence, provided they are for different parts of the building and the different parts of the building can be reasonably regarded as being different premises. Whether different parts of a building can properly be regarded as being separate premises will always be a question of fact in the circumstances.

15.1 The council will take particular care in considering applications for multiple licences for a building and those relating to a discrete part of a building used for other (non-gambling) purposes. In particular the council will assess entrances and exits from parts of a building covered by one or more licences to satisfy itself that they are separate and identifiable so that the separation of different premises is not compromised and that people do not 'drift' into a gambling area.

15.2 The council will pay particular attention to applications where access to the licensed premises is through other premises (which themselves may be licensed or unlicensed). Issues that the council will consider before granting such applications include whether children can gain access, compatibility of the two establishments; and the ability to comply with the requirements of the Act. In addition, an overriding consideration will be whether, taken as a whole, the co-location of the licensed premises with other facilities has the effect of creating an arrangement that otherwise would, or should, be prohibited under the Act.

15.3 The Gambling Commission's relevant access provisions for each premises type are reproduced below

Type of Premises	**Access Provisions**
Casinos	• the principal entrance to the premises must be from a 'street' • no entrance to a casino must be from premises that are used wholly or mainly by children and/or young persons • no customer must be able to enter a casino directly from any other premises which holds a gambling premises licence.
AGCs	• no customer must be able to access the premises directly from any other licensed gambling premises.
Betting shops	• access must be from a 'street' or from other premises with a betting premises licence • no direct access from a betting shop to another premises used for the retail sale of

	merchandise or services. In effect there cannot be an entrance to a betting shop from a shop of any kind unless that shop is itself a licensed betting premises.
Tracks	no customer must be able to access the premises directly from a casino or AGC
Bingo premises	• no customer must be able to access the premises directly from a casino, an AGC or a betting premises, other than a track
FECs	• no customer must be able to access the premises directly from a casino, an AGC or a betting premises, other than a track.

15.4 An applicant cannot obtain a full premises licence until they have the right to occupy the premises to which the application relates.

16. Licence Conditions Code of Practice (LCCP) - Application of Social Responsibility Codes.

16.1 The Gambling Commission has issued 'Licence Conditions and Codes of Practice (LCCP) under the Gambling Act 2005 which came into effect on 6th May 2018. These were a significant update on previous LCCP and are in three parts:

- General Conditions attached to operating licences
- Principal Code of Practice: Social Responsibility provisions and Ordinary provisions
- General Conditions attached to Personal Licences.

16.2 Haringey will expect all applicants to have considered the LCCP and included relevant parts within their application.

16.3 In particular, all non-remote licensees 'must assess the local risks to the licensing objectives posed by the provision of gambling facilities at each of their premises, and have policies, procedures and control measures to mitigate those risks. In making risk assessments, licensees must take into account relevant matters identified in the licensing authority's statement of licensing policy' (Social responsibility (SR) code 10.1.1); and 11.4 Local risk assessments must be reviewed when there are significant changes in local circumstances (including those identified in a licensing authority's statement of licensing policy) or at the premises, or when applying for a new licence or variation of a licence (SR code 10.1.2).

16.4 Haringey may, at its discretion, add conditions from the Gambling Commission LCCPs to any applicants licence as it sees fit.

17 Local Area Profile and Risk Assessments

Haringey is an improving progressive borough, however, as can be seen from the analysis provided under the local area profile, the east of the borough compares poorly with the west and carry's high levels of deprivation that potentially puts people in those areas at risk to gambling related harm. From 6 April 2016, it is a requirement of the Gambling Commission's Licence Conditions and Codes of Practice (LCCP), under section 10 for licensees to assess the local risks to the licensing objectives posed by the

provision of gambling facilities at their premises and have policies, procedures and control measures to mitigate those risks. In making risk assessments, licensees must take into account relevant matters identified in this policy.

17.1 This position gives rise to serious concerns of the impact of any further increase in the number of gambling premises in those most vulnerable and 'at risk' areas of the borough. This Authority considers that it is necessary to seek to control the number of facilities for gambling in areas where its most vulnerable residents may be placed at increasing risk, and in line with the duty, to aim to permit gambling insofar as it is reasonably consistent with the pursuit of the licensing objectives. All areas shown within the local area profile as being at high overall risk of gambling related harm, are generally considered inappropriate for further gambling establishments, which would tend to raise the risk of gambling related harm to vulnerable people living in those areas. Operators are asked to consider very carefully whether seeking to locate new premises or relocating existing premises within these areas would be consistent with the licensing objectives. Wherever the facilities are proposed, operators should consider, having regard to the individual mapping provided, each of the specific characteristics of their local area. Each premises' specific risk-assessment should recognise these and provide appropriate proactive mitigation or control measures.

17.2 The council is aware that demand issues (e.g. the likely demand or need for gambling facilities in an area) cannot be considered with regard to the location of premises but that considerations in terms of the licensing objectives can. The council will pay particular attention to the protection of children and vulnerable persons from being harmed or exploited by gambling, as well as issues of crime and disorder.
With regards to these objectives it is the council's policy, upon receipt of any relevant representations to look at specific location issues including:

- the possible impact a gambling premises may have on any premises that provide services to children or young people, i.e. a school, or vulnerable adult centres in the area;
- the possible impact a gambling premises may have on residential areas where there may be a high concentration of families with children;
- the size of the premises and the nature of the activities taking place;
- any levels of organised crime in the area.

17.3 It is a requirement of the code that such risk assessments should be shared with the Council when applying for a new licence, making a variation or when there is a significant change in local circumstances (including any update of the Gambling Policy). Where there are significant changes at a licensee's premises that may affect the mitigation of local risk, or otherwise on request from the Authority. The LB Haringey expects that such risk assessments will automatically be shared for all premises and to take into account the following:

17.4 Any special risks created by geographic location. To include schools, colleges or establishments frequented by children and young people, residential areas where there may be a high concentration of children and young persons, and the measures proposed to reduce any specific risk of children and young people from these premises accessing gambling facilities at the licensee's premises and to identify any potential risks to vulnerable persons. Assessment of risk covers the following:

a. Identify risk factors
b. Who can be harmed and how
c. Evaluate the risk

d. Record and score findings
e. Monitor and review

17.5 Other matters that the assessment may include:

- local area crime statistics;
- whether the premises is in an area of deprivation;
- whether the premises is in an area subject to high levels of crime and/or disorder;
- the ethnic profile of residents in the area;
- the demographics of the area in relation to vulnerable groups;
- the location of services for children such as schools, playgrounds, toy shops, leisure centres and other areas where children will gather;
- the training of staff to recognise child sexual exploitation and the steps to be taken if it is suspected;
- details as to the location and coverage of working CCTV cameras, and how the system will be monitored;
- the layout of the premises so that staff have an unobstructed view of persons using the premises;
- the number of staff that will be available on the premises at any one time. If at any time that number is one, confirm the supervisory and monitoring arrangements when that person is absent from the licensed area or distracted from supervising the premises and observing those persons using the premises;
- arrangements for monitoring and dealing with under age persons and vulnerable, which may include dedicated and trained personnel, leaflets, posters, self-exclusion schemes, window displays and advertisements not to entice passers-by etc;
- the provision of signage and documents relating to games rules, gambling care providers and other relevant information be provided in both English and the other prominent first language for that locality;
- where the application is for a betting premises licence, other than in respect of a track, the location and extent of any part of the premises which will be used to provide facilities for gambling in reliance on the licence;
- the training of staff in brief intervention when customers show signs of excessive gambling, the ability of staff to offer brief intervention and how the manning of premises affects this.

17.6 Such information may be used to inform the decision the council makes about whether to grant the licence, to grant the licence with special conditions or to refuse the application.

17.7 A good risk assessment accompanying an application will:

- Enable the licensing authority to see that the applicant has considered the community and the risks within it;
- Provide greater clarity for operators leading to improved premises licence applications, with the operator already incorporating controls and measures to mitigate risk in their application;
- Enable the licensing authority to make robust but fair decisions, based on a clear, published set of factors and risks, which are therefore less susceptible to challenge;

- Encourage a proactive approach to risk that is likely to result in reduced compliance and enforcement action.

17.8 In any case the local risk assessment should show how vulnerable people, including people with gambling dependencies, are protected.

17.9 There is evidence that some groups in the population may be more vulnerable to gambling related harm. This does not only apply to people on low incomes but also people who are less able to make reasoned decisions because of poor mental health or addiction. Children and young people may be particularly susceptible, as their youth and inexperience may make them more inclined to risk-taking behaviour and less able to manage the consequences of those decisions.

17.10 To help support applicants and licence holders to better understand their local environment, an analysis of gambling related harm has been prepared as a 'local area profile'. A copy of the document is provided at Appendix 2. By drawing on relevant and reliable published socio-economic and public health data sets together with local police data concerning anti-social behaviour, the local area profile uses special analysis techniques to provide a model of area-based vulnerability to gambling related harm across the borough. Both current operators and potential new operators to the borough are asked to consider the detail provided carefully, and should have regard to both the overall summary map and the individual mapping provided in respect of each relevant data set.

17.11 This policy does not preclude any application being made and each application will be decided on its merits, with the onus being upon the applicant to show how the concerns can be overcome. Assessing local risk should therefore provide a means for licensees to address local concerns about gambling premises; and for licensing authorities and gambling licensees to work collaboratively with a view to minimising risks, within the framework of aiming to permit gambling where reasonably consistent with licensing objectives.

18. Duplication with other regulatory regimes

The council will seek to avoid any duplication with other statutory/regulatory systems where possible, including planning. The council will not consider whether a licence application is likely to be awarded planning permission or building regulations approval, in its consideration of it. It will though, listen to, and consider carefully, any concerns about proposed conditions which are not able to be met by the applicant due to planning restrictions, should such a situation arise, this may include consideration of the proposed hours of operation. The Council will consider the hours proposed in accordance to the risk assessment and area profile.

19 Conditions

The Council is aware that the Secretary of State has set mandatory conditions and default conditions. The Gambling Commission has set Licence Conditions and Codes of Practice which are necessary for the general good conduct of gambling premises. The Council will not seek to impose further individual conditions in relation to matters that have already been dealt with.

19.1 Where there are specific risks or problems associated with a particular locality, or specific premises, or class of premises, the council will attach individual conditions to address this.

19.2 Any conditions attached to a licence issued by the council will be proportionate and will be:

- relevant to the need to make the proposed building suitable as a gambling facility;
- directly related to the premises and the type of licence applied for, and/or related to
- the area where the premises is based;
- fairly and reasonably related to the scale, type and location of premises;
- consistent with the licensing objectives, and
- reasonable in all other respects.

19.3 Decisions about individual conditions will be made on a case by case basis, although there will be a number of control measures the council will consider using, such as supervision of entrances, supervision of adult gaming machines, appropriate signage for adult only areas etc. There are specific comments made in this regard under each of the licence types in this policy. The council will also expect the applicant to offer his/her own suggestions as to the way in which the licensing objectives can be met effectively.

19.4 Where certain measures are not already addressed by the mandatory/default conditions or by the applicant, the council may consider licence conditions to cover issues such as:

- proof of age schemes;
- CCTV;
- supervision of entrances;
- supervision of machine areas;
- a reduction in the number of betting machines (betting premises);
- the staffing of premises;
- physical separation of areas;
- location of entrance points;
- notices / signage;
- specific opening hours;
- a requirement that children must be accompanied by an adult;
- enhanced CRB checks of the applicant and/or staff;
- support to persons with gambling addiction;
- policies to address seasonal periods where children may more frequently attempt to gain access to premises and gamble such as pre and post school hours, half terms and summer holidays;
- policies to address the problems associated with truant children who may attempt to gain access to premises and gamble;
- any one or a combination of these measures.

19.5 This list is not mandatory or exhaustive and is merely indicative of examples of certain measures which may satisfy the requirements of the licensing authority and the responsible authorities, depending on the nature and location of the premises and the gambling facilities to be provided.

19.6 There are conditions which the council cannot attach to premises licences which are:

- any condition on the premises licence which makes it impossible for the applicant to comply with an operating licence condition;

- conditions relating to gaming machine categories, numbers, or method of operation;
- conditions which provide that membership of a club or body be required (the Gambling Act 2005 specifically removes the membership requirement for casino and bingo clubs and this provision prevents it being reinstated) and
- conditions in relation to stakes, fees, winnings or prizes.

20. Door supervision

The council will consider whether there is a need for door supervision in terms of the licensing objectives of protection of children and vulnerable persons from being harmed or exploited by gambling, and also in terms of preventing premises becoming a source of crime. It is noted though that the Gambling Act 2005 has amended the Private Security Industry Act 2001 and that door supervisors at casinos or bingo premises are not required to be licensed by the Security Industry Authority. Where door supervisors are provided at these premises the operator should ensure that any persons employed in this capacity are fit and proper to carry out such duties. Possible ways to achieve this could be to carry out a criminal records (CRB) check on potential staff and for such personnel to have attended industry recognised training.

21. Adult gaming centres

Under the Act a premises holding an adult gaming centre licence will be able to make category B, C and D gaming machines available and no one under 18 will be permitted to enter such premises.

21.1 The council will specifically have regard to the need to protect children and vulnerable persons from harm or being exploited by gambling in these premises. The council will expect applicants to satisfy the authority that there will be sufficient measures to ensure that under 18 year olds do not have access to the premises.

21.2 Where certain measures are not already addressed by the mandatory and default conditions and the Gambling Commission Codes of Practice or by the applicant, the council may consider licence conditions to address such issues, examples of which are provided at paragraph 16.16.

22. Licensed family entertainment centres (FECs)

22.1 Licensed family entertainment centres are those premises which usually provide a range of amusements such as computer games, penny pushers and may have a separate section set aside for adult only gaming machines with higher stakes and prizes. Licensed family entertainment centres will be able to make available unlimited category C and D machines where there is clear segregation in place so children do not access the areas where the category C machines are located.

22.2 Where category C or above machines are available in premises to which children are admitted then the council will ensure that:

- all such machines are located in an area of the premises separate from the remainder of the premises by a physical barrier which is effective to prevent access other than through a designated entrance. For this purpose a rope, floor markings or similar provision will not suffice and the council may insist on a permanent barrier of at least 1 meter high;
- only adults are admitted to the area where the machines (category C) are located;

- access to the area where the machines are located is supervised at all times;
- the area where the machines are located is arranged so that it can be observed by staff; and
- at the entrance to, and inside any such area there are prominently displayed notices indicating that access to the area is prohibited to persons under 18.

22.3 The council will specifically have regard to the need to protect children and vulnerable persons from harm or being exploited by gambling in these premises. The council will expect applicants to satisfy the authority that there will be sufficient measures to ensure that under 18 year olds do not have access to the adult only gaming machine areas.

22.4 The council will expect the applicant to show that there are policies and procedures in place to protect children from harm. Harm in this context is not limited to harm from gambling but includes wider child protection considerations.

22.5 The efficiency of such policies and procedures will each be considered on their merits, however, they may include:

- appropriate measures and training for staff as regards suspected truant children on the premises;
- measures and training covering how staff would deal with unsupervised very young children being on the premises;
- measures and training covering how staff would deal with children causing perceived problems on or around the premises;
- the arrangements for supervision of premises either by staff or the use of CCTV.

22.6 Any CCTV system installed should both the interior and the entrance working to the latest Home Office and ACPO standards and to the satisfaction of Metropolitan Police and the local authority. The system must record images clearly and these recordings be retained for a minimum of 31 days. If the equipment is inoperative the police and local authority must be informed as soon as possible and immediate steps taken to make the system operative. Notices must be displayed at the entrances advising that CCTV is in operation.

22.7 Due to the nature of these premises, which are attractive to children, applicants who employ staff to supervise the premises should consult with the Independent Safeguarding Authority to determine if their staff need to be CRB checked.

22.8 The council will refer to the Commission's website to familiarise itself with any conditions that apply to operating licences covering the way in which the area containing the category C machines should be delineated. The council will also make itself aware of the mandatory or default conditions and any Gambling Commission Codes of Practice on these premises licences.

23. Casinos

The London Borough of Haringey has not passed a resolution in relation to casinos, but it is noted that the Government has not awarded a casino licence to Haringey.

24. Bingo premises

There is no official definition for bingo in the Gambling Act 2005 however from a

licensing point of view there is a category of premises licence specifically for bingo premises which is used by traditional commercial bingo halls for both cash and prize bingo. In addition this premises licence will authorise the provision of a limited number of gaming machines in line with the provisions of the Act.

24.1 The council is aware that it is important that if children are allowed to enter premises licensed for bingo that they do not participate in gambling, other than on category D machines. Where category C or above machines are available in premises to which children are admitted then the council will ensure that:

- all such machines are located in an area of the premises separate from the remainder of the premises by a physical barrier which is effective to prevent access other than through a designated entrance. For this purpose a rope, floor markings or similar provision will not suffice and the council may insist on a permanent barrier of at least one meter high;
- only adults are admitted to the area where the machines are located;
- access to the area where the machines are located is supervised at all times;
- the area where the machines are located is arranged so that it can be observed by staff;
- at the entrance to, and inside any such area there are prominently displayed notices indicating that access to the area is prohibited to persons under 18;
- children will not be admitted to bingo premises unless accompanied by an adult.

24.2 The Gambling Commission has provided Guidance for Licensing Authorities and Licence Conditions and Code of Practice which are applied to Operator's Licences. The council will take this into consideration when determining licence applications for bingo premises.

24.3 Where certain measures are not already addressed by the mandatory/default conditions, the Gambling Commission Code of Practice or the applicant, the council may consider licence conditions to address such issues, examples of which are provided at paragraph 13.15.

25. Betting premises

Betting premises are premises such as bookmakers where various types of gambling are authorised to take place. The Act contains a single class of licence for betting premises however within this single class there are different types of premises which require licensing such as high street bookmakers, bookmakers located in self-contained facilities at race courses as well as the general betting premises licences that track operators will require.

25.1 Betting machines

The council is aware that Section 181 of the Act contains an express power for licensing authorities to restrict the number of betting machines, their nature and the circumstances in which they are made available by attaching a licence condition to a betting premises licence. When considering whether to impose a condition to restrict number of betting machines in particular premises, the council, amongst other things, will take into account the size of the premises, the number of counter positions available for person-to-person transactions, and the ability of staff to monitor the use of the machines.

25.2 Where an applicant for a betting premises licence intends to offer higher stake category B gaming machines (categories B2-B4) including any Fixed Odds Betting Terminals (FOBTs), then applicants should consider the control measures related to the protection of vulnerable persons, highlighted in section 13.

25.3 Where certain measures are not already addressed by the mandatory/default

conditions, Gambling Commission Code of Practice or the applicant, the council may consider licence conditions to address such issues.

26. Tracks

Tracks are sites (including racecourses and dog tracks) where races or other sporting events take place. Betting is a major gambling activity on tracks, both in the form of pool betting (often known as the “totaliser” or “tote”), and also general betting, often known as “fixed-odds” betting. Multiple betting outlets are usually located on tracks such as ‘on-course’ betting operators who come onto the track just on race days to provide betting for the races taking place on that track. There can also be ‘off-course’ betting operators who may operate self-contained facilities at the tracks which offer customers the chance to bet on other events, not just those taking place on the track.

27.1 All tracks will require a primary `general betting premises licence’ that the track operator will hold. It should be noted that track operators do not require an operating licence from the Gambling Commission although they may apply for one. This is because the various other gambling operators offering betting at the track will each hold an operating licence.

27.2 Tracks may also be subject to one or more premises licences, provided each licence relates to a specified area of the track. This may be preferable for any self-contained premises providing off-course betting facilities at the track. The council will however assess each individual case on its merits before deciding if this is necessary. Where possible the council will be happy for the track operator to decide if any particular off-course operators should apply for a separate premises licence.

27.3 If any off-course operators are permitted to provide betting facilities under the authorisation of the track operator’s premises licence, then it will be the responsibility of the premises licence holder to ensure the proper conduct of such betting within the premises boundary.

27.4 Gambling Commission guidance also indicates that it would be possible for other types of gambling premises to be located at a track under the authorisation of separate premises licences, e.g. a casino premises licence or adult gaming centre premises licence. If you require further guidance on this provision please contact the Licensing Team.

27.5 Children and persons will be permitted to enter track areas where facilities for betting are provided on days when dog-racing and/or horse racing takes place, although they are still prevented from entering areas where gaming machines and betting machines (other than category D machines) are provided.

27.6 The council will consider the impact upon the protection of children licensing objective and the need to ensure that entrances to each type of betting premises are distinct and

that children are excluded from gambling areas where they are not permitted to enter.

28. Travelling fairs

Travelling fairs have traditionally been able to provide various types of low stake gambling without the need for a licence or permit provided that certain conditions are met and this provision continues in similar fashion under the new Act.

28.1 Travelling fairs have the right to provide an unlimited number of category D gaming machines and/or equal chance prize gaming (without the need for a permit) as long as the gambling amounts to no more than an ancillary amusement at the fair.

28.2 The council will consider whether any fairs which take up the above entitlement fall within the statutory definition of a travelling fair.

28.3 The council is aware that the 27 day statutory maximum for the land being used as a fair is per calendar year and that it applies to the piece of land on which the fairs are held, regardless of whether it is the same or different travelling fairs occupying the land. The council will work with its neighbouring authorities to ensure that land which crosses the council boundary is monitored so that the statutory limits are not exceeded.

29. Provisional statements

A provisional statement application is a process which allows a developer to examine the likelihood of whether a building which he expects to be constructed, to be altered or to acquire a right to occupy would be granted a premises licence. A provisional statement is not a licence and merely gives the holder some form of guarantee that a premises licence would be granted so the developer can judge whether a development is worth taking forward in light of the need to obtain a premises licence. An applicant may also apply for a provisional statement for premises which already hold a premises licence (either for a different type of gambling or the same type).

29.1 In terms of representations about premises licence applications, following the grant of a provisional statement, no further representations from responsible authorities or interested parties can be taken into account unless they concern matters which could not have been addressed at the provisional statement stage, or they reflect a change in the applicant's circumstances. In addition, the council may refuse the premises licence (or grant it on terms different to those attached to the provisional statement) only by reference to matters:

a) which could not have been raised by objectors at the provisional licence stage; or
b) which in the authority's opinion reflect a change in the operator's circumstances.

29.2 When determining a provisional statement application the council will operate in accordance with the Act and will not have regard to any issues related to planning consent or building regulations, e.g. the likelihood that planning consent will be granted.

Part D - Permits, notices and lottery registrations.

30. Unlicensed family entertainment centre gaming machine permits (UFECs)
The term 'unlicensed family entertainment centre' is one defined in the Act and refers to a premises which provides category D gaming machines along with various other amusements such as computer games and penny pushers. The premises is 'unlicensed' in that it does not require a premises licence but does require a permit to be able to provide category D machines. It should not be confused with a 'licensed family entertainment centre' which requires a premises licence because it contains both category C and D gaming machines.

30.1 The council will expect the applicant to show that there are policies and procedures in place to protect children from harm. Harm in this context is not limited to harm from gambling but includes wider child protection considerations.

30.2 The efficiency of such policies and procedures will each be considered on their merits, however, they may include:

- appropriate measures and training for staff as regards suspected truant children on the premises;
- measures and training covering how staff would deal with unsupervised very young children being on the premises;
- measures and training covering how staff would deal with children causing perceived problems on or around the premises;
- the arrangements for supervision of premises either by staff or the use of CCTV.

30.3 Any CCTV system installed should both the interior and the entrance working to the latest Home Office and ACPO standards and to the satisfaction of The Metropolitan Police and the local authority. The system must record images clearly and these recordings be retained for a minimum of 31 days. If the equipment is in-operative the Police and Local Authority must be informed as soon as possible and immediate steps taken to make the system operative. Notices must be displayed at the entrances advising that CCTV is in operation.

30.4 Due to the nature of these premises, which are attractive to children, applicants who employ staff to supervise the premises should consult with the Independent Safeguarding Authority to determine if their staff need to be CRB checked.

30.6 The council will also expect, as per the Gambling Commission Guidance, that applicants demonstrate:

- a full understanding of the maximum stakes and prizes of the gambling that is permissible in unlicensed FECs;
- that the applicant has no relevant conviction (those that are set out in Schedule 7 of the Act), and
- that staff are trained to have a full understanding of the maximum stakes and prizes.

30.7 In line with the Act, while the council cannot attach conditions to this type of permit, the council can refuse applications if they are not satisfied that the issues raised in the "Gambling Policy" have been addressed through the application.

30.8 Applicants only need to address the “Gambling Policy” when making their initial application ns and not at renewal time.

31 Gaming machine permits in premises licensed for the sale of alcohol

There is provision in the Act for premises licensed to sell alcohol for consumption on the premises, to automatically have two gaming machines, of categories C and/or D. The premises merely need to notify the council. The council can remove the automatic authorisation in respect of any particular premises if:

- provision of the machines is not reasonably consistent with the pursuit of the licensing objectives;
- gaming has taken place on the premises that breaches a condition of Section 282 of the Gambling Act (i.e. that written notice has been provided to the licensing authority, that a fee has been provided and that any relevant code of practice issued by the Gambling Commission about the location and operation of the machine has been complied with);
- the premises are mainly used for gaming; or
- an offence under the Gambling Act has been committed on the premises.

31.1 If a premises wishes to have more than two machines, then it needs to apply for a permit and the council must consider that application based upon the licensing objectives, any guidance issued by the Gambling Commission issued under Section 25 of the Gambling Act 2005, and “*such matters as they think relevant*.” The council considers that “such matters” will be decided on a case by case basis but generally there will be regard to the need to protect children and vulnerable persons from harm or being exploited by gambling. The council will also expect the applicant to satisfy the authority that there will be sufficient measures to ensure that children and young people under the age of 18 do not have access to the adult only gaming machines.

31.2 All alcohol licensed premises with gaming machines must have regard to the need to protect children and vulnerable persons from harm or being exploited by gambling and provide sufficient measures to ensure that under 18 year olds do not use the adult only gaming machines.

31.3 Measures which may satisfy the council that persons under 18 years will be prevented from using the machines may include the machines being in close proximity to the bar, or in any other area where they are capable of being adequately supervised. Notices and signage may also help. As regards the protection of vulnerable persons, applicants may wish to consider the provision of information leaflets and or helpline numbers for organisations such as GamCare.

317.4 The council can decide to grant the permit with a smaller number of machines and/or a different category of machines than that applied for. Conditions other than these cannot be attached.

31.5 The holder of a permit must comply with any Code of Practice issued by the Gambling Commission about the location and operation of the machine(s).

31.6 It is recognised that some alcohol licensed premises may apply for a premises licence for their non-alcohol licensed areas. Any such application would need to be dealt with under the relevant provisions of the Act.

31.7 Alcohol licensed premises are able to provide some limited equal chance gaming. Licensees are referred to the advice provided by the Gambling Commission on the website.

32. Prize gaming permits

Section 288 defines gaming as prize gaming if the nature and size of the prize is not determined by the number of people playing or the amount paid for or raised by the gaming. The prizes will be determined by the operator before play commences. Prize gaming can often be seen at seaside resorts in amusement arcades where a form of bingo is offered and the prizes are displayed on the walls.

32.1 A prize gaming permit is a permit issued by the licensing authority to authorise the provision of facilities for gaming with prizes on specified premises.

32.2 The council will expect the applicant to show that there are policies and procedures in place to protect children from harm. Harm in this context is not limited to harm from gambling but includes wider child protection considerations.

32.3 The efficiency of such policies and procedures will each be considered on their merits, however, they may include:

- appropriate measures and training for staff as regards suspected truant children on the premises;
- measures and training covering how staff would deal with unsupervised very young children being on the premises;
- measures and training covering how staff would deal with children causing perceived problems on or around the premises.
- the arrangements for supervision of premises either by staff or the use of CCTV.

32.4 Any CCTV system installed should both the interior and the entrance working to the Home Office and ACPO standards and to the satisfaction of The Metropolitan Police and the local authority. The system must record images clearly and these recordings be retained for a minimum of 31 days. If the equipment is inoperative, the police and local authority must be informed as soon as possible and immediate steps taken to make the system operative. Notices must be displayed at the entrances advising that CCTV is in operation.

32.5 Due to the nature of these premises, which are attractive to children, applicants who employ staff to supervise the premises should consult with the Independent Safeguarding Authority to determine if their staff need to be CRB checked.

32.6 The council will also expect, as per the Gambling Commission Guidance, that applicants demonstrate:

- A full understanding of the maximum stakes and prizes of the gambling that is permissible;
- That the gaming offered is within the law.

32.7 In line with the Act, while the council cannot attach conditions to this type of permit, the council can refuse applications if they are not satisfied that the issues raised in the "Gambling Policy" have been addressed through the application.

32.8 There are conditions in the Gambling Act 2005 by which the permit holder must comply. The conditions in the Act are:

- the limits on participation fees, as set out in regulations, must be complied with;
- all chances to participate in the gaming must be allocated on the premises on which the gaming is taking place and on one day; the game must be played and completed on the day the chances are allocated; and the result of the game must be made public in the premises on the day that it is played;
- the prize for which the game is played must not exceed the amount set out in regulations (if a money prize), or the prescribed value (if non-monetary prize); and
- Participation in the gaming must not entitle the player to take part in any other gambling.

33. Club gaming and club machine permits

Members clubs and miners' welfare institutes may apply for a 'club gaming permit' or a 'club machine permit'. The 'club gaming permit' will enable the premises to provide gaming machines (three machines of categories B4, C or D), equal chance gaming. i.e. poker, bingo etc. A ' club machine permit' will enable the premises to provide gaming machines (three machines of categories B4, C or D). Commercial clubs may apply for a 'club machine permit' only.

33.1 To qualify for these special club permits a members club must have at least 25 members and be established and conducted "wholly or mainly" for purposes other than gaming. A members' club must be permanent in nature, not established to make commercial profit, and controlled by its members equally. Examples include working men's clubs, branches of the Royal British Legion and clubs with political affiliations.

33.2 Clubs must have regard to the protection of children and vulnerable persons from harm or being exploited by gambling. They must provide sufficient measures to ensure that under 18 year olds do not use the adult only gaming machines. These measures may include:

- the machines being in close proximity to the bar, or in any other area where they are capable of being adequately supervised;
- notices and signage;
- the provision of information leaflets / helpline numbers for organisations such as GamCare.

33.3 Before granting the permit the council will need to satisfy itself that the premises meets the requirements of a members' club and that the majority of members are over 18.

33.4 The council may only refuse an application on the grounds that:

(a) the applicant does not fulfil the requirements for a members' or commercial club or miners' welfare institute and therefore is not entitled to receive the type of permit for which they have applied;
(b) the applicant's premises are used wholly or mainly by children and/or young persons;

(c) an offence under the Act or a breach of a permit has been committed by the applicant while providing gaming facilities;
(d) a permit held by the applicant has been cancelled in the previous ten years; or
(e) an objection has been lodged by the Commission or the police.

33.5 There is also a 'fast-track' procedure available for premises which hold a club premises certificate under the Licensing Act 2003. Under the fast-track procedure there is no opportunity for objections to be made by the Commission or the police, and the ground upon which the council can refuse a permit is reduced. The grounds on which an application under the process may be refused are:

(a) that the club is established primarily for gaming,
(b) that in addition to the prescribed gaming, the applicant provides facilities for other gaming; or
(c) that a club gaming permit or club machine permit issued to the applicant in the last ten years has been cancelled.

34. Temporary use notices

Temporary use notices allow the use of premises on not more than 21 days in any 12 month period for gambling where there is no premises licence but where a gambling operator wishes to use the premises temporarily for providing facilities for gambling. Premises that might be useful for a temporary use notice would include hotels, conference centres and sporting venues.

34.1 Temporary Use Notices allow the use of premises for any form of equal chance gambling where those participating in the gaming are taking part in a competition which is intended to produce a single, overall winner.

34.2 Only persons or companies holding a relevant operating licence can apply for a temporary use notice to authorise the particular class of gambling permitted by their operating licence.

34.3 A temporary use notice must be lodged with the licensing authority not less than three months and one day before the day on which the gambling is due to take place. Detailed information about how to serve a temporary use notice will be available in a separate guidance note.

34.4 The Act makes a special reference, in the context of temporary use notices, to a "set of premises" to try and ensure that large premises which cannot reasonably be viewed as separate are not used for more temporary use notices than permitted under the Act. The council considers that the determination of what constitutes "a set of premises" will be a question of fact in the particular circumstances of each notice that is given. In considering whether a place falls within the definition of a "set of premises", the council will look at, amongst other things, the ownership/occupation and control of the premises. The council will be ready to object to notices where it appears that their effect would be to permit regular gambling in a place that could be described as one set of premises.

35. Occasional use notices (for tracks)

There is a special provision in the Act which provides that where there is betting on a track on eight days or less in a calendar year, betting may be permitted by an occasional use notice without the need for a full premises licence. An Occasional Use Notice is different to that for a temporary use notice. The application may be made in writing, to

the council by the person responsible for the administration of the events on a track or by an occupier of the track.

35.1 The council has very little discretion as regards these notices aside from ensuring that the statutory limit of 8 days in a calendar year is not exceeded. The council will however consider the definition of a 'track' and whether the applicant is entitled to benefit from such notice.

36. Small society lottery registrations

36.1 A lottery generally refers to schemes under which prizes are distributed by chance among entrants who have given some form of value for their chance to take part.

36.2 The Act creates two principal classes of lotteries: Licensed lotteries and exempt lotteries. Licensed lotteries are large society lotteries and lotteries run for the benefit of local authorities. These will be regulated by the Gambling Commission. Within the class of exempt lotteries there are four sub classes, one of which is small society lotteries.

36.3 A small society lottery is a lottery promoted on behalf of a non-commercial society as defined in the Act which also meets specific financial requirements set out in the Act. These will be administered by the council for small societies who have a principal office in Haringey and want to run such lottery.

36.4 A lottery is small if the total value of tickets put on sale in a single lottery is £20,000 or less and the aggregate value of the tickets put on sale in a calendar year is £250,000 or less.

36.5 To be 'non-commercial' a society must be established and conducted:

- for charitable purposes;
- for the purpose of enabling participation in, or supporting, sport, athletics or a cultural activity; or
- for any other non-commercial purpose other than that of private gain.

36.6 The other types of exempt lotteries are 'incidental non-commercial lotteries', 'private lotteries' and 'customer lotteries'. If you require guidance on the different categories of lotteries please contact the council.

36.7 The National lottery is not licensed by the Gambling Act 2005 and continues to be regulated by the National Lottery Commission under the National Lottery Act 1993.

Part E

37. Enforcement

The council will work closely with the responsible authorities in accordance with a locally established joint enforcement protocol and will aim to promote the licensing objectives by targeting known high risk premises following government guidance around better regulation.

37.1 In carrying out its enforcement duties with regards to the inspection of premises; and

the powers to institute criminal proceedings in respect of certain offences under the Act the council will endeavour to be:

- **proportionate**: regulators should only intervene when necessary: remedies should be appropriate to the risk posed, and costs identified and minimised;
- **accountable**: regulators must be able to justify decisions, and be subject to public scrutiny;
- **consistent**: rules and standards must be joined up and implemented fairly;
- **transparent**: regulators should be open, and keep regulations simple and user friendly; and
- **targeted**: regulation should be focused on the problem, and minimise side effects

37.2 The council will endeavour to avoid duplication with other regulatory regimes so far as possible.

37.3 Where there is a Primary Authority scheme in place, the council will seek guidance from the Primary Authority before taking any action involving test purchasing operations, unless these arise as a result of a complaint.

37.4 Further information, including an index of all Primary Authority arrangements can be found at https://primaryauthorityregister.info/par/index.php/home

37.5 The council will also adopt a risk-based inspection programme in line with government recommendations around better regulation and the principles of the Hampton Review.

37.6 The main enforcement and compliance role for the council in terms of the Gambling Act 2005 will be to ensure compliance with the premises licences and other permissions which it authorises. The Gambling Commission will be the enforcement body for the operator and personal licences. Concerns about the manufacture, supply or repair of gaming machines will not be dealt with by the council but will be notified to the Gambling Commission. In circumstances where the council believes a premises requires a premises licence for gambling activities and no such licence is in force, the council will alert the Gambling Commission.

37.7 The Gambling Commission have highlighted that local authorities in general are likely to receive very few, or no complaints about gambling. Unlike other regulated areas, such as alcohol, gambling is much less visible as a concern for residents. As a result, the Gambling Commission advises the Council to proactively conduct inspections, to build up the picture of whether a premises can establish true compliance, and can assess whether the necessary protections, especially for the young and vulnerable are in place and working effectively.

37.8 The Council's Inspection programme requires all new licensed premises to be inspected shortly after the licence has been issued, and every premises should expect at least one inspection per year. Inspections of premises are also undertaken if complaints are received, if variation applications are received or there is some other intelligence that suggests an inspection is appropriate. Compliance will be checked in a daytime or evening inspection. Where a one-off event takes place under a Temporary Use Notice or Occasional Use Notice, the Council may also carry out inspections to ensure the Licensing Objectives are being promoted.

37.9 High-risk premises are those premises that have a history of complaints, a history of non-

compliance and require greater attention. The Council will operate a lighter touch in respect of low-risk premises so that resources are more effectively targeted to problem premises. We will also target enforcement towards illegal gambling as it is potentially higher risk/harm due to the lack of regulation. The council will also keep itself informed of developments as regards the work of the Better Regulation Executive in its consideration of the regulatory functions of local authorities. The council's enforcement/compliance protocols/written agreements will be available upon request.

38. Legislation, Policies and Strategies

In undertaking its licensing function under the Gambling Act 2005, the Council is also bound by other legislation, including:-

1. Section 17 of the Crime and Disorder Act 1988;

2. Human Rights Act 1998;

3. Health and Safety at Work Act 1974;

4. Environmental Protection Act 1990;

5. The Anti-Social Behaviour Act 2003;

6. The Race Relations Act 1976 (as amended);

However, the policy is not intended to duplicate existing legislation and regulation regimes that already place obligations on employers and operators.

38.1 **National Strategies**

The Council will also seek to discharge its responsibilities identified by other Government Strategies, in so far as they impact on the objectives of the licensing function.

38.2 **Local Strategies and Policies**

Where appropriate, the Council will consider applications with reference to other adopted local strategies and polices, including the following:-

1. Working Together with Communities
2. The Haringey Safer Communities Strategy
3. Enforcement Policies.

38.3 Integrating Strategies

There are many stakeholders involved in the Leisure industry and many are involved in the promotion of the licensing objectives. A number of stakeholders' plans and strategies deal with matters related to the licensing function. Where this is the case, the Council will aim, as far as possible, to co-ordinate them.

The Council considers that where appropriate and in so far as is consistent with the Gambling Act, Guidance and Codes of Practice issued under sections 24 and 25 of the Gambling Act 2005, it is desirable that this Policy complements other relevant plans and strategies aimed at the management of town centres and the night-time economy.

38.4 Relevant plans and strategies include:-

Crime and Disorder Strategy – The Council will fulfil its duty under section 17 of the Crime and Disorder Act 1998 to do all it reasonably can to prevent crime and disorder in the Borough. As far as possible, licensing decisions will aim to contribute to the targets set in the Crime and Disorder Strategy and conditions attached to licences and certificates will reflect local crime prevention strategies.

38.5 Safer Communities Strategy

The Community Safety Strategy is committed to tackling the key areas of crime and building prevention initiatives into neighbourhoods. The licensing authority will support the work of the Safer Communities Strategy within the scope of the licensing objectives under the Act

- Haringey Council – A Community Plan – As far as possible, any licensing decisions will be in line with the aspirations of this community plan.

- Local Transport Plan – the Council aims to work with the local transport authority and will consider ways in which the public can be dispersed from licensed premises and events so as to avoid disturbance, crime and disorder. The Police will be encouraged to report on matters related to the swift and safe dispersal of people from licensed premises.

- Racial Equality – The Council is required under race relations legislation to have due regard to the need to eliminate unlawful discrimination and to promote equality of opportunity and good relations between persons of different racial groups. The impact on these issues of the Gambling Policy will be monitored and amendments will be made as necessary.

- Domestic Violence Strategy – The Council will ensure consultation to ensure that any correlation between gambling and domestic violence can be detected at the earliest opportunity.

- Children and Young Persons Strategy – The Council will have regard to the impact on this strategy and the criteria for safeguarding children from becoming addicted.

- Anti-Poverty Strategy – As far as possible, any licensing decisions will have regard to this strategy. It will support the work of the Anti Poverty Strategy as they are developed within the scope of the licensing objectives under the Act.

- Proper integration will be assured by the Licensing Authority's Licensing Committee providing reports, when appropriate, to its Planning Committee on the situation regarding licensed premises in the area, including the general impact of gambling related crime and disorder, to enable the Planning Committee to have regard to such matters when taking its decisions.

- The Council will ensure that the Licensing Committee receives reports, when appropriate, on the needs of the local tourist economy to ensure that these are reflected in their considerations.

- Economic Strategies – The Council will ensure that the Licensing Committee is appraised of the employment situation in the area and the need for new investment and employment where appropriate.

- Enforcement Policy – All licensing enforcement will be conducted in accordance with the Enforcement Concordat, and the Haringey Enforcement Policy.

These links to other corporate strategies will be formulated in detail as a result of the

consultation process.

39. Decision Making

Committee Terms of Reference

A Licensing Sub-Committee of Councillors will sit to hear applications where representations have been received from interested parties and responsible authorities. Ward Councillors will not sit on a Sub-Committee involving an application within their ward.

39.1 The Licensing Committee

The Licensing Committee will also sit to determine general licensing matters that have been delegated to it by the full Council that are not associated with the Gambling Act 2005. Where a Councillor who is a member of the Licensing Committee is making or has made representations regarding a licence on behalf of an interested party, in the interests of good governance they will disqualify themselves from any involvement in the decision making process affecting the licence in question.

39.2 The Licensing Sub-Committee will also refer to the Licensing Committee any matter it is unable to deal with because of the number of its members who are unable to take part in the consideration or discussion of any matter or vote on any question with respect to it. The Licensing Committee will refer to the Full Council any matter it is unable to deal with because of the number of its members who are unable to take part in the consideration or discussion of any matter or vote on any question with respect to it.

39.3 Every determination of a licensing decision by the Licensing Committee or a Licensing Sub-Committee shall be accompanied by clear, cogent reasons for the decision. The decision and the reasons for that decision will be sent to the applicant and those who have made relevant representations as soon as practicable. A summary of the decision shall also be posted on the Council's website as soon as possible after the decision has been confirmed, where it will form part of the statutory licensing register required to be kept by the Council.

39.6 The Council's Licensing Officers will deal with all other licensing applications where either no representations have been received, or where representations are irrelevant, frivolous or vexatious will be made by Council Officers, who will make the decisions on whether representations or applications for licence reviews should be referred to the Licensing Committee or Sub-Committee. Where representations are rejected, the person making that representation will be given written reasons as to why that is the case. There is no right of appeal against a determination that representations are not admissible.

39.7 Allocation of Decision Making Responsibilities

The Council will be involved in a wide range of licensing decisions and functions and has established a Licensing Committee to administer them.

Appreciating the need to provide a speedy, efficient and cost-effective service to all parties involved in the licensing process, the Committee has delegated certain decisions and functions and has established a Sub-Committee to deal with them.

Many of the decisions and functions will be purely administrative in nature and the grant of non-contentious applications, including for example those licences and permits where no representations have been made, will be delegated to Council Officers.

The table shown at Appendix A sets out the agreed delegation of decisions and functions to Licensing Committee, Sub-Committee and Officers.

This form of delegation is without prejudice to Officers referring an application to a Sub-Committee or Full Committee if considered appropriate in the circumstances of any particular case.

40 Reviews

40.1 A review is a process defined in the legislation which ultimately leads to a licence being reassessed by the Licensing Committee with the possibility that the licence may be revoked, suspended or that conditions may amended or new conditions added.

40.2 Requests for a review of a premises licence can be made by interested parties or responsible authorities; however, it is for the council to decide whether the review is to be carried-out. This will be on the basis of whether the request for the review is:

i) in accordance with any relevant code of practice issued by the Gambling Commission
ii) in accordance with any relevant guidance issued by the Gambling Commission
iii) reasonably consistent with the licensing objectives and
iv) in accordance with this authority's Gambling Act 2005 – Statement of Licensing Policy.

In addition the council may also reject the application on the grounds that the request is frivolous, vexatious, will certainly not cause this authority to wish to alter, revoke or suspend the licence, or is substantially the same as previous representations or requests for review.

40.3 The council can also initiate a review of a licence on the basis of any reason which it thinks is appropriate. Once a valid application for a review has been received by the licensing authority, representations can be made by responsible authorities and interested parties during a 28 day period. This period begins 7 days after the application was received by the licensing authority, who will publish notice of the application within 7 days of receipt.

40.4 The licensing authority must carry out the review as soon as possible after the 28 day period for making representation has passed.

40.5 The purpose of the review will be to determine whether the licensing authority should take any action in relation to the licence. If action is justified, the options open to the licensing authority are:-

(a) add, remove or amend a licence condition imposed by the licensing authority;

(b) exclude a default condition imposed by the Secretary of State (e.g. opening hours) or remove or amend such an exclusion;

(c) suspend the premises licence for a period not exceeding three months; and

(d) revoke the premises licence.

40.6 In determining what action, if any, should be taken following a review, the licensing authority must have regard to the principles set out in section 153 of the Act, as well as any relevant representations.

40.7 In particular, the licensing authority may also initiate a review of a premises licence on the grounds that a premises licence holder has not provided facilities for gambling at the premises. This is to prevent people from applying for licences in a speculative manner without intending to use them.

40.8 Once the review has been completed, the licensing authority must, as soon as possible, notify its decision to:

- the licence holder
- the applicant for review (if any)
- the Commission
- any person who made representations
- the chief officer of police or chief constable; and
- Her Majesty's Commissioners for Revenue and Customs

41. Diversity and Equality

Subject to the general requirements of the Act, the Licensing Authority will promote equality of opportunity. In such respects, nothing within this statement of licensing principles shall undermine the right of any individual to apply for any of the licences and/or authorisations provided under the terms of the Act. The Council is aware that some applications may have greater impact on groups, organisations or associations in respect of their race, gender, age, disability, sexuality or religious beliefs. With a view to eliminating unlawful discrimination, applicants will be expected (where appropriate) to address these concerns.

Where applications made by these groups or organisations representing them highlight special needs or customs that may affect their application, the Council, in recognising its duty to promote good relations between persons of different groups, will give consideration to supporting those needs or customs whilst seeking to promote the three licensing objectives.

42. Human Rights

The Human Rights Act 1998 incorporates the European Convention on Human Rights and makes it unlawful for a local authority to act in a way that is incompatible with a Convention Right. The Council will have particular regard to its rights and responsibilities under the Human Rights Act 1998 when determining applications, considering enforcement and reviewing this policy.

42.1 The Council will have particular regard to:

- Article 6 – that in determination of civil rights everyone is entitled to a fair and public hearing within a reasonable time by an independent and impartial tribunal established by law;
- Article 8 – that everyone has the right to respect for his home and private life (removal or restriction of a licence may effect a persons private life); and
- Article 1 of the First Protocol – that every person is entitled to peaceful enjoyment of his or her possessions (a licence is considered a possession in law);

TABLE OF DELEGATIONS OF LICENSING FUNCTIONS **APPENDIX 1**

MATTER TO BE DEALT WITH	**FULL COUNCIL**	**SUB-COMMITTEE**	**OFFICERS**
Three year licensing policy	X		
Policy not to permit casinos	X		
Fee Setting - when appropriate		Can only be delegated to a sub-committee, not officers	
Application for premises licences		Where representations have been received and not withdrawn	Where no representations received/ representations have been withdrawn
Application for a variation to a licence		Where representations have been received and not withdrawn	Where no representations received/

			representations have been withdrawn
Application for a transfer of a licence		Where representations have been received from the Commission	Where no representations received from the Commission
Application for a provisional statement		Where representations have been received and not withdrawn	Where no representations received/ representations have been withdrawn
Review of a premises licence			The initial grounds for review will be for officers to validate. Licensing Sub Committee will then hear the review if the grounds are valid under s.198
Application for club gaming /club machine permits		Where representations have been received and not withdrawn	Where no representations received/ representations have been withdrawn
Cancellation of club gaming/ club machine permits			Cancellation of club gaming /machine permits and other permits decisions would be appropriate for officers.
Applications for other permits			Dealt with by officers
Cancellation of licensed premises gaming machine permits			Dealt with by officers
Consideration of temporary use notice		X	
Decision to give a counter notice to a temporary use notice			

Definitions

NOTE: In this Policy, the following definitions are included to provide an explanation to certain terms included in the Act and, therefore, in the Statement of Gambling Policy. In some cases, they are an abbreviation of what is stated in the Gambling Act 2005 or an interpretation of those terms. For a full definition of the terms used, the reader must refer to the Gambling Act 2005.

‘The Council’ means London Borough of Haringey, acting as the Licensing Authority as defined by the Gambling Act 2005.

‘The Act’ means the Gambling Act 2005.

‘The Licensing Authority’ the authority in whose area the premises is wholly/partly situated. The Licensing Authority (as in the issuing authority) is also a responsible authority.

‘The Gambling Commission’ a body set up by the Government as the unified regulator for gambling, replacing the Gaming Board.

‘Responsible Authority’ means a public body that must be notified of certain applications for premises licences and permits, and are entitled to make representations on any of the licensing objectives.

‘Children’ means individuals who are less than 16 years old.

‘Young person’ means individuals who are aged less than 18 years old and 16 years and over.

‘Mandatory Conditions’ means a specified condition provided by regulations to be attached to premises licences.

‘Default Conditions’ means a specified condition provided for by regulations to be attached to a licence unless excluded by the Council.

‘Premises’ means any place, including a vessel or moveable structure.

‘LCCP’ Licensing Conditions Code of Practice issued by the Gambling Commission

GAMBLING ACT 2005
GAMBLING LOCAL AREA PROFILE
JANUARY 2019

1. Introduction

1.1 This profile has been drafted by the Council as an associate document to the Council's Statement Gambling Policy following the recommendations of the Gambling Commission and the Local Government Association. Data has been used from a number of published sources together with information from the responsible authorities. It is intended to assist local Gambling Operators prepare their local assessments.
At this time the Council does not have any evidence to indicate Gambling activities in the Borough are a problem. However potential risks are always present and the Council encourages operators and all others involved to work together to address such issues or concerns.

1.2 This document is to highlight areas of the borough inhabited or frequented by people who might be at risk of being harmed or exploited by gambling. Licensees have a specific responsibility to assess local risks to the licensing objectives that come about due to the provision of gambling facilities at each of their premises. Whilst it is not a requirement for licensing authorities to complete a risk assessment of the local area, it is encouraged by the Gambling Commission that such risk assessments, known as the local area profile are a significant benefit to both the licensing authority and the operators. The benefits listed are:

- it enables licensing authorities to better serve their local community, by better reflecting the community and the risks within it
- greater clarity for operators as to the relevant factors in licensing authority decision making, will lead to improved premises licence applications, with the operator already incorporating controls and measures to mitigate risk in their application
- it enables licensing authorities to make robust but fair decisions, based on a clear, published set of factors and risks, which are therefore less susceptible to challenge
- it encourages a proactive approach to risk that is likely to result in reduced compliance and enforcement action.

2. Haringey approach to local area profile

2.1 The Local Area Profile Supplementary document establishes that the Council has serious concerns of the impact from on street gambling premises particularly those in the most vulnerable and 'at risk' areas of the borough. The Council considers that it is necessary to seek to control the number of facilities for gambling in areas where its most vulnerable residents may be placed at increasing risk, and in line with the duty, to aim to permit gambling insofar as it is reasonably consistent with the pursuit of the licensing objectives. The document provides an overview of the geographical areas in the borough identified as currently being of greater risk to gambling related harm.

2.2 All areas shown within the local area profile as being at high overall risk of Gambling related harm, are generally considered inappropriate for further gambling establishments, which could potentially raise the risk of gambling

related harm to vulnerable people living in those areas. Operators are asked to consider very carefully whether seeking to locate new premises or relocating existing premises within these areas would be consistent with the licensing objectives and the local risks identified.

2.3 This begins with the Gambling Act 2005 and the objective of the protection of children from harm and other vulnerable persons from being harmed or exploited by gambling. Within the Haringey Statement of Gambling Policy we state that the East of the borough carries higher deprivation and social economic imbalances and therefore should have special consideration given to it in relation to the proximity of gambling premises to

- an educational establishment, including colleges and universities, youth clubs, recreational establishments;
- close to a centre dealing with vulnerable people, including housing, clinics, recovery centre, food banks;
- situated in an area of high crime;
- situated in an area of deprivation;
- close to the location of services for children such as libraries and leisure centres;
- Places of worship, community facilities or public buildings
- Areas where there is considered to be an over concentration of similar existing licensed operations.
- close to the location of businesses providing instant access to cash such as payday loans, pawn shops.

2.4 In this context and in response to the changes in the GLA, we have completed an assessment of the key characteristics of the Borough to identify areas of higher risk of vulnerability to gambling-related harm. This assessment is Haringey's local area profile.
Our approach is based on the possible risk to gambling-related harm and does not mean that just because an area is seen as being at higher risk that all people in that area will suffer harm or be at risk of suffering harm.

2.5 This Authority will take specific note of whether an application relates to a premise that is:

- close to an educational establishment, including colleges and universities;
- close to a centre dealing with vulnerable people;
- situated in an area of high crime;
- situated in an area of deprivation;
- close to the location of services for children such as libraries and leisure centres;
- close to the location of businesses providing instant access to cash such as payday loans, pawn shops.

2.6.This Authority will expect applicants for a new licence to submit the completed assessment with their application. It must identify the risks and state what control mechanisms are to be employed at the premises to ensure that the licensing objectives are being met having regard to the local area profiles produced by this Authority. The assessment must consider at a minimum:

- The local area, including but not restricted to the types of premises and operation in the area surrounding the gambling premises; the character of the area, for example is it predominantly residential or commercial, is it a family orientated area; transport links; educational facilities; centres for vulnerable people; ethnicity, age, economic makeup of the local community; high crime area; high unemployment area; pawn broker/pay day loan businesses in the vicinity; footfall in the vicinity; recorded incidents of attempted underage gambling; other gambling premises in the vicinity
- The gambling operation, including but not restricted to what gambling products it provides in the premises; the staffing levels within the premises; the level and requirement for staff training; whether loyalty or account cards are used or not; the security and crime preventions arrangements it has in place; how it advertises locally and on the premises; the marketing material within the premises; the display and provision of information
- The design and layout of the premises, including but not restricted to whether the staff have obstructed views of gaming machines or entrances; whether the design is such that children can see gambling taking place.
- The control mechanisms to be put in place to mitigate the risks e.g. the use of CCTV cameras, the provision of magnetic door locks, employment of door supervisors, employing a challenge 25 scheme, increased number of trained staff

2.7 Other issues that may be considered such as:

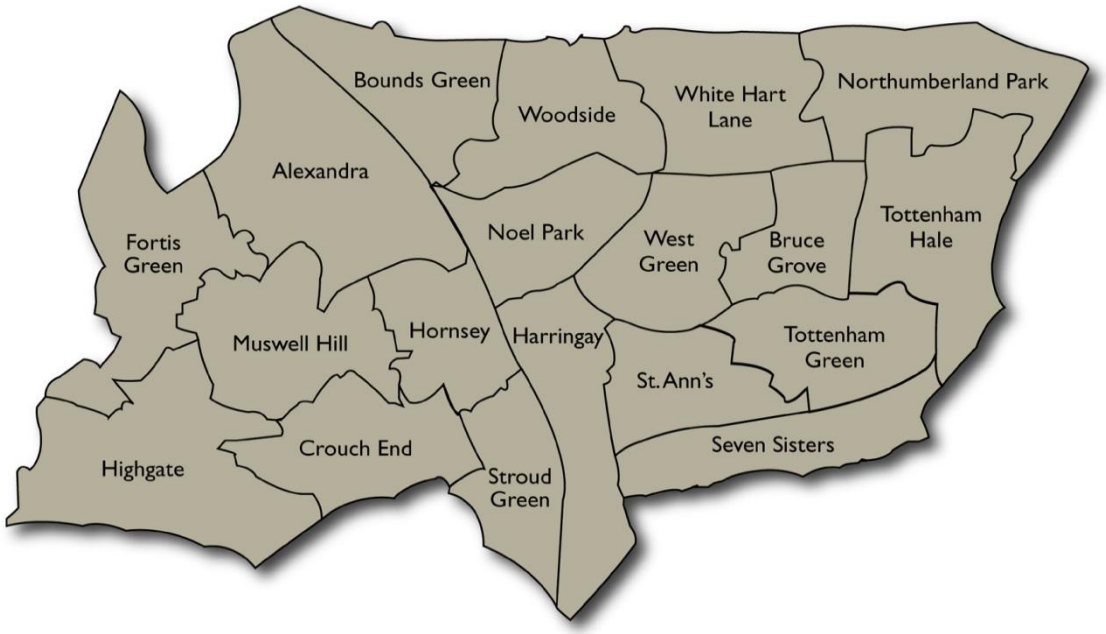
- Matters of faith, including all religious or faith denominations including proximity to churches, mosques, temples or any other place of worship.

2.8 If an application for a new licence or variation is submitted that is within 400 metres of premises/location where children, young persons and vulnerable persons are operators are encouraged to provide details of the measures to be implemented that would overcome the potential risks in the identified areas.

2.9 If the operator does not put forward measures to overcome the risks, or the Council considers that the operator's proposed measures do not adequately mitigate the risk, the council will consider what measures are needed which can include additional conditions or even refusal of the application if appropriate. The Authority expects that each shop will have a copy of its local area risk assessment onsite for authorised officers to view on request.

3 The Profile of The London Borough of Haringey

Map of the London borough of Haringey



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3.1 Haringey is one of London's 32 Boroughs. It is located in the north of the capital and is more than 11 square miles in area. According to the 2001 Census nearly half of its 254,900 people come from ethnic minority backgrounds. It is often said that Haringey is an outer London Borough with inner London challenges.

3.2 As a gateway to central London we are determined to be a well-connected hub of activity rather than a Dormitory Borough. Our Growth Strategy lays out ambitious objectives for achieving full employment and establishing Haringey at the epicentre of London's small and medium sized innovation economy.

Haringey is a vibrant place to live, with many different cultures mixing, and a fantastic variety of characterful High Streets – from the metropolitan centre at Wood Green to the boutiques and restaurants of Muswell Hill and Crouch End – creating a strong sense of local pride.

3.3 There are approximately 100,000 dwellings and approximately 8,200 businesses employing 64,700 people. The most recent indices of multiple deprivation (IMD) (2010) show that Haringey is one of the most deprived authorities in the country, ranking 13th out of 326 authorities, and it is ranked 4th in London, yet it is also a borough of contrasts, with great prosperity and affluence in some communities.

3.4 Persistent inequalities are manifest in the health and wellbeing of our residents. The life expectancy gap between the most and least deprived wards is 7 years for men and 3 years for women. The borough is facing an obesity crisis with 1 in 4 reception aged children, and 1 in 3 10/11 year olds, measured as overweight or obese. The number of people with long term conditions like diabetes and heart disease is increasing and there are approximately 4,000 adults with severe mental illnesses – three times more than would be expected, even given Haringey's level of deprivation.

3.5 There are also inequalities in educational achievement, access to employment and housing quality. The borough has seen twelve consecutive years of improvement in GCSE performance and A-levels scores, making Haringey one of the top 3 most improved areas. Yet too many of our young people still leave school without the skills needed to secure sustainable employment, blocking their access to one of the world's most dynamic economics at their doorstep. It remains our priority to make all of our schools outstanding and, through our new STEM commission, to ensure our young people are accessing the skills needed for the jobs of the future.

3.6 The Council's response to these challenges is to meet them head on with ambition, innovation and a commitment to work ever more closely with residents, businesses and public sector partners. Nowhere is our ambition greater than in our most deprived communities in Tottenham. Working with central and local Government, developers and major local businesses like Tottenham Hotspur, the Council has secured £1bn of public and private investment in Tottenham's physical environment. Wood Green is another community that will be the focus of major regeneration that will look to build more homes, create better connections to Alexandra Palace and maximise the impact of new transport links provided by Crossrail 2. We are determined that regeneration will be shaped by the views of residents and are pioneering new governance structures to embed the residents voice in the key decisions.

3.7 We are also determined that regeneration has a transformative effect on the health and wellbeing of residents. Regeneration has the potential to promote health and wellbeing through the built environment in a number of ways, including designing infrastructure to increase ease of walking and cycling, increasing the accessibility and perceived safety of green space, and shaping the retail offer in our town centres. The local area profiles will enable us to better manage the expectations of the betting operator.

4. Local Area Profile/Social Responsibility

4.1 Haringey is concerned with the impact on the vulnerable who are at risk from betting in the borough. The nature of the risk cuts across a number of themes such as health impact, mental health, drug and alcohol addiction, bad debt, crime and anti-social behaviour as well as risk from violence within the home.

4.2 Haringey will take a robust and proportionate approach to licensing issues. Premises which will impact on the economy of this borough and its community will be expected to build into operation plans, sufficient measures to minimise the impact of the premises operation on the residential, and other economic based activities.

In order to protect its community's well being and family life, the borough will require significant risk assessments and control methods to be available with any application for a premises licence.The east of the borough has particular heightened risk around anti social behaviour and deprivation, risk assessments for betting premises in these areas will need to show specific measures to deal with these issues that will not exacerbate existing problems. This does not mean that an assessment does not need to be made for the rest of the Borough only that assessments need to relevant to the risks.

4.3 Although gambling is a legal entertainment activity it can, in some locations have a negative impact on individuals and the wider community. The Council has tried to understand how gambling can affect its residents and visitors. The Council has also sought to identify individuals who live in the local area who are potentially vulnerable to gambling related harm through work carried out by the ASBAT Team and information from the Citizen Advice Team.

4.4 In order to protect its community and family life, the borough will require risk assessments and control methods to be available with any application for a premises licence.

Appendix 2
Local Licensing Guidance

1. The risk based approach provides a better understanding of, and enables a proportionate response, to risk. Risk is related to the probability of an event

happening and the likely impact of that event. In this case it is the risk of the impact on the licensing objectives. This guide will assist gambling operators in undertaking and preparing their local (premises) risk assessments. This guidance provides a framework for the local risk assessment process that will provide a uniform approach across all non-remote gambling sectors. This will benefit the Council as Licensing Authority under the Gambling Act 2005 (the Act), as well as responsible authorities and interested parties when considering new and variation applications.

2. Gambling operators will be required to undertake a risk assessment for all of their existing premises. Operators must also undertake a review of those assessments when certain triggers are met. These are,
   - new premises application
   - significant changes in local circumstances
   - Variation of the premises licence

3. This Authority considers that these local risk assessments are a key component of the overall assessment and management of the local risks. Each locality has its own challenges and in order to assist applicants this Authority has produced maps of the area containing the location of existing gambling premises, and centres dealing with vulnerable persons. In addition, the Authority has produced local profiles for each Ward which contains demographic, economic and crime information. This information will be available on the Council's website and will be reviewed and updated.

4. Haringey is concerned with the impact on the vulnerable who are at risk from betting in their areas, we have therefore made an assessment of the pattern of gambling and associated risks to the licensing objectives in wards across the borough.
   The policy is reflective of local issues, local data, local risk and the expectations that a licensing authority has of operators who either currently offer gambling facilities or wish to do so in the future. The existence of a clear and robust statement of policy provides greater scope for licensing authorities to work in partnership with operators, other local businesses, communities, and responsible authorities to identify and to proactively mitigate local risks to the licensing objectives.

5. Methodology – Datasets used

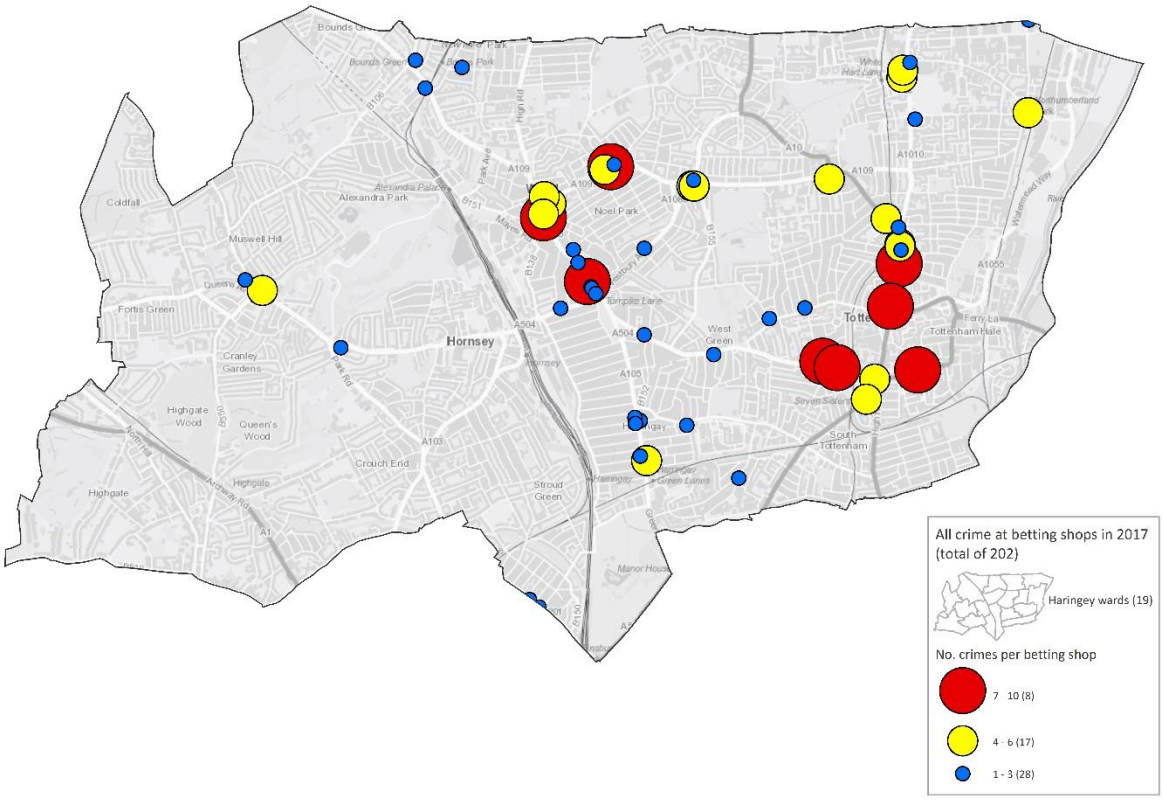
Table 1. Special consideration is given in relation to the proximity of gambling premises to the following locations;

Criteria	Datasets	Source	Access to data
Local schools	All secondary schools in Haringey	Corporate GIS	
Youth clubs	Youth clubs registered in Haringey	LBH	
Shops used by families & children	Shopping centres, supermarkets & shops relevant to children & families in Haringey	LBH	
Parks & open spaces	Parks, open spaces, play areas/adventure playgrounds & basketball courts in Haringey	Corporate GIS	
Leisure & recreational establishments used by families	List of leisure centres, cinemas, theatres, cultural events, museums, galleries & community organisations in Haringey	LBH	
Area with high level of organised crime	Suspected & convicted CSE offences, human trafficking, modern day slavery & drug offences in Haringey	Haringey police	
Places of worship	List of faith premises in Haringey	Corporate GIS	
Community facilities & public buildings	List of community centres, tenant halls, libraries & other public buildings in Haringey		
Areas with an over-concentration of similar existing licensed operation	List of current licensed gambling establishments in Haringey		

Table 2. Special consideration is given in relation to the proximity of gambling premises to the following vulnerable groups:

Criteria	Description	Source	Access to data
Children (<18) & young people (students in higher education)	No. residents under 18, educational establishments (colleges) & student accommodation	LBH	
Problem gamblers seeking treatment	Gamblers anonymous		
Living in deprived areas	IMD 2015		
Financial difficulties / debt	List of food banks, pawnbrokers & payday loan shops	LBH	
Substance abuse / misuse	List of drug & alcohol treatment services, narcotics & alcohol anonymous meetings & needle exchange services	Public health	
Poor mental health	List of GPs treating patients for schizophrenia, bipolar affective disorder, depression & other psychoses	Public health	
Unemployed	List of Job centres & economically active unemployed residents	2011 Census	
Homeless	List of hostels, supported housing, registered care & temporary accommodation in Haringey.	Public Health	
Minority ethnic groups	No. of Asian / African / Caribbean / Black British & Arab or other ethnic groups	Nomis	

Map showing crime in betting shops in Haringey for 2017:



6. The above map illustrates the wards with the highest crimes relating to betting shops within Haringey that will require additional consideration from operators wishing to operate in these areas:

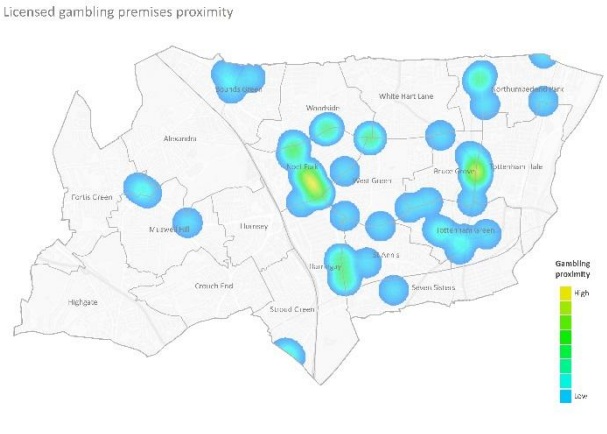
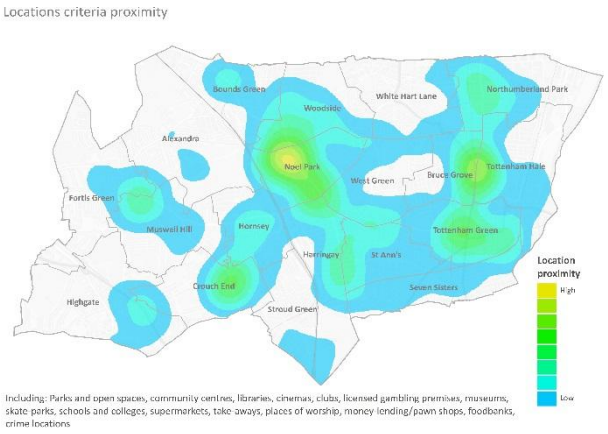
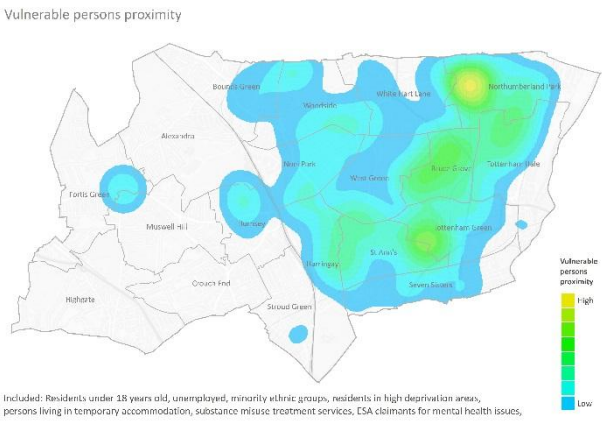
- Noel Park Ward
- Woodside Ward
- Bruce Grove Ward
- Tottenham Hale Ward
- West Green Ward
- Tottenham Green Ward
- Tottenham Hale Ward
- Northumberland Park ward
- White Hart Lane.

These areas have been chosen due to:

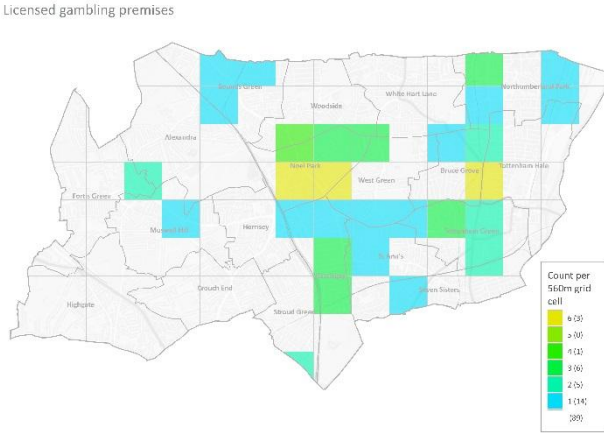
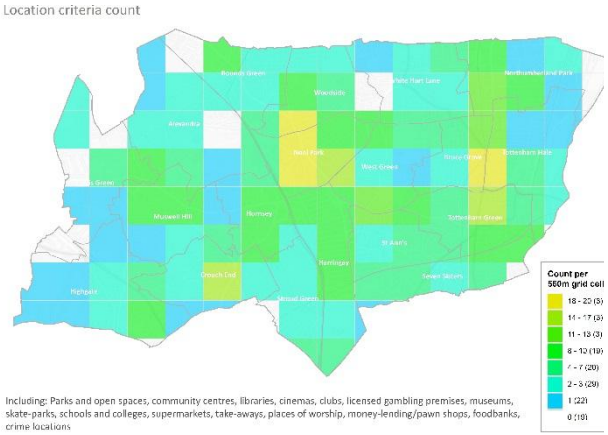
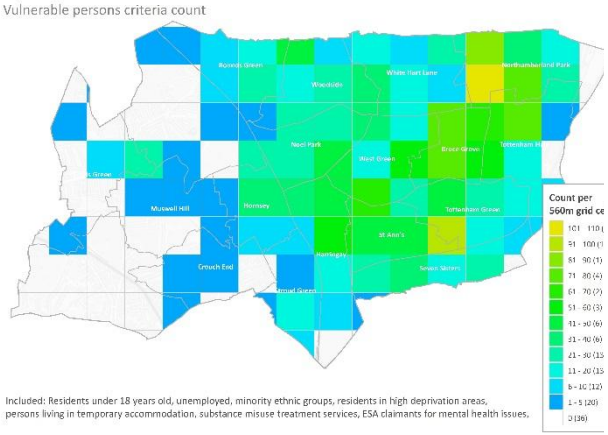
- Higher levels of crime
- Drug dealing and misuse
- Gang activity in the area
- Issues with street drinking and anti-social behaviour
- Issues with street begging
- Homelessness
- Mental health support accommodation

Areas in Haringey identified as being at risk to gambling-related harm

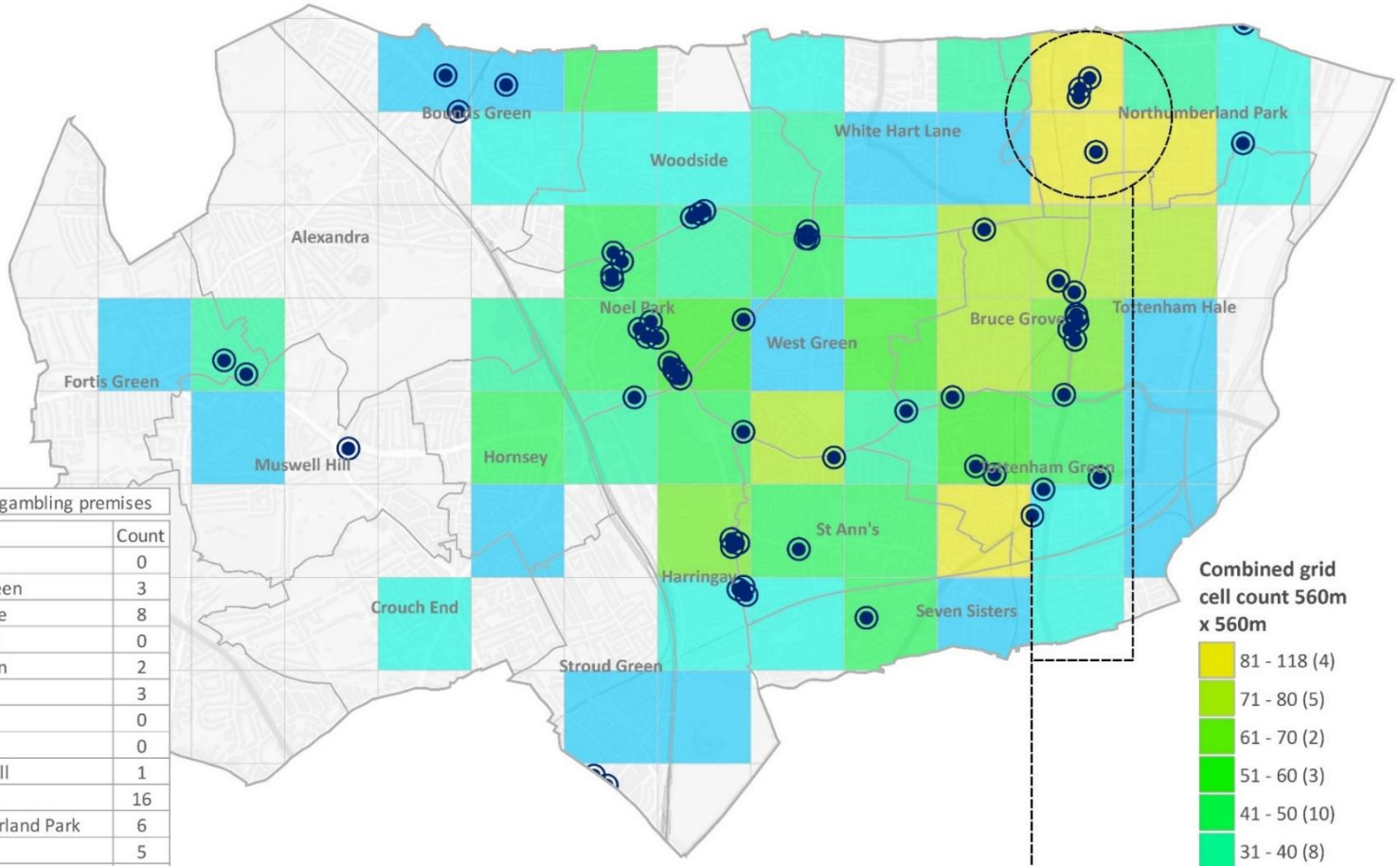
Proximity or hotspot maps identify clusters of location and vulnerable persons incidents relative to each other compared to their overall dispersal throughout the borough (Maps 1, 2 & 3)

	Map 1. Licensed gambling premises proximity	Map 2. Locations criteria proximity	Map 3. Vulnerable persons criteria proximity
PROXIMITY MAPS			
	Data source: LBH Licensing	Data source: See Table 1	Data source: See Table 2

Count or thematic maps total the sum of location and vulnerable person's incidents by grid-cell. Each cell measures 560m x 560m and there are a total of 118 grids covering Haringey borough (Maps 4, 5, 6 &7)

	Map 4. Licensed gambling premises count	Map 5. Locations criteria count	Map 6. Vulnerable persons criteria count
COUNT MAPS			
	Data source: LBH Licensing	Data source: See Table 1	Data source: See Table 2

Map 7. Combined locations and vulnerable persons incident count per grid-cell overlaid with current licensed gambling premises (64 in total)



Licensed gambling premises

Ward	Count
Alexandra	0
Bounds Green	3
Bruce Grove	8
Crouch End	0
Fortis Green	2
Harringay	3
Highgate	0
Hornsey	0
Muswell Hill	1
Noel Park	16
Northumberland Park	6
St Ann's	5
Seven Sisters	1
Stroud Green	2
Tottenham Green	5
Tottenham Hale	4
West Green	3
White Hart Lane	0
Woodside	5

Licensed gambling premises wthin the 4 grid-cells with the highest counts (81 - 118)

NAMEADDRES	Ward
William Hill, 728 High Road, Tottenham, London, N17 0AG.	Northumberland Park
Paddy Power, 814 High Road, Tottenham, London, N17 0DH.	Northumberland Park
Betfred, Betting Office, 777-781 High Road, Tottenham, London, N17 8AH.	Northumberland Park
William Hill, 793-795 High Road, Tottenham, London, N17 8EP.	Northumberland Park
William Hill, 703 Seven Sisters Road, Tottenham, London, N15 5LA.	Tottenham Green

The Gambling Act 2005 prescribes in its licensing objectives the "protection of children and other vulnerable persons from being harmed or exploited by gambling". Data shown in Table 1 and Table 2 below was collated and used to determine risk areas vulnerable to gambling related harm

Table 1. Location criteria data

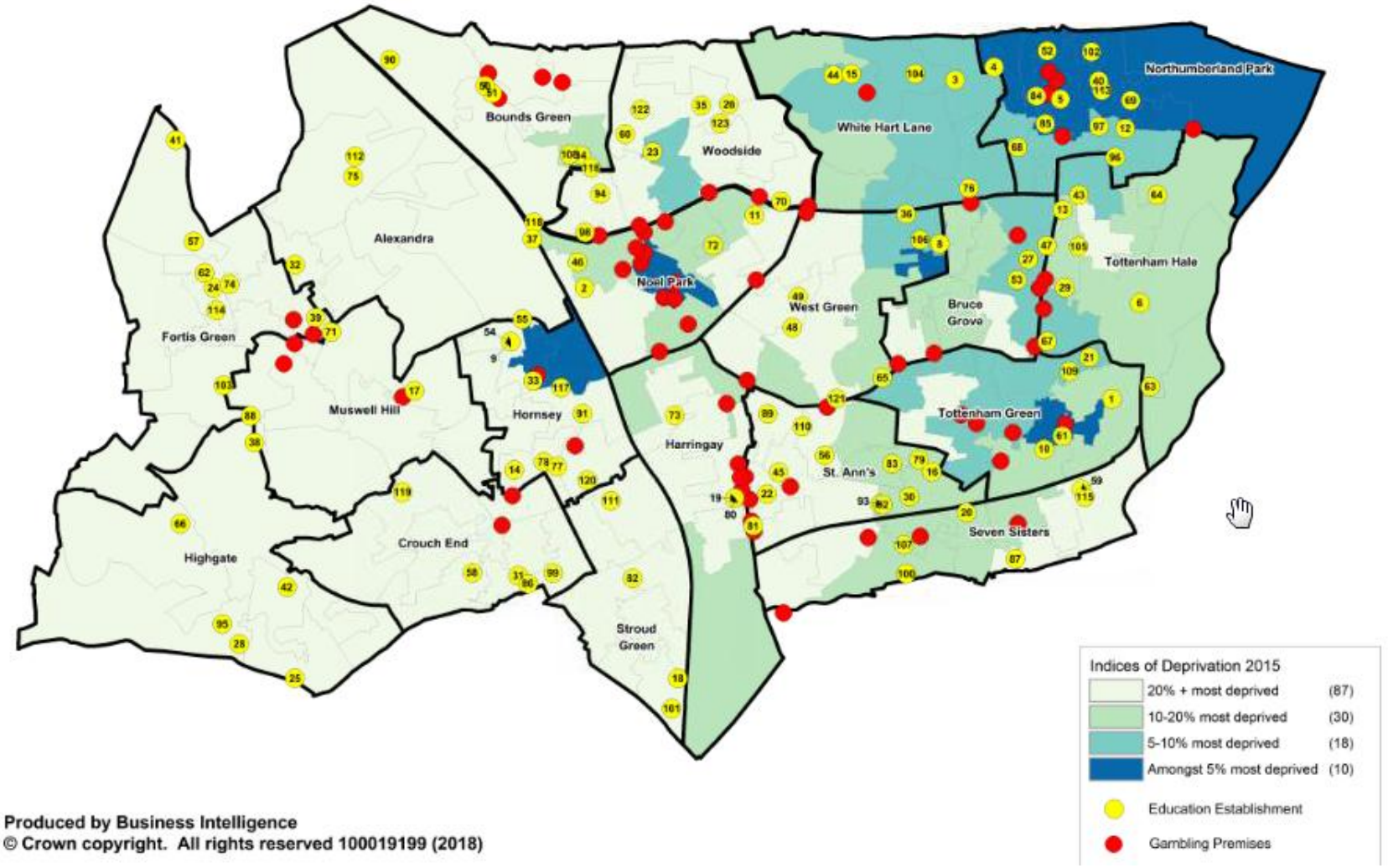
Description	Datasets	Geography	Source
Area with high levels of organised crime	Suspected & convicted Child Sexual Exploitation (CSE) incidents, human trafficking, modern day slavery & drug offences	Ward	Haringey police
Areas with an over-concentration of similar existing licensed operation	Licensed gambling establishments in Haringey i.e. betting shops & adult gaming centres (AGC)	Building	LBH , Licensing
Community facilities & public buildings	Community centres, tenant halls, libraries & other public buildings	Building	Valuations Office
Leisure & recreational establishments used by families	Leisure centres, cinemas, theatres, cultural events, museums, galleries & community organisations	Building	LBH, Licensing, Planning
Education	Secondary schools and further education establishments	Building	LBH, Environments & Neighbourhood
Recreational grounds	Parks, open spaces, play areas/adventure playgrounds	Polygon	LBH, Environments & Neighbourhood
Places of worship	Churches and faith based premises	Building	LBH, Environments & Neighbourhood
Shops used by families & children	Shopping centres, supermarkets and take-away/chicken shops	Building	LBH, Licensing, Planning
Youth clubs	Youth clubs	Building	LBH, YJS

Table 2. Vulnerable persons criteria data

Description	Datasets	Geography level	Source
Young people	No. residents under 18	LSOA	Census 2011
Financial difficulties / debt	Food banks, pawnbrokers & payday loan shops	Building	LBH, Licensing
Homeless	Temporary accommodation	Building	LBH, Housing
Living in deprived areas	Index of Multiple Deprivation (IMD) 2015	LSOA	Dept. Communities & Local Government
Minority ethnic groups	Non- white ethnic groups i.e. Asian / African / Caribbean / Black British & Arab or other ethnic groups	LSOA	Census 2011
Poor mental health	Employment Support Allowance (ESA) claimants for mental health conditions	LSOA	Nomis
Problem gamblers seeking treatment	No data found for Haringey	NA	NA
Substance abuse / misuse	Drug & alcohol treatment services & needle exchange pharmacies	Building	LBH, Public health
Unemployed	Job Seekers Allowance (JSA) claimants	LSOA	Nomis

Methodology: Datasets were mapped using their Easting and Northing co-ordinates. Address-point level co-ordinates were created from building address information in datasets where co-ordinates were not provided. Datasets relating to areas such as parks/open spaces and deprivation data aggregated to LSOA - used their polygon centroid as co-ordinates.
The distance used for measuring proximity and grid-cell size is 560m. This distance is based on the average of distances measured between residents homes and local facilities (post office, primary school, general store or supermarket and GP surgery) in Haringey as published by the Department for Communities and Local Government

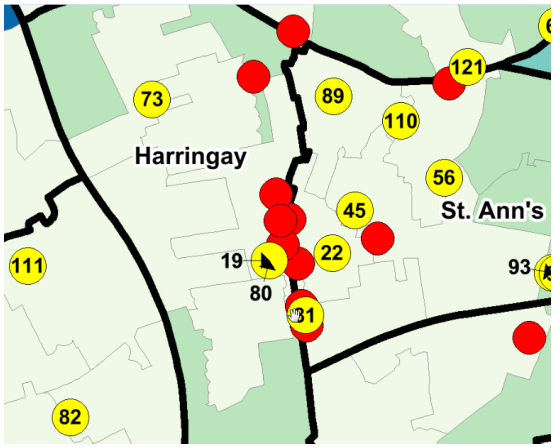
Gambling Premises & All Educational Establishments with Indices of Multiple Deprivation (IMD 2015)

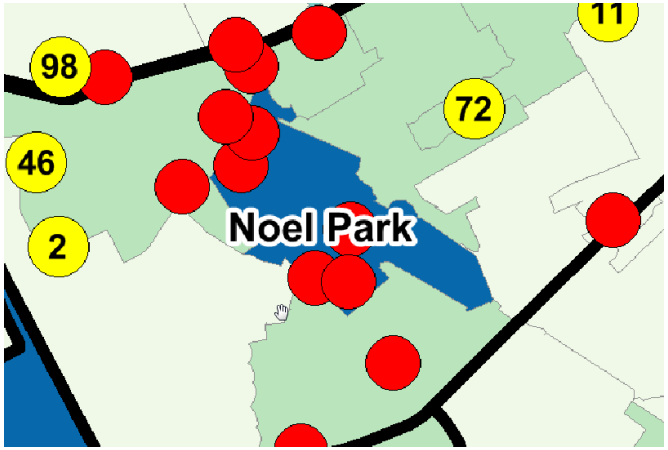


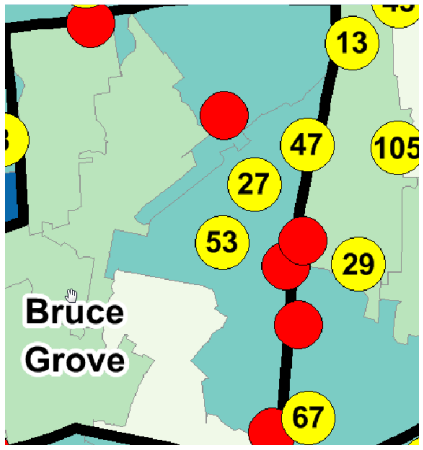
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Schools with the highest number of gambling premises within the 400m radius

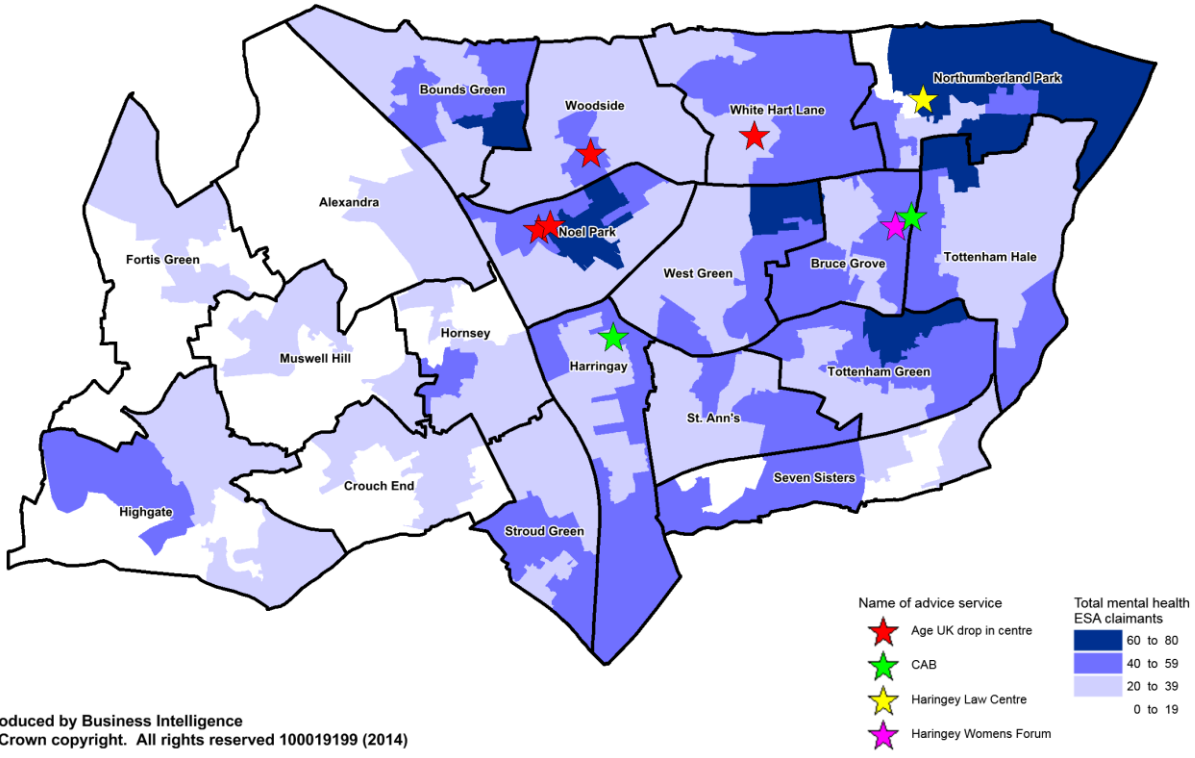
School Name	Number of Gambling Premises
(80,81) South Harringay Junior and Infant School	8
(53) Bruce Grove Primary School	7
(72) Noel Park Primary School	6



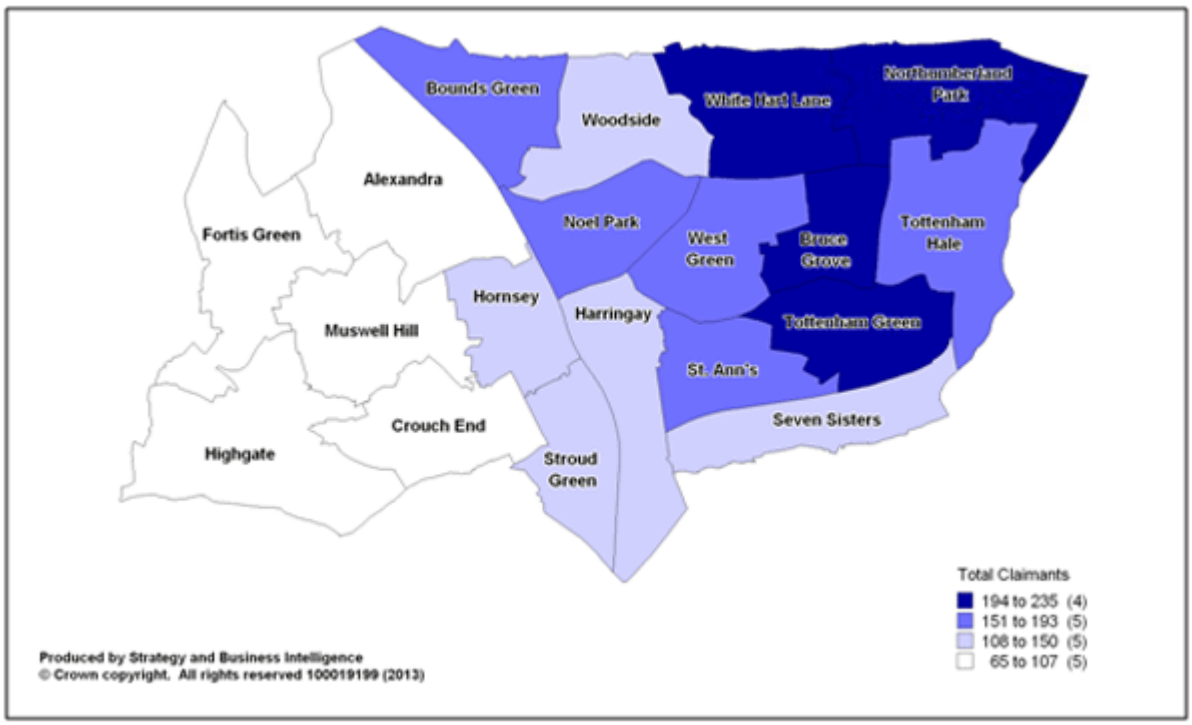




Total number of Employment Support Allowance (ESA) claimants for Mental Health
May 2014



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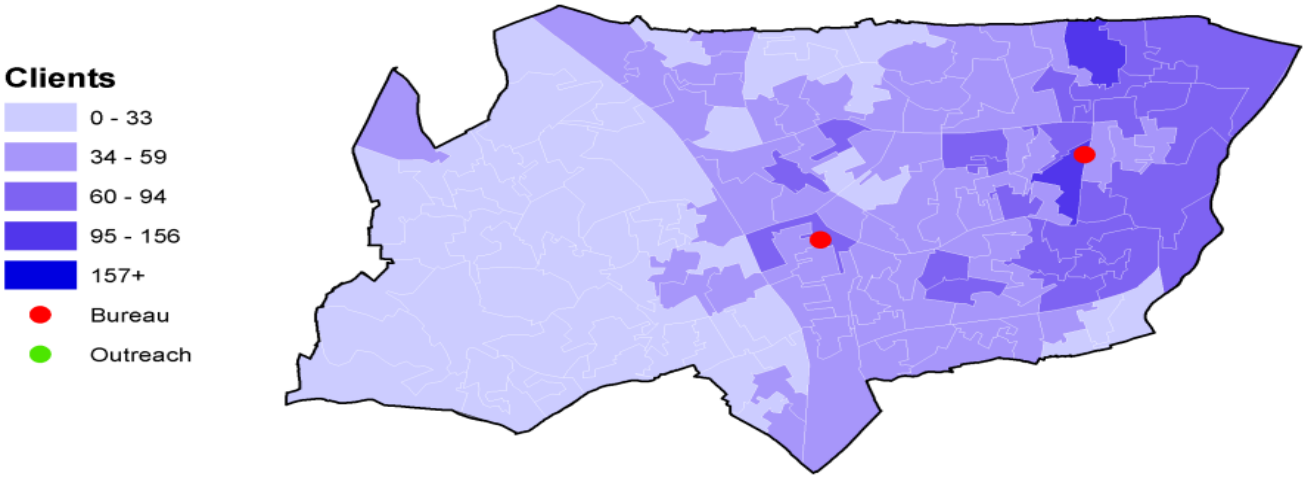
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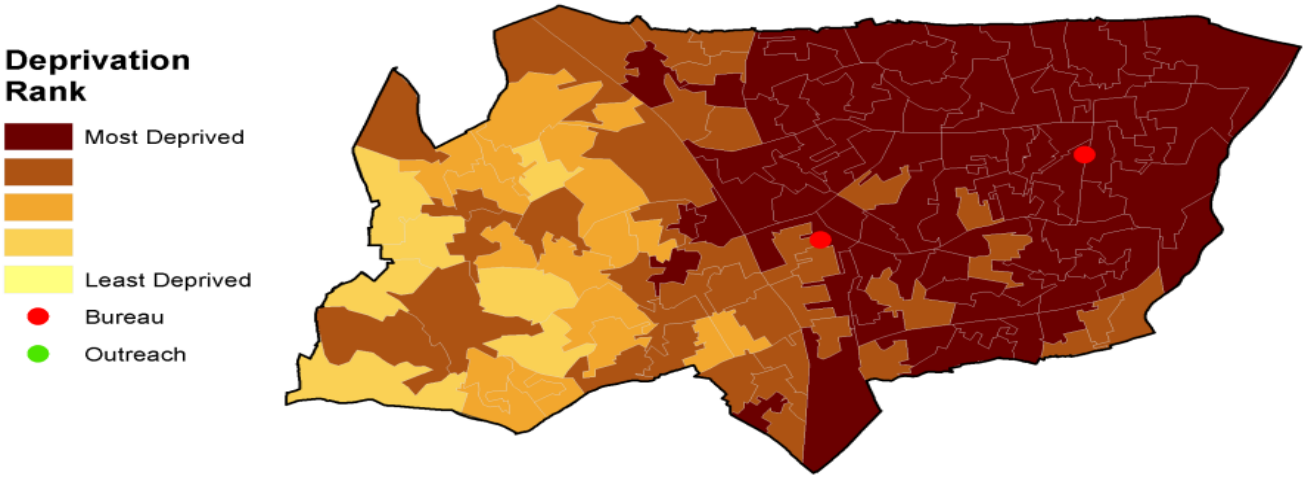
Risk factors in Haringey

Haringey has high level of factors that increase the risk to mental health, such as deprivation, unemployment and homelessness, all of which are more concentrated in the east of the borough. The proportion of residents living alone (24%) locally is greater than in London and England (22% and 18% respectively). Five in every 1,000 residents in Haringey are homeless, a rate which is higher than the London average (Source: DCLG). Joblessness is higher in the east and 48% of people claiming allowance have mental health behavioral disorders. Increases in unemployment, debt, overcrowding and homelessness (driven by changes to the temporary accommodation subsidy system, combined with high rents) can potentially further increase the level of mental health problems in Haringey

- Risk factors associated with poor mental health and wellbeing, such as unemployment, economic deprivation and poor quality housing, are high in Haringey compared to London and England. These issues are more prevalent in the east of the borough.
- Haringey has high levels of severe and enduring mental illness compared to London and England (Source: Community mental health profile 2013 - external link). The rate of psychotic disorder is more prevalent in the east of Haringey (Source MH First – QOF).
- Patients from black or black British ethnic groups account for less than fifth (18.8%, Census 2011) of Haringey population but represent over a quarter (28%) of hospital admissions for mental health issues and further 44 per cent of admissions under the Mental Health Act (1983) Section (Source: BEH Mental Health Trust 2012/13).
- Haringey's suicide rate is higher than in London and England. On average 26 Haringey residents, of whom the majority are men, commit suicide each year. Only one in four are known to mental health services and one in twenty to a GP. (Source: Coroners Suicide Audit data Produced by Public Health Directorate).
- Nearly one in three (32%) offenders on probation report having a mental health issue. For one in five (20%) this is compounded by problems with drug or alcohol misuse. (Source: Community Safety Strategic Assessment: Annual audit of crime and disorder in Haringey 2012/13).
- Haringey has a large independent supported housing provision for people with mental health issues. This provision is used by local authorities around London which places extensive pressures on Haringey services. Most of these services are placed in east of the borough.

Map showing clients attending Citizens Advice in relation to debt matters. The map below relates to areas of deprivation across the borough.





9. **Local risks and control measures**

9.1 There are two specific parts to the risk assessment process, the assessment of the local risks and the determination of appropriate mitigation to reduce those risks.

9.2. Operators may be familiar with identifying risks in relation to health and safety and food hygiene legislation. Risk assessments are also used for security and crime purposes, for example for money laundering and as part of trade association best practice, such as the Safe Bet Alliance.

9.3 This local risk assessment process, although similar requires a much broader range of considerations when identifying local risk. Operators must consider the local area in which the premises are situated, the gambling operation and the premises both internally and externally.

9.4 The control measures that operators will put in place to mitigate any risk associated with the gambling operation will be dependent on the type of gambling activities provided, how the company operates and the size of the organisation.

9.5 The final control measures relate to specific physical measure that will address an identified risk factor. These physical control measures may, for example, include alarms, CCTV cameras, doors, magnetic locks, time locks on safes, spit kits, window shutters, fogging systems, UV lights in toilets.

9.6 The control measures identified to mitigate a perceived risk may involve a combination of systems, design and physical measures. For example to address the risk factors relating to children gaining access to an over 18 restricted gambling premises, the operator may identify the following control measures:

- Systems: PASS card or age verification policies, challenge 21 scheme, staff training and door staff.
- Design: Exterior design which will not attract children into the premises, the entrance layout will enable staff and security to watch those entering the premises and challenge them on the grounds of age.
- Physical: Magnetic door locks and ID scans.

10 Licence conditions

As set out in the code provisions, applications for new premises licences and for variations to existing licences will require a local risk assessment. The control measures specified in these risk assessments may be incorporated into the new or varied premises licences through the imposition of appropriate conditions.

11 Specific considerations for Fixed Odds Betting Terminals:

Fixed odds betting terminals (FOBTs) are electronic machines, sited in betting shops, which contain a variety of games, including roulette. Each machine accepts bets for amounts up to a pre-set maximum and pays out according to

fixed odds on the simulated outcomes of games.

11.1 The *Gambling Act 2005* classified FOBTs as B2 gaming machines. Up to four

machines can be sited on betting premises. Betting Operators are required to show in their risk assessments how they will show responsible management to customers at risk of harm from this form of gambling. The operator’s approach to social responsibility focusing particularly on how staff are trained to engage with customers to monitor their frequency, duration and spend of their gambling behavior at the FOBT. Operators should demonstrate their escalation process for interaction with customers.

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Equality Impact Assessment Screening Tool				
1	Lead officer contact details: DALIAH BARRETT			
2	Date: 29th January 2019			
3	Summary of the proposal: GAMBLING POLICY			
	Response to Screening Questions	**Yes**	**No**	Please explain your answer.
a) Type of proposal				
4.	Is this a new proposal or a significant change to a policy or service, including commissioned service?		X	
5.	Does the proposal remove, reduce or alter a service or policy?	X		**The insertion of some guidance and information round local area profiles is a change but one to assist the betting operator and Licensing Sub Committee when determining cases.**
6.	Will there be a restructure or significant changes in staffing arrangements? Please see the restructure pages for guidance for restructure EqIAs.		X	
7.	If the service or policy is not changing, have there been any known equality issues or concerns with current provision. For example, cases of discrimination or failure to tackle inequalities in outcomes in the past?		X	
b) Known inequalities				
8.	Could the proposal disproportionally impact on any particular communities, disadvantaged or vulnerable residents?		X	

9.	Is the service targeted towards particular disadvantaged or vulnerable residents? *This can be a service specifically for a group, such as services for people with Learning Disabilities. It can also be a universal service but has specific measures to tackle inequalities, such as encouraging men to take up substance misuse services.*		X	
10.	Are there any known inequalities? For example, particular groups are not currently accessing services that they need or are more likely to suffer inequalities in outcomes, such as health outcomes.		X	
11	If you have answered yes to at least one question in both sections a) and b), Please complete an EqIA.			If a decision is taken not to proceed with a full EqIA, please document carefully your reasons here: The Gambling Policy has scope to advance equality by promoting good relations. The Statement supports a culture of openness where appropriate information can be accessed by all parties, hearings are generally held in public and enforcement is in line with the principles promoted within the Enforcement Concordat. Partnership working and exchange of information (within legal constraints) is also supported by the Statement. In this way we hope to promote understanding between those providing gambling opportunities and those potentially affected by them. As with applications under other laws such as the Licensing Act 2003, we will seek to mediate between applicants and objectors and reach negotiated settlements wherever possible. The Statement will be reviewed at least every three years and the impact of the Statement will form part of that review.

REPORT OF THE CORPORATE COMMITTEE
TO COUNCIL 25 February 2019

Chair:
Councillor Isidoros Diakides

Deputy Chair:
Councillor Dana Carlin

INTRODUCTION

1.1 This report to Full Council arises from the report on the updated Treasury Management Strategy Statement for 2019/20 – 2021/22, considered by the Corporate Committee at their meeting on the 5 February 2019.

SUMMARY

Treasury Management Strategy Statement 2018/19 – 2020/21

2.1 We considered the report on the Treasury Management Strategy Statement (TMSS) 2019/20 – 2021/22, introduced by Thomas Skeen, Head of Pensions. We noted that the Council needs to borrow money in order to fund capital investment. The Council's strategy complied with statutory guidance from the CLG, and CIPFA. We noted that overall level of borrowing was due to increase significantly during 2019/20 – 2021/22. The increase in borrowing was largely in response to the government's decision to lift the HRA debt cap. The Council is only able to borrow what it can afford to pay back through its revenue budget and we noted that the Council will remain well within its debt ceiling for each of the years covered by the strategy.

2.2 We noted the key elements of the proposed strategy being considered as outlined in appendix 1 of the report, namely how much borrowing the Council needs to do, where temporary surplus cash should be invested and the Prudential Indicators.

2.3 The Committee were advised that Overview and Scrutiny Committee considered the TMSS at their meeting on 28th January. We note that the Overview and Scrutiny Committee agreed the Strategy and that there were no formal recommendations made to Corporate Committee. During its meeting on 28th January, OSC sought assurances about additional pressures on revenue accounts arising from the Council significantly increasing its levels of borrowing. In response, officers advised that interest rate costs and the costs of increased borrowing were factored into the MTFS.

2.4 A summary of the key points raised by Corporate Committee in respect of the TMSS are set out below:

- The Committee noted that the majority of newly introduced capital schemes were self-financing, i.e. the net cost to the Council was neutral, either because there was a revenue generated to offset the interest or because it generated a saving elsewhere.

- We note that that borrowing is staggered over the duration of the strategy to ensure that capital funding is available when it's needed.

- The Committee raised concerns in relation to LOBO loans and commented that a number of local authorities had taken specific lenders to court over these loans. In response, officers advised that the court cases were in relation to a specific type of LOBO which were linked to the LIBOR rate. We noted that it was very unlikely that the Council would be able to walk away from its loans and that the interest rate paid was similar to other rates available at that time. The Council would continue to monitor the LOBO loans and would seek to refinance them if it became finically prudent to do so.

- The Committee sought assurances around whether the Council's Minimum Revenue Provision for pre 2008 expenditure was sufficient at 2%. We noted that this rate was broadly similar to many other council's and that officers were satisfied with this rate.

WE RECOMMEND

3.1 That Full Council approve the Treasury Management Strategy Statement for 2019/20 – 2021/22.

Report for: Full Council 25th February 2019

Item number:

Title: 2019/20 Budget and Medium Term Financial Strategy (2019/24)

Report authorised by: Jon Warlow – Director of Finance – (Chief Finance Officer and Section 151 Officer)

Lead Officer: Oladapo Shonola – Lead Officer, Budget & MTFS Programmes; Frances Palopoli – Head of Corporate Financial Strategy & Monitoring

Ward(s) affected: ALL

Report for Key/ Non Key Decision: Key.

1. Describe the issue under consideration

1.1. Cabinet considered the 2019/20 Budget and Medium Term Financial Strategy (MTFS) 2019/24 report at their meeting held on 12th February 2019 (the report has been amended to include agreed addendum to that report) and resolved to propose that report for consideration and approval of the final Budget, MTFS and Council Tax for 2019/20 by Full Council in accordance with the Council's constitution.

1.2. The council tax and savings proposals remain unchanged from those in the Cabinet report.

2. Cabinet Member Introduction

2.1. My comments on the 2019/20 budget which can be found in the Cabinet report attached at Annex 1 remain unchanged.

3. Recommendations

3.1. Council are asked:

(a) To approve the proposed 2019/20 Budget and Medium Term Financial Strategy (2019/24) agreed by Cabinet on 12th February 2019;

(b) To approve the increase of 2.99% in Haringey's element of the Council tax;

(c) To approve the General Fund budget requirement for 2019/20 of £241.182m, net of Dedicated Schools Budget, as set out in table 6.1 and Appendix 6 of Annex 1 to this report;

(d) To approve the Cash Limit for 2019/20 of £241.182m as set out in Annex 2;

(e) To approve the 2019/24 General Fund capital programme set out in Appendix 3 of Annex 1 to this report;

(f) To approve the policy on the flexible use of capital receipts as set out in section 15 and Appendix 11 of Annex 1 to this report;

(g) To approve the Housing Revenue Account (HRA) Budget 2019/20 as set out in Appendix 2 of Annex 1 to this report;

(h) To approve the 2019/24 HRA capital programme set out in Appendix 4 of Annex 1 to this report;

(i) To note the Greater London Authority (GLA) proposed precept (para. 7.5);

(j) To delegate authority to the Chief Finance Officer, in consultation with the Cabinet Member for Finance, to reflect any final changes to the level of the GLA precept in the Council's Council Tax billing information set out in Annex 5;

(k) To approve the budgeted level of non-earmarked General Fund balance and the specific and other reserves as set out in Annex 3b;

(l) To approve the reserves policy including the Chief Finance Officer's (CFO) assessment of risk and the assessment of the adequacy of reserves, as set out in Annex 3 (a – c);

(m) To note the report of the Chief Finance Officer under Section 25 of the Local Government Act 2003 on the robustness of the estimates and the adequacy of proposed reserves set out in section 9;

(n) To approve the Treasury Management Strategy Statement 2019/20 set out in Annex 4; and

(o) To pass the budget resolution including the level of Council Tax, in the specified format, and to determine that the Council's relevant basic amount of Council Tax for the year is not excessive as set out in Annex 5.

4. Reasons for decision

4.1. The Council approved its previous Corporate Plan and Medium Term Financial Strategy (MTFS) covering the period 2015-18 in February 2015. A new Borough Plan (2019-2023) and MTFS (2019/24) are on the agenda for this meeting. The new Borough Plan sets out the Council's priorities and the MTFS outlines the overall financial strategy for those priorities.

4.2. The February 2018 MTFS projected a funding gap as a result of reductions to the Council's funding from central government. It was projected that recurring savings of £25m would be required to mitigate the shortfall in the MTFS and in order to deliver a balanced budget position.

4.3. This final MTFS (2019/24) projects a budget gap of between £13.1m and £20.5m if all new budget reductions included in the MTFS are delivered and no new pressures identified. The Council will need to continue to find major budget reduction measures in future years in order to balance the budget/MTFS as set out in section 9.

4.4. Following the publication, on 13th December 2018, of the Provisional Local Government Finance settlement, Cabinet reviewed the impact of the settlement on the 2019/20 budget set out in the MTFS. The final settlement, which was mostly in line with the provisional settlement, was announced on 29th January and the implications of the final settlement were included in the report considered by Cabinet on 12th February 2019. That report included Cabinet's response to feedback from the consultation and the views of Overview and Scrutiny Committee.

4.5. The report and recommendations from the Cabinet meeting on 12th February 2019, which were agreed in full, including the approved amendment to the report, are attached as Annex 1.

4.6. Taking all relevant factors into account, including the outcomes from statutory consultation with residents, business rate payers and the recommendations from the Overview and Scrutiny committee meetings held on 28th January 2019 and 5th February 2019, this report sets out Cabinet's Budget proposals including proposals for the level of Council tax for the Council to consider and approve.

5. Alternative options considered

5.1. In accordance with legislation and the Council's constitution, this report recommends that the Council should approve the proposed 2019/20 Budget and Medium Term Financial Strategy (2019/24) agreed by Cabinet on 12th February 2019, including the outcomes from the budget consultation exercise, which is attached as Annex 1 and approve the Council tax for 2019/20. Accordingly no other options have been considered.

6. Background information

6.1. On 12th February 2019 Cabinet agreed a proposed Budget and MTFS for submission to this meeting of the Council, including: a General Fund revenue budget for 2019/20 of £241.182m; an additional budget of £256.326m in respect of the Dedicated Schools Budget; the Housing Revenue Account (HRA) revenue budget; and the 2019/24 Capital Programmes for both the General Fund and HRA. Cabinet agreement to these proposals was subject to the decisions of levying and precepting authorities.

6.2. The Cabinet report of 12th February 2019 (attached as Annex 1 to this report), and the proposed Budget/MTFS recommended to Full Council by Cabinet are the subjects of discussion at this meeting.

6.3. This report addresses:

- The final local government finance settlement 2019/20;
- Flexible use of capital receipts policy;
- The decisions of levying bodies and precepting authorities;
- Considerations in setting the Council tax;
- The robustness of the Council's budget process;
- The adequacy of the Council's reserves; and,
- The Treasury Management Strategy Statement 2019/20.

6.4. The report concludes by presenting the Budget Resolution to set the Council Tax for 2019/20.

7. Key Developments and Updates

Levying Bodies

7.1. The Board of the North London Waste Authority (NLWA) met on 7th February 2019 and agreed an overall levy of £53.2m for 2019/20; which is a 9.63% increase over the 2018/19 position. The Budget report to Cabinet assumed a waste levy of £8.3m based on projections at the time. The final levy on Haringey approved by the NLWA Board for 2019/20 is £8m, which is £0.3m less than the amount assumed in the Budget report to Cabinet. It is proposed that this amount is held as corporate contingency to address in-year pressures. As both the change in the levy and corporate contingency are within corporate cost budget, no further action is required on this.

7.2. The 2019/20 waste levy (£8m) is significantly higher than the 2018/19 levy of £5.76m. This is because the Council had a one-off credit adjustment to its 2018/19 levy amount due to fewer tonnes of waste being delivered to NLWA waste processing centres than was original budgeted in prior years. The 2019/20 levy returns the Council to a non-adjusted levy amount that is reflects the annual cost of waste disposal.

7.3. The below table provides a summary of levy charges to Haringey Council to in 2018/19 and 2019/20.

Table 7.1: Summary of 2018/19 and 2019/20 Levies

Organisation/Levying Body	Amount Paid 2018/19 £'000	Amount Due 2019/20 £'000
Environment Agency	174	176
Lee Valley Regional Park Authority	186	184
London Borough Grants Scheme	211	205
London Pensions Fund Authority	270	265
North London Waste Authority	5,755	8,020
Total Paid/ Due	**6,597**	**8,849**

The Greater London Authority Precept

7.4. The Mayor's final draft budget proposals for the 2019/20 consolidated budget are scheduled to be published on Thursday 15th February 2019 and will be considered by the London Assembly on Thursday 25th February 2019. The current draft proposals indicate a proposed increase of £26.28 (8.9%) to £320.51 (Band D). The significant increase in the precept is due to the government permitting a £24 maximum increase in the policing element of the GLA precept to help combat the rise in violent crime. This equates to an 11% increase – a 2.99% increase is proposed for non policing element of the GLA precept.

7.5. It is possible that the proposed increase in the precept may change before the final Budget is approved – including the possibility of a change at the GLA meeting on the 25th February 2019. Therefore, the amounts shown in respect of the GLA precept in Annex 5, the formal Budget resolution, may change. The Council as a billing authority is required to reflect the level of any relevant precept notified to it and so it is not a decision of the Council as to whether the level of the GLA precept should be approved or not. It is however, imperative that the information produced by the Council as the Billing Authority reflects the final decision taken by the GLA.

7.6. In order to accommodate the possibility that the final GLA precept varies from that currently advised, the recommendation to the Council is that it approves the budget resolution as currently presented at Annex 5 and give delegated authority to the Council's CFO in consultation with the Lead Member for Finance to implement the final GLA Council tax precept in the Council's billing information.

7.7. In the unlikely event that the GLA finally resolve a Council tax precept at a level requiring them to undertake a referendum (i.e. a 3% or greater increase in the non-policing element of the GLA precept and an increase greater than £24 of

the policing element of the GLA precept which equates to a total increase of £26.28 or greater), a further report considering the implications of this on the Council would need to be considered.

8. Considerations in setting the Council tax

8.1. The Localism Act 2011 gave electors the right to veto excessive Council tax rises. Councils that set 'excessive' council tax increases above a ceiling approved by Parliament each year would automatically trigger a referendum in their area.

8.2. The Government announced that those authorities with Adult Social Care functions can implement an Adult Social Care precept up to a maximum of 6% between 2017/18 and 2019/20, providing that the sums raised are allocated entirely towards Adults Social Care costs; the Chief Finance Officer must make a declaration to the Secretary of State to the effect that this has been achieved and specific information must also be made available on the face of the Council tax bill highlighting this to taxpayers.

8.3. It has been confirmed by the Government that for 2019/20, an increase is excessive if an authority's relevant basic amount of Council tax for 2019/20 is greater than 5.99% (comprising 3% for expenditure on adult social care and 2.99% for other expenditure) than its relevant basic amount of Council tax for 2018/19. Haringey, however, has already raised the permitted 6% ASC precept in the first two years (2017/18 and 2018/19) of the period set by government, so there is no scope for a further increase in that element in 2019/20. In total therefore the Council could approve an increase in its relevant basic amount of Council Tax for 2019/20 up to 2.99% without triggering a referendum.

8.4. The basis of the Cabinet's budget proposals is for an increase of 2.99% in the relevant basic amount of Council tax and is, in terms of the legislation, deemed as not being excessive. Council is, therefore, recommended to resolve the relevant basic amount as not excessive at paragraph 6 of the Formal Budget Resolution (Annex 5).

8.5. The projected income from Council tax in 2019/20 is £101.981m based on 77,265 Band D equivalent dwellings (the Tax Base) a collection rate of 96.5% (96.25% in 2018/19), and the proposed Band D Council tax rate of £1,319.89. The 2018/19 Council Tax Base was 77,093 Band D equivalent dwellings.

8.6. These proposals result in total available funding (the 'Budget Requirement') for 2019/20 of £241.182m, as set out in recommendation 3.1(c), above.

9. Statements of the Designated Chief Finance Officer

9.1. The importance of local authority financial resilience has taken up greater significance following a prolonged period of austerity. As a direct response to this, CIPFA developed a financial resilience index in 2018 which is a tool to support Chief Finance Officers in carrying out their statutory role but also provides an independent view for the local leadership on the overall financial

resilience of their Council and the proximity of their authority to its financial limits.

9.2. For 2019/20, it is not yet a requirement to refer to this index, however, it is recommended that councils refer to these indicators to support the Chief Finance Officer's s25 statement. The underlying data used for the index is necessarily based on publicly available data and is therefore historic in nature but does illustrate trend. The current index covers the period 2014/15 – 2017/18.

9.3. Haringey's 2017/18 position compared to other London Boroughs is shown in annex 3d along with further description and interpretation for each of the indicators and their relationship to risk.

9.4. As this is a new analysis led by CIPFA, further work needs to be done to integrate it into our strategic financial assessments. However, two of the key messages to note are that:

- In terms of the unallocated General Fund (GF) reserve, the Council has been able to stabilise this at £15.5m since the end of 2017/18 and the current budget assumption is that this will remain untouched at 31/3/2019. This will leave this risk indicator relatively unchanged for the Council.
- The GF earmarked reserves have seen a reduction since the end of 2017/18. This has been in response to planned use such as to fund the Council's transformation agenda however, in the round it does increase the overall risk status of the Council and will have the effect of moving to a higher risk status for reserves depletion over time; level of reserves; change in reserves and change in earmarked reserves.

Robustness of the budget process

9.5. The Council's Chief Financial Officer is required by Section 25 of the Local Government Act 2003 to report on the robustness of the estimates made for the purposes of the final budget calculations.

9.6. To meet the scale of the financial challenge facing the Council, the Council refreshes its five year MTFS on an annual basis to ensure that assumptions, especially those around budget reductions are reviewed and updated as necessary.

9.7. The government continued its programme of public spending reductions, originally set out in its Spending Review (SR) of 2010 through SR 2015. The consequence of this and local decision making on council tax has resulted in reduction on core spending power (this includes core government, council tax and business rates) of £122m (59%) between 2010 and 2019. This has put the Council in significant financial duress and the Council is yet to establish how it will operate sustainably within its future resource level.

9.8. One of the key risks the Council faces is the level of future business rates income. Although being part of the 75% London Business Rates Retention Scheme (BRRS) pool is forecast to be beneficial to the Council in 2019/20, volatility in this sector along with uncertainty about the future operation of the

scheme from April 2020 carries with it a degree of risk and uncertainty for the authority which have been recognised in the MTFS. The maintenance of General Fund balances and the prudence in recognising any additional BRRS revenues mitigate this budget risk.

9.9. Another key, but unquantifiable risks, facing the Borough for 2019/20 and potentially across the whole MTFS period is the on-going uncertainty over Brexit and the implications of whatever arrangement is finally put in place. The Council is actively assessing and planning as to how it might need to respond to the consequences. The Government has recently announced a grant of £210k to the Council over two years, the actual direct and indirect costs associated with dealing with the ramifications will almost certainly be higher. This adds weight to the recommendation to maintain the budget resilience reserve at £7.2m but also underlines further the importance of the Council remaining within the 2019/20 agreed budget and deliver agreed savings.

9.10. To de-risk the 2019/20 budget, officers undertook a robust challenge of all 2018/19 savings plans and pre-agreed savings for future years. This work led to Cabinet approving the write off of £9.8m of these in December 2018. While this has meant that the ongoing structural gap has not significantly changed, there is greater confidence in the overall deliverability of the proposals now being taken forward.

9.11. The planning work for the 2019/20 Budget and MTFS (2019/24) started early in recognition of the existing structural funding gap in the previous MTFS. This work has produced £7.1m of new budget reduction proposals for 2019/20 rising to £13m in 2024.

9.12. The budget proposals have been subject to detailed scrutiny and the Cabinet has also undertaken consultation with residents and businesses. Officers at every level of the organisation have been engaged in the budget setting process with ideas feeding up through the organisation and developed into the final proposals that are presented in this report.

9.13. This approach to 2019/20 does provide greater confidence of managing within the agreed budget, however the size of savings to be achieved alongside business as usual activity, still retains a delivery risk and the budget proposals for 2019/20 maintains the Budget Resilience Reserve at £7.2m across the whole of the MTFS period to be used to mitigate any in-year overspend/delay in implementation of planned savings.

9.14. Alongside this work, attention was given to the Adults and Children's services as demand pressures have meant that in the current year, both budgets continue to overspend and both services, particularly children, have found it difficult to deliver some of the savings committed to in the previous MTFS as years of budget reductions have meant savings are increasingly difficult to identify and deliver, particularly alongside responding to increasing demand. The 2019/20 budget process has acknowledged these factors and, when including new grants, additional council funding and write off of some previous savings proposals, builds in additional funding to these two key service areas with £7m for Adults and £7.6m for Children's before application of the newly proposed budget reduction proposals.

9.15. A focus on greater engagement with responsible officers encourages ownership of the agreed 2019/20 budgets and budget reduction proposals. Further work is taking place to fundamentally re-align the detailed budget allocations within certain priority budget areas to ensure that budget and delivery plans are aligned.

9.16. The budget process will continue to be supported by a regular cycle of Budget Management and reviews. From 2018/19, this has been further strengthened by the establishment of a monthly budget delivery board chaired by the Cabinet member for finance. The Council's Risk Management process also underpins all of these activities.

9.17. It is recognised that the Council's planned delivery of its savings programmes over recent years has been below projection. The new service budget reductions proposed in this Budget/ MTFS are considered to be deliverable however in order for these to be achieved, management of this programme will be strengthened. Despite this, there will inevitably be some plans that are not deliverable in full (or indeed possibly at all) due to changing circumstances. While this budget provides a level of financial capacity for dealing with such circumstances, it is important that the Council also looks to find alternative solutions (in year mitigations) as and when savings issues or base budget pressures arise. Similarly, it is important that the Council makes progress on both designing and, where possible, implementing the measures needed to address it future year's structural funding gap at the earliest point.

9.18. We are therefore presently considering how the Council's current budget setting and periodic corporate monitoring processes might be developed to support a "live budgeting" type of approach. This will help risk manage the in year budget delivery position and allow us to get the best start for the forthcoming year, and potentially enable better decision making. This will be subject to later clarification and potentially proposals for changes to the Council's budgeting approach.

9.19. The table below confirms the total savings agreed for 2019/20 and for each of the remaining years of the MTFS. While the Council has identified new budget reductions of £13m across the MTFS period bringing total agreed budget reductions to £30m, there is still a major underlying recurrent budget deficit of £20.5m across the MTFS period, £13.2m of which will need to be found in 2020/21.

9.20. In summary, the Council is required to deliver £50m of budget reduction before 2023/24 which equates to a 20% reduction in net budget which will be achieved by both budget reductions and increasing sources of funding. This represents a fundamental challenge to the Council.

Table 9.1: Summary of Agreed/Unidentified MTFS Reductions

	2019/20 Pre-Agreed Savings £'000	2019/20 (New) MTFS Savings £'000	2019/20 Total Savings £'000	2020-21 Total Savings £'000	2021-22 Total Savings £'000	2022-23 Total Savings £'000	2023/24 Total Savings £'000	Total Savings (All Years) £'000
Priority 1 - Children Services	0	1,602	**1,602**	401	90	0	0	**2,093**
Priority 2 - Adults Services	2,390	2,000	**4,390**	4,039	3,185	3,270	100	**14,984**
Priority 3 - Environment & Neighbourhood Services	150	1,665	**1,815**	1,565	600	70	70	**4,120**
Priority 4 - Regeneration & Growth	0	910	**910**	15	0	0	0	**925**
Priority 5 - Housing Services	120	1,070	**1,190**	708	573	0	0	**2,471**
Priority X - Corporate Services	2,650	419	**3,069**	1,505	25	6	6	**4,611**
Council Wide	750	0	**750**	0	0	0	0	**750**
Total Agreed Savings	**6,060**	**7,666**	**13,726**	**8,233**	**4,473**	**3,346**	**176**	**29,954**
Unidentified Savings	0	0	**0**	13,171	811	4,112	2,375	**20,469**
Total Savings Requirement	**6,060**	**7,666**	**13,726**	**21,404**	**5,284**	**7,458**	**2,551**	**50,423**

9.21. At the end of Quarter 3 2018/19, the budget monitoring position indicates a year end deficit of £9.1m. The corporate financial forecast is that, while all services will fully address their overspend before year end, other largely corporate financial development will prevent the need for utilisation of the General Fund. Therefore, this balance will be maintained at £15.5m for 2019/20.

9.22. Accordingly, the Chief Financial Officer is satisfied the arrangements set out above constitute a robust process for the budget calculations underpinning the Cabinet's proposals for the 2019/20 Budget.

9.23. It is, however, imperative that the Cabinet and Council continue to pursue the delivery of budget reductions that have been included in the MTFS and set out in this report.

Adequacy of Reserves

9.24. Section 25 of the Local Government Act 2003 also requires the Chief Finance Officer to report on the adequacy of the proposed level of financial reserves. The Council's Reserves Policy is set out at Annex 3a, which the Council should formally review each year.

9.25. The level of reserves is subject to the approval of the Council and will be set at the level commensurate with their identified need.

9.26. The Council holds a number of reserves which are detailed in Annex 3b and can be categorised as follows:

- **Non-earmarked (general) Reserves** - These are held to cover the net impact of risks, opportunities and unforeseen emergencies;
- **Earmarked (specific) Reserves** - These are held to cover specific known or predicted financial liabilities;
- **Other Reserves** - These relate to ring-fenced accounts which cannot be used for General Fund purposes e.g. the Housing Revenue

Account and schools' accumulated balances.

- Annex 3b also shows the projected movement on the reserves over the financial planning period 2018/19. All reserves have been reviewed and their level judged to be adequate and the continued need for them appropriate.

9.27. It is projected that the Council will have un-earmarked General Fund balance of £15.5m at 31st March 2019. The final position will be dependent however on the Council's 2018/19 financial outturn to be reported to Cabinet in June 2019.

9.28. It is imperative the un-earmarked general reserves and contingencies are adequate to meet the net financial impact of the risks facing the Council. These risks have been assessed as £20m, as set out in Annex 3c. Accordingly, the proposed levels of general reserves set out above, together with the contingency provision in the Council's base budget are judged to be adequate within the meaning of the 2003 Act.

9.29. No change to the Council's Reserves Policy is recommended.

Treasury Management

9.30. The Treasury Management Strategy Statement (TMSS) for 2019/20 in Annex 4 sets out the proposed strategy with regard to borrowing and investment of cash balances and the associated monitoring arrangements. It was considered by Corporate Committee on 5th February 2019 and recommended it for approval by Full Council; the report from that Committee is included elsewhere on this agenda.

9.31. The Council's Overview and Scrutiny Committee also considered the TMSS on 28th January 2019 as part of the budget scrutiny process and in accordance with the CIPFA Treasury Management Code of Practice.

9.32. The proposed prudential indicators are based on the proposed Capital Programme as reported to Cabinet on 12th February 2019. Any future decision by the Council to undertake further debt financed capital expenditure, including in particular any changes associated with the Capital Strategy will require a review of the prudential indicators and further approval by full Council.

10. Summary and Conclusions

10.1. This report finalises the Budget process and proposes that Council Tax is increased by 2.99% and nil increase in relation to Adult Social Care precept.

10.2. The level of financial reserves is also reported and those levels are considered to be adequate.

10.3. The Council is required to determine whether its increase in Council Tax for 2019/20 is 'excessive' and, if so, would trigger a referendum. The proposal in this report is not an "excessive" increase.

10.4. The recommendations of the Cabinet are reflected in the formal Council tax Resolution in Annex 5.

10.5. The Medium Term Financial Strategy 2018-2024 recognises the key drivers and risks arising from funding constraints and increases in demands for council services, but it remains essential the Cabinet and Council keep the key assumptions under close review, identify and deliver the requisite level of budget reductions, maintain financial discipline and control, focus on their highest priorities and strive to improve further the value for money the Council secures from its resources.

11. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

11.1. As the report is primarily financial in its nature, comments of the Chief Finance Officer are contained throughout the report.

Assistant Director of Corporate Governance Comments and legal implications

11.2. In accordance with section 67 of the Local Government Finance Act 1992 (the '1992 Act'), the functions of agreeing the budget and the calculation of Council tax are to be discharged by the Full Council.

11.3. The Local Authorities (Standing Orders) (England) (Regulations) 2001 set out the process of approving the budget and provide that the adoption of the budget and calculation of the Council tax by Full Council is to be on the recommendation of the Cabinet. This report details changes to the budget proposals since their consideration by the Cabinet on 12th February 2019. It has been confirmed that the Leader of the Council has been notified and has considered these changes.

11.4. Under section 25 Local Government Act 2003, in considering decisions on the budget, and the level of Council tax, the Council must take into account this report from the Council's Chief Finance Officer, as the Section 151 Officer, who has a statutory duty to report on the robustness of the estimates and the adequacy of the proposals for reserves.

11.5. The Council may take decisions which are at variance with this advice provided there are reasonable grounds so to do. However Members must take into consideration their exposure to personal risk if they disregard clearly expressed advice.

11.6. The Council has a legal duty to set a lawfully balanced budget and adoption of the recommendations in this report would fulfil the statutory obligations in this regard.

11.7. In accordance with section 31A of the 1992 Act, the Council is required to calculate the Council tax chargeable by way of a Council tax requirement. The Council must calculate its expected outgoings and income for the year. Where the expected outgoings exceed the expected income the difference is the Council's Council tax requirement for the year. The relevant basic amount of

Council tax for the year is calculated by dividing the Council tax requirement after the deduction of levies by the Council tax base.

11.8. Under section 52ZB of the 1992 Act the Council is required to determine whether its proposed relevant basic amount of Council tax is excessive on the basis of criteria set by the Secretary of State. It has been confirmed by the Referendums Relating to Council tax Increases (Principles) (England) Report 2019/20 that for 2019/20 an increase is excessive if the authority's relevant basic amount of Council tax for 2019/20 is 6% (comprising 3% for expenditure on adult social care and 3% for other expenditure), or more than 5.99%, greater than its relevant basic amount of Council tax for 2018-19. In such circumstances such an increase would be regarded as excessive and automatically trigger a referendum in the borough. The 'relevant basic amount' of Council tax was redefined by section 41 of the Local Audit and Accountability Act 2014, and accordingly section 52ZX of the 1992 Act has been updated. Essentially an authority's relevant basic amount of Council tax is the authority's own level of Band D Council tax. With the current proposals of a less than 6% increase the Council is entitled to conclude in accordance with the Direction issued by the Secretary of State, that the relevant basic amount of Council tax is not excessive.

11.9. In accordance with section 30 of the 1992 Act, the Council is required to set the Council tax for the next financial year on or before 11 March. Under section 106 of the 1992 Act, any Member who is in arrears of two months or more Council tax must declare it at the meeting and abstain from voting upon this report.

Equalities and Community Cohesion Comments

11.10. Equality comments are included in the report to Cabinet dated 12th February 2019, attached as Annex 1.

12. Use of Appendices

Annex 1 – Cabinet report of 12th February 2019 including Appendices 1 - 12.

Annex 2 – Cash Limits analysed at Priority Level

Annex 3 – Reserves

- 3a: Reserves Policy
- 3b: Reserves and their adequacy
- 3c: Risk evaluation
- 3d: Financial Resilience Indicators

Annex 4 – The Treasury Management Strategy Statement

Annex 5 – The Formal Budget Resolution

13. Local Government (Access to Information) Act 1985

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

- Final Local Government Finance Settlement 2019/20.
- NLWA Budget Proposals report published 30th January (for 7th February meeting) 2019.
- GLA Budget proposals report published 15th February (for 25th February meeting) 2019.

For access to the background papers or any further information please contact Oladapo Shonola – Lead Officer, Budget & MTFS Programmes on 0208 489 3726; Frances Palopoli – Head of Corporate Financial Strategy & Monitoring, 3896

Report for: Cabinet Meeting 12th February 2019

Item number:

Title: 2019/20 Budget/Medium Term Financial Strategy (MTFS) 2019/20-2023/24

Report authorised by: Jon Warlow, Director of Finance and Section 151 Officer

Lead Officer: Oladapo Shonola, Lead Officer – Budget & MTFS Programmes
Frances Palopoli, Head of Corporate Financial Strategy & Monitoring

Ward(s) affected: All
Report for Key/

Non/Key Decision: Key decision

1 Describe the issue under consideration

1.1 Cabinet received a report on the Draft Budget on 11th December 2018 which set out the need for further work to be undertaken in order to arrive at this report and members agreed that consultation be undertaken on the proposals in that report. The 2019/20 budget and 2019/24 MTFS proposed here have due regard to the subsequent corporate Equalities Impact Assessment and the consultation feedback.

1.2 The Council has a statutory requirement to set a balanced budget for 2019/20 and this report forms a key part of the budget setting process by setting out the likely funding and expenditure for that year. Additionally, in order to ensure the Council's finances over the medium term are built on a sound basis, this report also sets out the funding and expenditure assumptions for the following four years (2020/24) in the form of a Medium Term Financial Strategy (MTFS). Cabinet's role in this is to recommend the budget and key policy proposals to Full Council for agreement and this report satisfies this duty.

1.3 In accordance with the Local Government Finance Act (LGFA) 1992, Full Council must approve the budget for the forthcoming year and agree the Council tax for that year, by the statutory deadline of 11th March.

1.4 Both the 2019/20 budget and 2019/24 MTFS have been developed with strong reference to the new Borough Plan 2019-2023, (being presented separately to Cabinet on this agenda) in order that the Council's resources are directed at supporting delivery of the new proposed priorities:

- **Housing** - a safe, secure and affordable home for everyone, whatever their circumstances
- **People** - Strong families, strong networks and strong communities nurture all residents to live well and achieve their potential
- **Place** - Stronger connected communities where together we improve our environment by making it safer, cleaner and greener

- **Economy** - A growing economy which provides opportunities for all our residents and supports our businesses to thrive
- **Your Council** - The way the council works

1.5 Note the budget information including tables in this report are presented according to the current Corporate Plan priority structure pending approval of the new Borough Plan priority structure. Subsequently, the Budget will be structured so that from 1st April 2019 all financial information will be presented in the new Borough Plan priority structure.

1.6 The 2018/19 budget position provides the starting point for next year's financial planning. Members will be aware that the Quarter 2 forecast for the 2018/19 budget was an overspend of £9.3m after the application of £6.4m of the budget resilience reserve. An update will be provided to Cabinet in March. The corporate financial forecast is that while not all services will fully address their overspends before year end, other largely corporate financial developments will prevent the need for utilisation of the General Fund balance. This provides a positive opening position for the new budget/MTFS.

1.7 The Draft MTFS for 2019/24 comes after 8 years of reductions in funding and against a background of a rising demand for services, particularly for Adults and Children's Services. Demographic change continues to drive demand in Adults services, and to a degree in Children's services. The Council has also seen significant and ongoing pressures on budgets for temporary accommodation. Increasing housing costs combined with changes in the benefits and welfare system have placed more pressure on households. This leads to overcrowding, evictions and homelessness and makes it more difficult for families to cope. All these pressures further increase the support that families need from the Council, particularly in Children's and Housing services.

1.8 The planning work for the 2019/20 Budget and MTFS (2019/24) started early in recognition of the existing structural funding gap in the previous MTFS. This work has produced £7.1m of new budget reduction proposals for 2019/20 rising to £13m in 2024. Following the publication of the Draft Budget in December, officers and members continued to work to identify further budget reductions measures to mitigate the budget gap at that time. This exercise identified further service budget reductions/changes of £0.6m. Taking the above and pre agreed savings of £6m into account, the total budget reduction programme for 2019/20 is £13.7m.

1.9 Alongside this work, there was also a robust challenge of 2018/19 savings plans which led to Cabinet approving the write off of £9.8m of these. While this has meant that the ongoing structural gap has not significantly changed, there is greater confidence in the overall deliverability of the proposals now being taken forward. This coupled with the injection of close to £14m growth into the two people focussed directorates, should provide a sound basis for the Council to operate within the proposed 2019/20 budget envelope.

1.10 It should be noted that the £6.5m gap reported in December is now bridged in this report. The late solutions identified are a mixture of improvements in grant assumptions, technical changes and further service budget changes (one-off and on-going). There is an improvement to the cumulative ongoing budget gap over the 2020/24 period which is now £13.2m in 2020/21 (December – £18.4m) to £20.5m in 2023/24 (December - £26.4m).

1.11 Service pressures have meant that in the current year, both Adults and Children's budgets continue to overspend. Both services, and particularly children, have found it difficult to deliver some of the savings committed to in the previous MTFS as years of budget reductions have meant savings are increasingly difficult to identify and deliver, particularly alongside responding to increasing demand. Across the country, local authorities have seen a similar pattern.

1.12 The 2019/20 budget process has acknowledged these factors and, when including new grants, additional council funding and write off of some previous savings proposals, builds in additional funding to these two key service areas with £7m for Adults and £7.6m for Children's before application of the newly proposed budget reduction proposals.

1.13 The budget also supports delivery of some key components of the administration's manifesto commitments. Investment is going into the youth services programme and a schools meals pilot. The financial impact of the commitment to becoming a London Living Wage employer has been recognised and the 2019/20 budget assumes an increase of 2.99% in the Haringey element of the council tax which will generate circa £3m additional resource part of which will be used to underpin the extension to the Council Tax Reduction Scheme (CTRS) to a maximum of 100% for least well-off families with children. The Housing Revenue Account (HRA) capital programme included within this report proposes expenditure of £965.8m over the next 5 years to fulfil it's responsibilities in respect of its' housing stock but also importantly assumes delivery of a number of new council homes, again a key manifesto commitment.

1.14 The final 2019/20 Finance Settlement has confirmed the draft figures used in the December report. As highlighted in the December report, however, uncertainty from 2020/21 is significant as a result of national and international economic volatility created by Brexit, the impact of Spending Review 2019 (SR19) due in the Autumn, the outcomes of the Fair Funding review and reformation of the business rates retention system from 2020. Due to the absence of concrete information, the attached MTFS currently makes no assumptions around these but officers will provide updates in budget monitoring reports as more certainty emerges.

1.15 Planning work to address this future budget gap has already started and builds on some of the options and potential solutions outlined in the December report. This must now be augmented and further developed as a matter of urgency if the Council is going to be in a position to have a balanced budget for 2020/21 onwards. The proposed 2019/20 budget and MTFS assumes that the current General Fund reserve is maintained at a minimum level of £15m but does assume a contribution of £5.5m from the release of some earmarked reserves now assumed as not required. The continued reliance on reserves to balance budgets is not sustainable.

1.16 The MTFS proposes a significant increase in the Council's capital programme as this is seen as an increasingly important strand of the overall Council financial strategy. Capital budgets offer opportunities for the Council to really affect the lives of its residents and visitors for example by shaping the local environment (through the provision of new housing, traffic schemes, or regeneration schemes); positively impact people's lives (through creating appropriate housing for adults with learning difficulties or investment in parks); transform the way in which the Council interacts with local residents (through the libraries investment programme

or proposals for a new customer service centre); and deliver fit for purpose schools. They are also integral in underpinning the delivery of the more transformational budget reduction proposals assumed in the MTFS.

1.17 The report considers all relevant components of the Council's revenue budget including the Housing Revenue Account (HRA) which is a ringfenced account for the delivery of the Council's social housing activities. Since December more detailed work has been undertaken by officers on the opportunities and wider financial implications that the lifting of the cap on HRA borrowing has had and these are now included within this report.

1.18 The Dedicated Schools Budget (DSB) which is ring fenced for the delivery of education services is also discussed and now reflects the final schools settlement announced in December.

1.19 In summary, this report finalises the Council's General Fund and HRA 2019/20 Budgets and the Medium Term Financial Strategy (MTFS) for the period 2019/24, and proposes approval of the following constituent elements of the strategy to Full Council on 25th February 2019, together with the Council's capital budgets for 2019/20:

- Appendix 1 – General Fund Revenue MTFS 2019/20-2023/24
- Appendix 2 – HRA Revenue Budget 2019/20
- Appendix 2A – Detailed Summary of 2019/20 Service Charges
- Appendix 3 – General Fund MTFS Capital Programme 2019/20-2023/24
- Appendix 4 – HRA Capital Programme 2019/20
- Appendix 5 – Dedicated Schools Budget 2019/20
- Appendix 6 – General Revenue Budget 2019/20
- Appendix 7 – Overview and Scrutiny Committee Recommendations and Proposed Response (**To Follow**)
- Appendix 8 – Summary of Consultation Responses
    - Annexe 8A – Haringey Business Alliance Response
    - Annexe 8B – Haringey Defend Council Housing Response
- Appendix 9 – Detailed Summary of MTFS Budget Reductions
- Appendix 10 – Calculation of 2019/20 Council Tax Base
- Appendix 11 – Flexible Use of Capital Receipts Policy
- Appendix 12 – Equalities Impact Assessment (EqIA) Report
    - Annexe 12A – Detailed Summary of Budget Reduction EqIAs
    - Annexe 12B – Completed Full EqIAs Proformas

1.20 The report incorporates the views of the Overview and Scrutiny Committee and the results from the Council's budget consultation with residents, the business community and the voluntary and community sector. It reflects the latest financial information available and it reflects the detailed work undertaken by the Haringey Schools Forum who have considered and proposed the formula to be used for schools funding for 2019/20.

2 Cabinet Member Introduction

2.1 The proposals set out in this report contain our five-year Medium Term Financial Strategy (MTFS) for 2019-2024 which will provide a clear financial plan during this period of uncertainty for Local Authority budgeting. I am also pleased to confirm that we have bridged the £6.5m budget gap outlined in my last report to Cabinet and particularly that this has been achieved through very minimal recourse to additional savings, rather it has been met from late grant changes and a number of technical funding adjustments.

2.2 Over the last 8 years our budget has experienced unprecedented reduction. Whilst government say austerity is over in Haringey our funding is not keeping up with either rising costs and demand. Our population is growing and the demographic changes bring new pressures. The housing situation in London is becoming increasingly difficult particularly as more people are evicted by private landlords and we have to pay more to make sure we have enough accommodation. Increasing private sector rents and cuts to benefits have placed more and more stress on families which further increases demand for our services, and, alongside other trends like the increase in youth violence, means the cases we are dealing with are more complex.

2.3 It is becoming increasingly difficult to find budget reductions. There is a risk that further cuts will impact most on those with the greatest need of our support and also have a negative impact on the quality of life of residents. It may also become inevitable that further cuts may in themselves generate future overspends as we take away vital support which is why you will see that the new savings proposals appended to this report focuses as much as possible on delivering efficiencies or increasing income instead of service cuts.

Manifesto Priorities

2.4 In its manifesto, the council's administration set out a number of priorities. While resources are limited, this Draft Budget still manages to propose some important new investments.

2.5 This Draft Budget supports the delivery of youth services. We have significantly increased the investment in projects and programmes, particularly through successful partnership working with the Mayor of London and other stakeholders, to keep our young people safe and ensuring that they can thrive and succeed. We are also proposing to invest more council resources into a youth services programme. Additionally, we are also proposing to invest in schools meals pilot.

2.6 We believe that everyone who works deserves a fair wage and secure conditions. We have already committed to becoming a London Living Wage employer, and this budget provides for that commitment to be delivered in a measured and sustainable way.

2.7 We have carried out our commitment to extend the Council Tax Reduction Scheme (CTRS) to a maximum of 100% for our least well-off families with children and Full Council approved the new CTRS on 31st January 2019. I am also proposing to increase the Haringey element of council tax by 2.99% in 2019/20, the first time for 9 years. This will generate circa £3m additional resource whilst the extension of the CTRS will protect those least able to pay.

2.8 The recent announcement to remove the HRA borrowing cap, which controls local authority borrowing for house building, from 29 October 2018 was welcomed as it will support us in fulfilling our commitment to deliver at least 1,000 new council homes at council rents by 2022 and build our own housing on our own land. The current HRA business plan has therefore been comprehensively reviewed.

Addressing budget pressures

2.9 The budget monitoring reports I have presented to Cabinet this year underline the significant pressures that we face to continue to provide the statutory services for our residents and businesses; the conflict between driving through challenging and often transformational change to service design in order to deliver planned savings, whilst meeting the increases in demand and complexity. Children's services in particular are seeing an increase in SEND cases, heightened by the legislative changes contained within the Children and Families Act (2014), which extended the age ranges that the provision of services applies to.

2.10 Households are coming under more pressure from welfare reductions and rising housing costs and there are rising numbers of children needing support with more complex challenges. Making sure that every child is able to meet their potential is a clear priority for the Council, but the financial strain of the growing responsibility for children is placing great demands on budgets.

2.11 The budget consultation period has now ended, and I thank our residents, local businesses, community sector partners and any others that took the time to respond and engage with the process. I was particularly pleased that some had taken the time to put forward other proposals for consideration; as an administration we will review these and where appropriate build into future proposals.

2.12 I am pleased to report that we are now able to put forward a balanced budget in 2019/20, and that we now estimate that we will not utilise balances in 2018/19. The scale of the challenges we face for future years however should not be underestimated and it is essential that we start now on working on responding to these challenges as described in this report. Throughout all of this, I am determined that we make the best choices we can and that we direct the resources to make the greatest difference to our residents and play our role as place shapers and system leaders. We must look at all means available as to how we address the situation.

3 Recommendations

3.1 Cabinet is asked to:

3.1.1 Consider the outcome of the budget consultation as set out in Appendix 8, to be included in the report to Council. Having taken this into account this report does not proposed any amendment to the budget proposed for 2019/20 nor to the MTFS 2019/24.

3.1.2 Approve the responses made to the Overview and Scrutiny Committee recommendations following their consideration of the draft budget proposals as set out in Appendix 7 and in a subsequent addendum to follow this report.

3.1.3 Note that the Quarter 3 corporate financial forecast is that the level of General Fund balance will remain unchanged at the end of 2018/19.

3.1.4 Propose approval to the Council of the 2019/20 Budget and MTFS 2019/24 Budget Reduction Proposals as set out in Appendix 9

3.1.5 Propose approval to the Council of the 2019/20 General Fund Revenue Budget as set out in Appendix 1, including specifically a General Fund budget requirement of £241.182m, but subject to final decisions of the levying and precepting bodies and the final local government finance settlement.

3.1.6 Propose approval to the Council of the General Fund Medium Term Financial Strategy (MTFS) 2019-2024 as set out in Appendix 1.

3.1.7 Propose approval to the Council that the Haringey element of Council Tax to be set by London Borough of Haringey for 2019/20 will be £1,319.89 per Band D property, which represents a 2.99% increase on the 2018/19 amount.

3.1.8 Note the Council Tax Base of the London Borough of Haringey, as agreed by the Section 151 Officer under delegated authority (Article 4.01(b), Part 2, of the Constitution), as 77,265 for the financial year 2019/20.

3.1.9 Propose approval to the Council of the 2019/20 Housing Revenue Account budget as set out in Appendix 2.

3.1.10 Approve the changes to the rent levels for General Needs Homes for Council tenants reflecting the regulations requiring a 1% rent reduction in 2019/20. This will reduce the average weekly rent from £102.85 to £101.82 as set out in Table 16.1.

3.1.11 Propose approval to the Council of service charges as set in Appendix 2A.

3.1.12 Propose approval to the Council of the 2019/20 – 2023/24 General Fund capital programme detailed in Appendix 3.

3.1.13 Propose approval to the Council of the 2019/20 – 2023/24 Housing Revenue Account (HRA) capital programme detailed in Appendix 4.

3.1.14 Propose approval to the Council of the Capital Strategy detailed in Section 14 of this report.

3.1.15 Propose approval to Council of the policy on the use of flexible capital receipts to facilitate the delivery of efficiency savings including capitalisation of redundancy costs (Appendix 11).

3.1.16 Note that Fees and Charges in respect of executive functions will be considered under a separate agenda item, and that Fees and Charges in respect of non-executive functions has been considered and approved by the Regulatory Committee and that the impact on the 2019/20 budget proposals is outlined within this report.

3.1.17 Propose to the Council the Dedicated Schools Budget (DSB) allocations for 2019/20 of £256.326m as set out in Appendix 5.

3.1.18 Agree the funding to be distributed to primary and secondary schools for 2019/20 based on the figures advised to Schools Forum and submitted to the Education Funding Agency in January 2019 set out in Section 17.

3.1.19 Agree the budgets (including the use of brought forward DSG) for the Schools Block, Central Services Block, High Needs Block and Early Years Block as per Appendix 5.

3.1.20 Delegate to the Director of Children Services, in consultation with the Cabinet Member for Children, Education and Families, the power to amend the Delegated Schools Budget to take account of any changes to Haringey's total schools funding allocation by the Education and Skills Funding Agency.

3.1.21 Delegate to the Section 151 officer, in consultation with the Cabinet Member for Finance, the power to make further changes to the 2019/20 budget proposals to Full Council up to a maximum limit of £1.0m.

4 Reasons for Decision

4.1 The Council has a statutory requirement to set a balanced budget for 2019/20 and this report forms a key part of the budget setting process by setting out the likely funding and expenditure for that year. Additionally, in order to ensure the Council's finances for the medium term are put on a sound basis, this report also sets out the funding and expenditure assumptions for the following four years in the form of a Medium Term Financial Strategy.

5 Alternative options considered

5.1 The Cabinet must consider how to deliver a balanced 2019/20 budget and sustainable MTFS over the five-year period 2019/24, to be reviewed and ultimately adopted at the meeting of Full Council on 25th February 2019.

5.2 Clearly there are options available to achieve a balanced budget and officers have developed the proposals contained in this report for determining levels of both income and service provision in this report. These take account of the Council's priorities, the extent of the estimated funding shortfall and the Council's overall financial position.

5.3 The proposals have been subject to consultation both externally and through the Overview & Scrutiny process. The outcome from these consultations have been reported to considered by Cabinet who received the reports on these outcomes contained in these appendices. After due regard Cabinet considers that the issues raised are addressed in its budget strategy and it is not therefore proposing any consequential changes.

6 Background information and national context

Local Government Finance Settlement 2016/17 to 2019/20

6.1 The 2016/17 local government finance settlement received in December 2015 provided Revenue Support Grant and other grant funding allocations for 2016/17 and indicative figures up to 2019/20. The consequent update of National funding figures (which exclude council tax but includes un-ring fenced grants) show a 1.7% national reduction in local government funding in 2019/20, as shown in Table 6.1 below. Although, not shown in the below table, it should also be noted that national funding figures have reduced every year since 2010.

Table 6.1: National Funding Figures (excludes council tax)

England	2016-17	2017-18	2018-19	2019-20
	£m	£m	£m	£m
Total SFA	**18,602**	**16,633**	**15,574**	**14,560**
Plus Additional Funding				
S31 Grant (2% cap in NDR)	165	175	275	400
New Homes Bonus (RSG)	1,485	1,252	947	918
Transition Grant	150	150	-	-
Improved Better Care Fund	-	1,115	1,499	1,837
Rural Services Delivery Grant	81	65	81	81
Adult Social Care Support Grant	-	241	150	-
Winter Pressure Grant	-	-	240	240
Social Care Grant	-	-	-	410
Total Additional Funding	**1,881**	**2,998**	**3,192**	**3,886**
Total Funding	**20,482**	**19,631**	**18,766**	**18,446**
Percentage Change	(11.7%)	(4.2%)	(4.4%)	(1.7%)

Source - Final LGF Announcement 29-01-19, CSP supporting info file

6.2 Settlement Funding Assesment (SFA) comprises the council's Revenue Support Grant for the year, its retained business rates and top up business rates uprated year on year in line with RPI.

6.3 The equivalent national funding assumptions for Haringey are shown at table 6.2. Based on available information, The final local government funding settlement figures that all government funding support to Haringey will decrease by 3% in 2019/20.

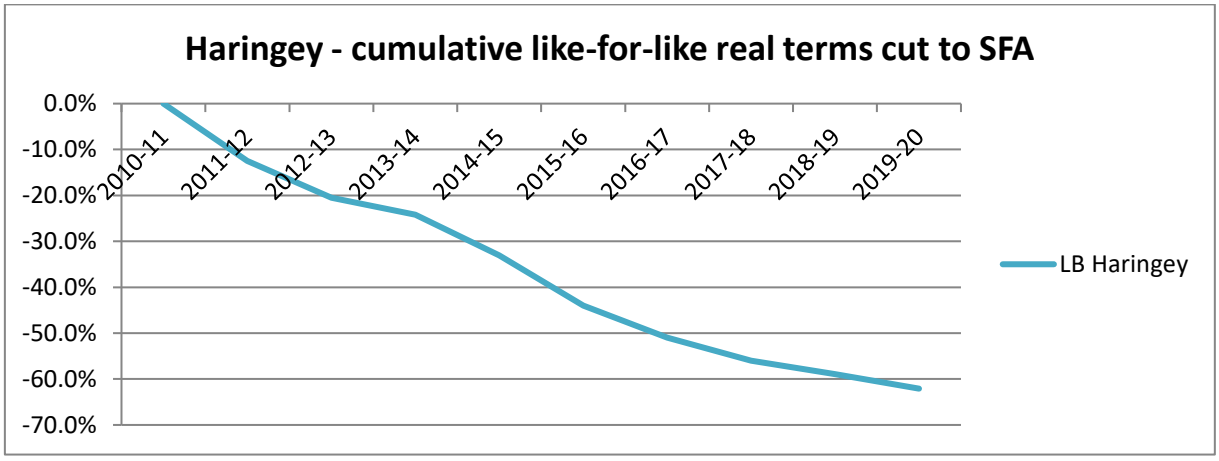
Table 6:2 – Haringey equivalent of national figures (excludes council tax)

Haringey	2016/17	2017/18	2018/19	2019/20
	£m	£m	£m	£m
Settlement Funding Assessment	**126.0**	**115.2**	**109.1**	**102.3**
Plus Additional Funding				
S31 Grant (2% cap in NDR)	1.1	1.2	1.8	2.6
Improved Better Care Fund	-	5.4	7.1	8.4
New Homes Bonus - Local Forecast	6.9	5.7	2.7	2.5
2017-18 ASC Support Grant	-	1.2	0.7	-
Winter Pressure Grant	-	-	1.1	1.1
Social Care Grant	-	-	-	2.0
Total Additional Funding	**8.0**	**13.4**	**13.5**	**16.6**
Comparable Resources	**134.0**	**128.6**	**122.6**	**118.9**
Percentage Change	(9.5%)	(4.0%)	(4.7%)	(3.0%)

6.4 The Settlement Funding Assessment (SFA) allocation for 2019/20 is fixed for Haringey as part of the multi-year settlement arrangement agreed to between local authorities and the government, but final approval is subject to the normal national statutory consultation processes and to parliamentary approval.

6.5 A further illustration of the level of funding reduction experienced by the council is shown in the below chart 1 which illustrates how the Settlement Funding Assessment (SFA) has reduced in real terms by £122m between 2010 and 2019. Although, the largest annual funding reductions happened in the early years, SFA to Haringey has continued to fall and will fall further in 2019/20.

Chart 1 – Illustration of Formula Grant/SFA Reduction



Final Local Government Finance Settlement

6.6 The report presented to Cabinet on 11th December 2018 gave detailed information in relation to the Local Government Settlement and this report provides updates where appropriate.

6.7 Following the final funding announcements on 29th January 2019, funding has been adjusted to reflect the latest funding position for the MTFS. The changes to external funding assumptions for 2019/20 since the Cabinet on 11th December 2018 total £0.75m are as follows:

- Levy Surplus Account payment (New) £1.24m
- New Homes Bonus has increased by £0.14m
- The level of business rates top up grant funding decreased by £0.51m
- Local lead flood authority grant has increased by £0.02m
- S31 Grants (including new retail discount) results in net decrease of £0.14m

6.8 The following were also announced:

- 18 new business rates pilots were announced, and the continuation of the London pilot was confirmed for 2019/20, albeit on a different basis.
- Two consultations: the Fair Funding Review (A review of local authority's relative needs and resources); Business Rates Retention Reform – the outcome of both expected to take effect from April 2020.
- The maximum council tax increase without holding a referendum was confirmed at 2.99% for 2019/20.

Core Spending Power

6.9 At a national level the Core Spending Power[1] (CSP) figures (which includes Business Rates, Revenue Support Grant (RSG), Council Tax and un-ring fenced grants) has been announced and will rise by 2.8% in 2019/20. The increase in CSP is due to projected increases in council tax income nationally, even though central government funding support through Settlement Funding Assessment (comprising of the retained/top up business rates RSG only) continues to fall.

6.10 Looking to future years, the Council's assumptions on government funding are that it will continue at current levels as:

i. The impact of Spending Review 2019, Fair Funding Review and Business Rates Retention Revaluation will be neutral on the Council;

ii. Funding for New Homes Bonus (NHB) and improved better care fund remain at current levels nationally.

6.11 We expect an increase in council tax income and modest growth in business rates income.

6.12 Core Spending Power for Haringey is projected to decrease by 3.1% since 2016/17 whereas CSP nationally is expect to rise by 3.6% over the same period. The primary reason for the difference (6.7%) between the national and Haringey CSP over that period is that the national calculation assumes that councils will increase their council tax up to the maximum allowable (before a referendum). Haringey had a council tax freeze across that period and up to 2018/19 which in itself accounts for 6% of the difference.

6.13 It is also important to note that:

i. Revenue Support Grant continues to fall. In 2019/20, Haringey would have received £21.6m in RSG funding based on government figures. The Council received £51m of RSG in 2016/17, therefore RSG funding to the Council would have fallen by 58% (£29.4m) between 2016/17 and 2019/20.

ii. The Haringey council tax figures assume increases to the tax base and a nil increase per annum for the ASC precept for 2019/20;

iii. 2.99% increase in council tax for 2019/20 and modelled 1.99% thereafter on Haringey's element of the council tax.

iv. The New Homes Bonus Funding is subject to building new homes and therefore more residents to provide services to.

[1] Core Spending Power describes the expected available revenue to fund expenditure. From 2016/17 onwards Core Spending Power is defined as the sum of the Settlement Funding Assessment (comprising NNDR Baseline Funding Level and Revenue Support Grant), estimated Council Tax income, additional Council Tax income from the Adult Social Care flexibility, Better Care Fund, and the New Homes Bonus.

6.14 Core Spending Power figures for Haringey is set out in below table.

Table 6.3: Core Spending Power totals for Haringey

Haringey	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m
Council Tax	87.2	93.8	101.9	102.0
Business Rates - Previously received as RSG	51.0	38.6	30.2	21.6
Business Rates -Others	75.0	76.6	78.9	80.1
s31 Grant (2% NDR Cap)	1.1	1.2	1.8	2.6
Improved Better Care Fund	-	5.4	7.1	8.4
New Homes Bonus	6.7	5.5	2.7	2.5
Adult Social Care Grant	-	1.2	0.7	-
Winter Pressure Allowance	-	-	1.1	1.1
Social Care Support Grant	-	-	-	2.0
Core Spending Power	**221.0**	**222.2**	**224.6**	**220.3**
In year change in funding %	-2.8%	0.5%	1.1%	-1.9%
Cumulative change in funding %	-2.8%	-2.3%	-1.2%	-3.1%
National Figures				
In year change in funding %	-2.3%	1.3%	1.8%	2.8%
Cumulative change in funding %	-2.3%	-1.0%	0.8%	3.6%

Note - Council tax and business rates figures are per Haringey MTFS not LGF figures

6.15 The Spending Review (December 2015) forecast funding set the level of residual RSG for Haringey at £21.6m for 2019/20 (£30.2m in 2018/19). The MTFS recognises that Council will not receive RSG from central government in 2019/20 as a consequences of the 75% business rates retention pool for London authorities. Instead, the London pool will provide the equivalent amount business rates to the Council.

6.16 The Council will also receive a number of specific or special grants in addition to its main funding allocation. The Council is mostly allowed to use these grants to fund any council services but some are ring-fenced, which means they can only be spent on specific services and these are included in service's net position.

6.17 It has been confirmed by the Minister for MHCLG that the New Homes Bonus (NHB) scheme or a variation of it will now continue indefinitely. The government provided one off funding support for adult social care grant by top slicing NHB in 2017/18, this resulted in a permanent reduction in funding to local authorities and consequently the Council as the top-sliced amount was not returned to fund NHB in subsequent years.

6.18 The government has confirmed the following on the NHB Scheme:

- Funding for 2019/20 remain at pre-announced levels;
- Funding has been reduced from 5 years' worth of growth to 4 years' worth of growth – this change means that NHB funding for Haringey has reduced to £2.5m in 2019/20 (£2.7m - 2018/19).

6.19 A national baseline of growth was adopted below which no payment is made for the year in which growth was below the baseline. Although government reserves the right to change the threshold, the Minister for MHCLG has confirmed that the baseline growth threshold will be maintained at the current level 0.4% minimum growth.

Fair Funding / Business Rates Retention Reviews

6.20 The main corporate grant amounts (RSG and Business Rates Top Up) are based on historic needs assessment and the last time this assessment was undertaken was for the 2013/14 settlement. Since then it has been updated by inflation. Haringey's status is that it is a top up authority for business rates. The Council receives a top up grant to reflect the fact that the level of retained local business rates is less than what is assumed as being needed by the government based on the Council's needs.

6.21 MHCLG launched two consultation on 13th December 2018: the first on the formula for allocating funding to local authorities based on needs and local resources, and the second on the business rates retention system.

6.22 The outcomes of these consultations and the government responses are expected in the summer of 2019 and the new funding formula/revamped business rates retention system are expected to come into effect for the 2020/21 financial year. The impact of these changes is as yet unknown, and it is possible that authorities could gain or lose from this re-assessment of need/resources. In particular, for high population growth areas, such as Haringey and the majority of authorities in London, how population figures are determined and updated will be crucial in determining future funding allocations. The consultation points to a regular updating of the population data using the biennial Sub National Population Projection figures. This would likely be to the advantage of high population growth authorities such as Haringey.

6.23 The MTFS currently assumes that the review will be revenue neutral, as it is difficult to determine how the changes will impact at this early stage of the process. It is also likely that even where changes do occur, there will be transitional arrangements that will delay/dampen impact and any such impact may be mitigated nationally by the introduction of 75% business rates retention (the latest national target). Officers will monitor developments of this consultation and update forecasts accordingly. It is yet to be clarified as to how the rebasing of business rates will be put into effect when Revenue Support Grant will be replaced by Business Rates Retentions.

Funding

6.24 There are 6 main sources of funding for the Council:

- Council Tax
- Business Rates
- Core Grants
- Fees and Charges
- Use of Reserves
- Service Specific Grants

(NB. Service specific grants are included within service budgets; this report details the core grants only)

Council Tax Base

6.25 Setting the council tax base is a statutory requirement and a fundamental part of the revenue budget and council tax setting process. It represents a measure of the taxable capacity of the area and when multiplied by the Band D council tax rate indicates the Council's tax generating potential for that year.

6.26 The Council as Billing Authority is required to calculate the tax base for the Borough in order for it to calculate its own council tax. The Council is also required to notify this figure to any major precepting authority (the Greater London Authority) as well as any levying body (Environment Agency, Lee Valley Regional Park Authority, North London Waste Authority, London Pension Fund Authority, and Financial Reporting Council) in order for them to calculate and set their own budgets and determine the level of precept/levy to be made to Haringey.

6.27 The calculation of the council tax base is prescribed by regulations. Put simply, it is the aggregate of estimated number of dwellings in each valuation band each year, subsequently adjusted to take account of the estimated number of discounts, disregards and exemptions that are likely to apply and any estimated increase / decrease in the list in the forthcoming year.

6.28 The Council levies a Council Tax based on dwellings in band D and thus the numbers for each valuation band are adjusted to the proportion, which their number is to band D; these proportions are set out in statute. Finally, the council must estimate its rate of council tax collection for the year and apply this figure to arrive at the council tax base figure.

6.29 The calculation above sets the tax base and not the council tax rate itself, which is due to be set on 25th February 2019 at Full Council.

6.30 The calculation of the tax base recommended in this report takes into account the revised Council Tax Reduction Scheme (CTRS) and the two changes to the discounts policy (unoccupied and unfurnished; unoccupied requiring/undergoing major repair/structural alteration) for 2019/20 that was agreed by Full Council on 31st January 2019.

6.31 The calculation is in two parts; 'A' (the Relevant Amount), which is the calculation of the estimated adjusted band D dwellings, and 'B', the estimated level of collection.

6.32 The calculation of 'A' – the relevant amounts for each band is complex and includes a number of calculations, which are shown in detail in Appendix 10. The resultant relevant amount per band is summarised in the table below:

Table 6.4- Number of dwellings by Band

Band	Relevant Amount (i.e. number of dwellings)
A	2,872
B	9,196
C	21,888
D	19,448
E	10,998
F	6,870
G	7,418
H	1,378
TOTAL	**80,067**

6.33 The relevant amount has decreased by 29 compared to the original 2018/19 equivalent number. This is predominately due to the projected increase in CTRS claimants following the approval by Full Council of a maximum 100% council tax relief to families with children under the 2019/20 CTRS.

6.34 The collection rate (B) is the council's estimate of the proportion of the overall council tax collectable for the year that will ultimately be collected. This is expressed as a percentage.

6.35 In arriving at a decision on the collection rate a number of factors need to be taken into account which includes:

- Appeals against valuation
- The mobility of the local population, particularly in the private rented sector
- The level and timeliness of information available when properties are sold, or let *and*
- The customers' ability to pay

6.36 2019/20 collection rates are forecast to be to 96.5% (96.25%, 2018/19). The tax base (T) is calculated by applying the following formula:

A x B = T

Where:

A is the total amount of the relevant amounts for that year

B is the authority's estimate of its collection rate for that year.

T is the calculated tax base for that year

6.37 In accordance with the requirements of the regulations, the calculation of the Council Tax Base for the London Borough of Haringey in 2019/20 is as follows:

Table 6.5 – Collection Rate

	2019/20
Total of relevant amounts (A)	80,067
X	
Collection Rate (B)	96.50%
Council Tax Base (T)	**77,265**

Council Tax

6.38 The 2019/20 budget includes the proposal that:

- The Council will increase council tax by 2.99% for 2019/20;
- Nil adult social care precept applied in 2019/20 (the Council had already raised the permitted ASC precept of 6% (3% in 2017/18 and 3% in 2018/19);
- The council tax base is forecast to grow by 1%;
- The collection rate will be 96.5% (this has been increased from 96.25% in 2018/19 to 96.5% for 2019/20 which provides an increased level of performance).

6.39 For financial modelling purposes only, the MTFS assumes that:

- Council tax will increase by 1.99% annually from 2020/21. Decisions on council tax for each financial year are taken by Full Council
- Nil additional adult social care precept in future years.

Council Tax Amount

6.40 The Band D council tax amount is £1,319.89. This represents a 2.99% increase on the 2018/19 Band D council tax amount of £1,281.57. The Band D amount multiplied by the council tax base (77,265) gives a council tax requirement of £101,981,301.

6.41 The below table sets out the council tax amount for all bands.

Table 6.6 – Council Tax (excluding Precept) by Band

Band	Ratio	Ratio as %	Amount (£)
Band A	6/9	67%	879.93
Band B	7/9	78%	1026.58
Band C	8/9	89%	1,173.23
Band D	9/9	100%	1,319.89
Band E	11/9	122%	1,613.20
Band F	13/9	144%	1,906.51
Band G	15/9	167%	2,199.81
Band H	18/9	200%	2,639.78

6.42 The GLA is proposing an average Band D precept of £320.51 in 2019/20 – an increase of 8.93% on the amount of £294.23 in 2018/19. The increase in GLA precept comprises of a £24 and £2.28 increase in policing and non-policing elements respectively. The Band D council tax amount including GLA precept for 2019/20 is £1,640.40. The below table sets out the council tax amount including precept for all bands.

Table 6.7 – Council Tax (including precept) by Band

Band	Ratio	Ratio as %	Council Amount £	GLA Precept £	Total Council Tax
Band A	6/9	67%	879.93	213.67	1,093.60
Band B	7/9	78%	1,026.58	249.29	1,275.87
Band C	8/9	89%	1,173.23	284.90	1,458.13
Band D	9/9	100%	1,319.89	320.51	1,640.40
Band E	11/9	122%	1,613.20	391.73	2,004.93
Band F	13/9	144%	1,906.51	462.96	2,369.47
Band G	15/9	167%	2,199.81	534.18	2,733.99
Band H	18/9	200%	2,639.78	641.02	3,280.80

6.43 The resultant projections for council tax income are set out in the below table.

Table 6.8 – Council Tax Modelling Assumptions 2019/20-2023/24

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Taxbase	78,916	80,096	80,067	80,868	81,677	82,493
Taxbase change	1.50%	-0.04%	1.00%	1.00%	1.00%	1.00%
Taxbase for year	80,096	80,067	80,868	81,677	82,493	83,318
Collection Rate	96.25%	96.50%	96.50%	96.50%	96.50%	96.50%
Taxbase after collection rate	**77,093**	**77,265**	**78,038**	**78,818**	**79,606**	**80,402**
Council Tax increase	0%	2.99%	1.99%	1.99%	1.99%	1.99%
Social Care precept	3%	0%	0%	0%	0%	0%
Band D rate	£1,281.57	£1,319.89	£1,346.15	£1,372.94	£1,400.26	£1,428.13
Council Tax Before Surplus (£000)	**£98,800**	**£101,981**	**£105,051**	**£108,213**	**£111,470**	**£114,825**
Previous Year (Estimated) Surplus	£3,118	£3,850	£2,150	£2,150	£2,150	£2,150
Council Tax Yield (£000)	**£101,917**	**£105,831**	**£107,200**	**£110,362**	**£113,619**	**£116,975**

Business Rates

6.44 The MTFS recognises that RSG will not be paid by government in 2019/20, but an equivalent amount will instead be paid to the Council by the London business rates pool as part of the agreement to retain 75% of business rates in the region.

6.45 The London pilot scheme has been agreed by all participants (32 London boroughs, Corporation of City of London and the GLA). The no worse off principle that was guaranteed by government for the 2018/19 100% scheme has not been extended to the 2019/20 pilot. The cessation of this guarantee will likely not affect Haringey as a top authority and also because London has a whole generates more business rates income than it's SFA level. The expected net gain in the region as a whole will be distributed in such a way that all partners receive a share of the benefits directly by allocating a proportion of the additional benefits on a per capita basis.

6.46 The impact of business rate revaluation and other proposed changes to the business rates system had previously been reported to members. Although, the Council continues to enjoy growth in its business rates income, it remains a grant 'top up' authority as the Council's baseline business rates level is lower than its business rates funding level.

6.47 The Council has revised it assumptions around business rates pooling in this MTFS. Previously, it was assumed that the London business rates pooling scheme will result in additional revenue income of £1.5m in 2019/20 rising to £3m per annum from 2020/21. The latest assumption is that the Council will receive a benefit of pooling, estimated at £3m under the 75% scheme, in 2019/20.

6.48 The figures in the MTFS are based on the latest available information which has been submitted to government. However, there remains risk around the revaluation changes mostly from appeals lodged by businesses.

6.49 Realisation of business rates income is dependent on collection performance, prevailing economic conditions and decisions on appeal by the Valuation Agency Office. Although some risk around bad debt and appeals have already been built into the target, these will have to be monitored throughout the year to ensure that actual performance is in line with MTFS assumptions.

6.50 The government has made clear that, nationally, it intends to get to 75% local business rates retention. As well as extending the duration of existing 100% business rates retention schemes, the Secretary of State approved 18 new pilots (including the London scheme) in 2019/20 at 75% retention. Therefore, the MTFS assumes that the 75% business rates retention model will be in place for the duration of the MTFS period or that any new arrangement will provide equivalent funding to the Council.

6.51 The business rates base was revalued in April 2017 and although, the revaluation was revenue neutral nationally, some businesses in Haringey were set to experience an increase in business rates charges. In order to smooth the impact of business rates revaluation, government provided transitional relief payments to businesses through the Discretionary Business Rates Relief Revaluation Support Policy. Officers will continue to monitor developments around the updated rateable values and the MHCLG's approach to appeals with a view to adjusting the medium term resources projection, where needed.

6.52 At the autumn budget, the Chancellor of the Exchequer announced that eligible (occupied retail units with a rateable value of less than £51,000) retailers will receive one third off their business rates bills for two years from April 2019. The potential loss of revenue to the Council from this national policy directive will be mitigated by government through payment of additional of section 31 grant.

Core Grants

6.53 **Public Health** – this grant must be used to enable local authorities in England to discharge their public health functions. The 2019/20 allocation is £19.965m (18/19 £20.209m).

6.54 **Levy Surplus Account Payment** - £1.2m. This is a one-off payment to all authorities of their share of the surplus on the business rates retention levy/safety net account.

6.55 **Housing Benefit & Council Tax Administration Subsidy Grant.** These grants are provided by the Department for Works and Pension to local authorities to support the costs of administering these functions. The 2019/20 allocation is £1.949m (18/19 £1.936m).

6.56 **Lead Local Flood Grant** Funding is paid to lead local flood authorities to carry out their duties under the Flood and Water Management Act 2010, and for their role as statutory consultee on surface water for major development. The 2019/20 allocation is £21.6k (18/10 £20.3k).

Fees and Charges

6.57 The Council's policy in relation to varying external income requires service managers to review the level of fees and charges annually as part of budget setting and that charges should generally increase by the rate of inflation to maximise allowable income.

6.58 The setting of fees and charges, along with raising essential financial resources, can contribute to meeting the Council's objectives. Through the pricing mechanism and wider market forces, outcomes can be achieved and services can be promoted through variable charging policies and proactive use of fees to promote or dissuade certain behaviours.

6.59 In the main, fees and charges are set at a level where the full cost of provision is recovered through the price structure. However, in many circumstances those charges are reduced through subsidy to meet broader Council priorities.

6.60 Each year the Council reviews the level of its fees and charges through consideration of a report by the Cabinet and its Regulatory Committee where it is a requirement that they are considered and approved outside of the Executive.

6.61 The impact of fees and charges increases have been included in the revenue income projections in the MTFS.

Use of Reserves

6.62 The Council's (Non-Earmarked) General Fund Balance is held to cover the net impact of risks and opportunities and other unforeseen emergencies. The funds held in the General Fund Reserve can only be used once and therefore are not a recurring source of income that can meet permanent budget gaps.

6.63 The proposed 2019/20 budget utilises a total of £5.5m from two earmarked reserves to mitigate the level of savings needed to balance the budget this year. It is proposed that £4.6m will be released from the Financing (budget risk) Reserve. This reserve was established at the close of 2017/18 to mitigate potential shortfalls in expected capital receipts however, the latest forecast is that there are adequate capital receipts and therefore a lower level of financing reserve has been maintained to address the lower risk of capital receipts in future years. The second amount is £0.9m from a grants reserve no longer required.

6.64 In the 2018/19 MTFS, the budget resilience reserve was established to help manage the potential non-deliverability/slippage of planned budget reductions. An annual contribution of £7.2m was built into the MTFS for future years. At the end of 2017/18 a further £5m was added to this reserve, made possible by improvement to that year's finances identified at year end. This allows the proposed 2019/20 budgeted contribution from revenue to be reduced to £2.2m. Thereafter, it continues at £7.2m in future years. This strategy is in line with the principle of using specific earmarked reserves as a one-off measure to smooth the impact of savings deliverability.

6.65 The Council reaffirmed its previous decision to set non-earmarked General Fund balances at a minimum level of £15m in February 2018. The 2018/19 budget position provides the starting point for next year's financial planning. Members will be aware that the Quarter 2 forecast for the 2018/19 budget was an overspend of £9.3m after the application of £6.4m of the budget resilience reserve. An update will be provided to Cabinet in March. The corporate financial forecast is that while not all services will fully address their overspends before year end, other largely corporate financial developments will prevent the need for utilisation of the General Fund balance. This provides a positive opening position for the new budget/MTFS.

6.66 The overall reserves position will be reviewed again between now and the February Full Council budget setting report to ensure that the recommended level of reserves is still appropriate and commensurate with overall level of risk associated with the Council's 2019/20 budget and overall MTFS.

Summary of Funding Assumptions

6.67 A summary of the funding assumptions and breakdown of funding sources is set out in the table.

Table 6.9 Summary of Funding Assumptions 2019/20 -2023/24

Source of Funding	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Revenue Support Grant	30,202	-	-	-	-	-
Retained Business Rates	20,729	36,484	32,436	31,980	32,480	32,980
Top up Business Rates	56,702	65,196	65,165	66,060	67,560	69,060
Council Tax	98,800	101,981	105,051	108,213	111,470	114,825
New Homes Bonus	2,736	2,541	2,200	2,200	2,200	2,200
Adult Social Care Grant	718	-	-	-	-	-
Other core grants	16,497	11,453	10,586	10,601	10,601	10,601
Core Spending Power	**226,383**	**217,655**	**215,438**	**219,053**	**224,310**	**229,665**
Public Health	20,209	19,677	19,677	19,677	19,677	19,677
TOTAL (External) Funding	**246,593**	**237,332**	**235,116**	**238,731**	**243,988**	**249,343**
Council tax surplus	3,518	3,850	2,150	2,150	2,150	2,150
Contribution from Reserves	-	5,487	-	-	-	-
TOTAL FUNDING	**250,110**	**246,668**	**237,265**	**240,880**	**246,137**	**251,492**

7 Expenditure Assumptions

2018/19 Financial Performance – Revenue

7.1 At Quarter 2 (December 2018 Cabinet report) the Council was projecting a full-year deficit of £9.3m after corporate application of mitigations of £6.4m. A significant amount of this was driven by previously agreed savings no longer being deemed as achievable; the remainder is largely in Priorities 1 and 2 which continue to face on-going demand pressures. Cabinet in its December meeting approved the write off of £9.8m savings. The impact of this has been built into the 2019/20 budget & MTFS now presented.

7.2 The cost of providing support to our vulnerable residents continues to grow which is manifested in the level of overspend in adult and children social care. The assumptions underpinning the estimated increases built into the MTFS for adult and children social care are set out below. Homelessness also continues to be an issue in Haringey.

7.3 Close attention will continue to be paid over the remainder of the year for further mitigations that can help bring the final outturn to a balanced position.

7.4 An update will be provided to Cabinet in March on the corporate financial forecast. While not all services will fully address their overspends before year end, it is estimated that corporate financial developments will prevent the need for the utilisation of the General Fund balance. This provides clarity on the starting position for the new budget/MTFS.

Budget Growth

7.5 The MTFS allows for budget growth to the extent that these can be afforded or cannot be avoided. This is summarised in the below table.

Table 7.1 Analysis of Budget Growth

Priority Area	Service Related £'000	Policy Priorities £'000	Savings Write Off £'000	Levies £'000	Treasury & Capital Financing £'000	Inflation £'000	Total £'000
Priority 1 - Children Services	2,679	300	4,631	-	-	-	7,610
Priority 2 - Adults Services	4,030	-	2,984	-	-	-	7,014
Priority X - Corporate Services	-	-	2,404	-	-	-	2,404
Council Wide	-	1,100	-	2,550	2,024	4,600	10,274
Total	6,709	1,400	10,019	2,550	2,024	4,600	27,302

Service Related Budget Growth

7.6 Adults and Children's services have found it extremely difficult to deliver some of the savings committed to in the previous MTFS as years of budget reductions have meant savings are increasingly difficult to identify and deliver, particularly alongside responding to increasing demand. Across the country, local authorities have seen a similar pattern. In recognition of the financial pressures within social care, the Government has committed to some short term funding increases in this area. It is important to note that these are not structural budget solutions, they are simply additional money for next year, as it stands. Two new grants have been announced recently – funding to adult social care specifically to reduce winter pressures on local NHS services, and a social care support. These grants provide some temporary diminution of the pressure on these acute services but do not provide a long term solution.

7.7 The government has stated that the new social care support grant should be used where necessary by local authorities to ensure that adult social care pressure do not create additional demand on the NHS. They can also use it to improve their social care offer to older people, people with disability and children. The government's recent annual Budget statement announced that this new grant will be a further £410m nationally in 2019/20 notionally for both adults and children's social care. Haringey is due to receive £1.96m. Children's Services have not yet benefitted from additional central grant funding in the same way as Adults Services but is subject to similar levels of service pressures. It is therefore proposed that the new social care support grant be equally divided between Adults and Children's Services. Adults Services will also receive additional corporate funding equivalent to the level of the grant channelled toward Children's Services.

7.8 For Children's Services the 2019/20 proposed MTFS acknowledges the pressures and includes £7.6m growth which is part funded (£1m) from 50% of the social care support grant and mainly funded through £6.6m of additional corporate resources giving growth of net £3m after adjusting for the write off of unachievable savings.

7.9 Similarly, for Adults Services, the MTFS proposes £7m growth which includes the other 50% of the social care grant, the additional improved better care fund and the winter pressures allowance; and additional corporate resources (namely the write offs of the undeliverable savings) giving growth of net £4m.

7.10 It is recognised that these commitments by the council inevitably increases the funding gap, putting pressure on these and other services to identify greater budget reductions both for 2019/20 and subsequent years.

Policy Priorities (£1.4m)

7.11 Although, the council has very limited scope to put more funding into policy priorities, the MTFS provides funding for the following priority areas on an ongoing basis to support key areas of focus for the administration:

- Youth services programme - £0.25m
- School meals pilot - £0.05m
- Council Tax Reduction Scheme - £1.1m

Treasury and Capital Financing (£2m)

7.12 The growth relating to treasury and capital financing is required to fund the council's capital programme and the increased borrowing requirement set out in the council's treasury management strategy statement that will be considered at Full Council in February 2019.

Pensions (£nil)

7.13 The MTFS assumes that given record stock market growth over the past two year, it will not be necessary to make additional contributions to the Pension Fund above current levels following the next triennial valuation in 2020/21.

Pay Inflation (£2.6m)

7.14 Pay inflation assumption is for a minimum 2% increase for all employees of the Council in 2019/20 and similar levels in future years of the MTFS

Non-Pay inflation (£2m)

7.15 For 2019/20 and future years, it has been assumed that services will broadly have to manage within existing budgets, thus absorbing any inflationary pressures. However, non-pay inflation growth has been assumed in the budget for a number of contracts and to mitigate any increased cost of service provision due to change in legislation.

Levies (£2.6m)

7.16 A levy is an amount of money that the Council must collect (and included in its annual budget) on behalf of another organisation. The levying body may be a Government agency (such as the Environment Agency), a regional body (such as the Lee Valley Regional Park) or a local body (such as the North London Waste Authority). The main difference between a levy and a precept is that a precept (such as the GLA precept) will be stated as a separate item on the council lax bill.

7.17 The budget for 2019/20 includes £9.1m to meet the required contribution to levying bodies. The council received a one-off reduction of £2.6m in its waste levy from the North London Waste Authority in 2018/19 when the waste authority agreed to apply credit balances that Haringey had built up over the years to offset the annual waste levy. The 2019/20 waste levy amount is expected to increase by £2.6m back to the usual level. We are still awaiting confirmation of final levy charges for 2019/20.

7.18 For information, a breakdown of levying bodies to the council and charges for current year (2018/19) are set out in the table below.

Table 7.2: Contributions to Levying Bodies

Organisation/Levying Body	Amount Due 2018/19 £'000
Environment Agency	174
Lee Valley Regional Park Authority	186
London Borough Grants Scheme	211
London Pensions Fund Authority	270
North London Waste Authority (NLWA) *	8,311
Total Paid/ Due	**9,153**
* 2019/20 estimate	

8 Budgeting Changes Since 11th December Cabinet

8.1 The Council is required to approve a balanced annual budget. The December Draft Budget that was approved for consultation had a deficit of £6.5m which still needed to be resolved. The Council has been working to develop further budget reduction measures to address this deficit. Table 18.1 provides a summary of all the budget measures identified over the MTFS period.

Table 8.1: Total Budget Reductions Since December 2018

£'000	2019/20	2020/21	2021/22	2022/23	2023/24
Service Improvements	1,450	(800)	-	-	-
Grant Changes	1,838	(1,401)	-	-	-
Technical Adjustments	3,234	443	720	(84)	39
Total	6,522	(1,758)	720	(84)	39

(Change – service improvement to service budget changes)

8.2 To further detail these changes since December, a summary of additional service related budget changes that have been developed since December are detailed by priority below.

Table 8.2: Service Budget Changes

Service Budget Changes (£'000)	2019/20	2020/21	2021/22	2022/23	2023/24
Priority Two - Reduction in Adults growth provision	1,000	(1,000)	-	-	-
Priority Three - Parking budget adjustment Yr1, Car Pound Savings Yr 2	(150)	200	-	-	-
Priority Four - Strategic Property Services - Savings & Income	500	-	-	-	-
Priority X - Growing Libraries Income	100	-	-	-	-
Total - Service Budget Changes	1,450	(800)	-	-	-

8.3 Following the provisional Local Government Finance Settlement (13th December 2018) which has now been confirmed by the Final Settlement announced on 29th January 2019, relevant funding assumptions have been updated to reflect the latest position. The below table sets out the changes to what was assumed in the 11th December Draft Budget/MTFS.

Table 8.3: Grant Changes

Grant Changes (£'000)	2019/20	2020/21	2021/22	2022/23	2023/24
Business Rates Top Up Adjustment	(512)	-	-	-	-
Housing Benefit/Council Tax Admin Subsidy	949	-	-	-	-
NHB Adjustment	141	(141)	-	-	-
Levy Surplus Payment	1,238	(1,238)	-	-	-
Lead Local Flood Authority Adjustment	22	(22)	-	-	-
Total - Grant Changes	1,838	(1,401)	-	-	-

8.4 A review of the application of a number of grants and income streams led to the identification of one off relief measures that when adopted provide mostly one off benefits in 2019/20. These are detailed below.

8.5 Table 8.4: Technical Adjustment Related Budget Reductions Measures

Technical Adjustments (£'000)	2019/20	2020/21	2021/22	2022/23	2023/24
Adjustment to council tax income (inc 0.25% increased collection rate)	878	(1,337)	909	(94)	(96)
Further Treasury & Borrowing Adjustments	532	271	(159)	10	135
Various	129	(535)	(30)	-	-
Amendments; Winter Pressure and Adults/Children's Social Care Grant - Budget Corrections	-	3,600	-	-	-
Flexible Use of Capital Receipts	556	(556)	-	-	-
Flexible Homelessnes Support Grant application to offset Temp Accommodation risk	1,000	(1,000)	-	-	-
Changes due to National Non-Domestic Rate 1 form figures	139	-	-	-	-
Total - Technical Adjustments	3,234	443	720	(84)	39

9 Budget (2019/20) / MTFS (2019/24) Summary

9.1 Haringey, along with other local authorities has to manage within a tight funding envelope due to significant reduced government support. Nevertheless, the Council is focussed on delivering its key priorities despite financial challenges. As part of this process, the Council established a Transformation Reserve, which will be used to pump prime projects that will help reshape how services are delivered and also deliver recurring efficiency savings.

9.2 It is clear that as well as managing its expenditure, the Council must also have a strong focus on the key major local income sources that increasingly comprise its corporate funding, namely council tax and 75% retained business rates. Therefore, there is a need for increased concentration on growing businesses and homes in the borough to make the most of the opportunities provided by devolution.

9.3 The Council's Strategy has been to utilise, where necessary, reserves and balances to smooth the impact of funding reduction in the short to medium term however, the proposed budget for 2019/20 is not dependent on the General Fund balance being utilised. Further cost reduction/resource prioritisation have been identified and are being developed. These will form part of future refresh of the MTFS as the Council continues to work to close the structural budget deficit.

9.4 The summary General Fund Budget 2019/20 and MTFS 2019/24, including the post 11th December proposals is set out below.

Table 9.1: Summary (Draft) Budget 2019/20 and MTFS 2019/24

SUMMARY (DRAFT) BUDGET/MTFS (2019/20 - 2023/24)						
	2018/19 Budget £'000	2019/20 (Draft) Budget £'000	2020/21 Projected £'000	2021/22 Projected £'000	2022/23 Projected £'000	2023/24 Projected £'000
Priority 1 - Children Services	54,525	58,310	56,928	56,838	56,838	56,838
Priority 2 - Adults Services	79,241	82,312	79,201	79,196	79,235	79,135
Priority 3 - Environment & Neighbourhoods	27,920	26,652	24,887	24,287	24,217	24,147
Priority 4 - Regeneration & Growth	4,716	1,173	1,508	1,508	1,508	1,508
Priority 5 - Housing Services	19,833	18,888	18,180	17,606	17,606	17,606
Priority X - Corporate Services	38,281	35,805	33,856	33,831	33,825	33,819
Council Wide	25,594	23,528	35,876	41,597	51,003	58,909
Further savings to be identified	-	(0)	(13,172)	(13,983)	(18,095)	(20,470)
Net Cost of Council Services	**250,110**	**246,668**	**237,265**	**240,880**	**246,137**	**251,492**
Planned Contributions from Reserves	-	(5,487)	-	-	-	-
General Fund Budget Requirement	**250,110**	**241,182**	**237,265**	**240,880**	**246,137**	**251,492**
New Homes Bonus	2,736	2,541	2,200	2,200	2,200	2,200
Adult Social Care Grant	718	-	-	-	-	-
Revenue Support Grant	30,202	-	-	-	-	-
Council Tax	102,317	101,981	105,051	108,213	111,470	114,825
Retained Business Rates	20,729	36,484	32,436	31,980	32,480	32,980
Top up Business Rates	56,702	65,196	65,165	66,060	67,560	69,060
Total Main Funding	**213,404**	**206,202**	**204,852**	**208,453**	**213,710**	**219,065**
Public Health	20,209	19,677	19,677	19,677	19,677	19,677
Other Coree Grants	13,847	11,453	10,586	10,601	10,601	10,601
Council Tax Surplus	2,650	3,850	2,150	2,150	2,150	2,150
Total - Other Funding/Core Grants	**36,706**	**34,979**	**32,413**	**32,428**	**32,427**	**32,427**
TOTAL (External) Funding	**250,110**	**241,182**	**237,266**	**240,881**	**246,137**	**251,492**
Opening General Fund Balance	15,493	15,493	15,493	15,493	15,493	15,493
Closing General Fund Balance	15,493	15,493	15,493	15,493	15,493	15,493
NB. The 2018/19 closing General Fund balance is the in-year position reported at Month 8						

9.5 It should be noted that the Budgeted Net Expenditure 2019/20 has decreased from £278m reported on 11th December to £247m above. This the result of a number of technical adjustments in the way the budget is presented.

- Reduction in budgeted expenditure as part of closing the budget gap since December (£3.8m).

- Moved Service Specific Grants of £21.5m to net down relevant service budgets, instead of treating these as income (this is now consistent with other such treatments in the budget).

- Reduction in Budget Resilience Reserve contribution from £7.2m to £2.2m (now net of planned £5m from BRR) .

- Other (£1m)

9.6 This net expenditure figure for subsequent years have also reduced accordingly.

9.7 The MTFS assumes that £13.7m of budget reductions will be delivered in 2019/20. Therefore, future years projected budget gaps stated above are predicated on the full delivery of 2019/20 budget reductions. As detailed in Section 7 of this report, social care services continue to face pressures due to increased demand and market forces.

10 Budget Reduction Proposals 2019/20-2023/24

10.1 The Council must have a multi-year programme of budget reductions to mitigate the structural budget deficit – these reductions must be reviewed/refreshed annually. At its February 2018 meeting, Full Council approved budget reductions that extended to 2023. Below is a summary of pre-agreed budget reductions in prior year's MTFS.

Table 10.1: Prior Year Pre-Agreed Budget Reductions

Priority Area	2019/20	2020/21	2021/22	2022/23	Total
	£'000	£'000	£'000	£'000	£'000
Priority 1 - Children Services		-	-	-	-
Priority 2 - Adults Services	2,390	2,990	2,990	2,990	11,360
Priority 3 - Environment & Neighbourhoods	150	-	-	-	150
Priority 4 - Regeneration & Growth	-	-	-	-	-
Priority 5 - Housing Services	120	-	-	-	120
Priority X - Corporate Services	3,400	1,500	20	-	4,920
Total	**6,060**	**4,490**	**3,010**	**2,990**	**16,550**

10.2 Detailed budget reduction proposals were approved for consultation by Cabinet on 13th December 2018 as part of the consideration of the draft budget. Each proposal was supported by a pro-forma that detailed; the action/outcome of the proposal, the value of the savings, the impact on workforce and any risks/assumptions associated with the proposal.

10.3 The December draft budget reduction proposals set out in Appendix 9 have been subject to public consultation and scrutiny by the Overview and Scrutiny Committee set out in Appendices 7 and 8. Cabinet have considered these recommendations as part of their deliberations leading to this report. These budget reductions are summarised in the below table.

Table 10.2: 2019/20 (New) Budget Reduction Proposals

Priority Area	2019/20	2020/21	2021/22	2022/23	2023/24	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Priority 1 - Children Services	1,602	401	90	0	0	2,093
Priority 2 - Adults Services	2,000	1,049	195	280	100	3,624
Priority 3 - Environment & Neighbourhood Ser	1,665	1,565	600	70	70	3,970
Priority 4 - Regeneration & Growth	560	15	0	0	0	575
Priority 5 - Housing Services	920	708	573	0	0	2,201
Priority X - Corporate Services	319	5	5	6	6	341
Total	**7,066**	**3,743**	**1,463**	**356**	**176**	**12,804**

Total Planned Budget Reductions (2019/20 – 20/2324)

10.4 The Draft Budget assumes total service related budget reductions to be achieved in 2019/20 is £13.7m (including £7.7m of newly identified budget reductions). In total, budget reductions identified and incorporated into this MTFS is £30m by 2023/24. The below table analyses the 2019/20 budget reduction expectation and total savings expectation over the MTFS period.

Table 10.3: Total Service (MTFS) Budget Reductions (2019/20 – 2023/24)

Priority Area (£'000)	Pre Agreed Savings	New (2019/20)	Further Budget Measures	2019/20 Total MTFS	2020/21	2021/22	2022/23	2023/24	Total (All Years)
Priority 1 - Children Services	-	1,602	-	**1,602**	401	90	-	-	**2,093**
Priority 2 - Adults Services	2,390	2,000	-	**4,390**	4,039	3,185	3,270	100	**14,984**
Priority 3 - Environment & Neig	150	1,665	-	**1,815**	1565	600	70	70	**4,120**
Priority 4 - Regeneration & Gro	-	560	500	**1,060**	15	-	-	-	**1,075**
Priority 5 - Housing Services	120	920	-	**1,040**	708	573	-	-	**2,321**
Priority X - Corporate Services	3,400	319	100	**3,819**	1,505	25	6	6	**5,361**
Total	**6,060**	**7,066**	**600**	**13,726**	**8,233**	**4,473**	**3,346**	**176**	**29,954**

10.5 After the write off of £9.8m 2018/19 savings in the Qtr2 report in December, £5.9m of savings still remains to be delivered in 2018/19. The majority is forecast to deliver fully before the end of the financial year however, any balance outstanding would be slipped into 2019/20, increasing the above total service savings target.

10.6 Given the scale of the budgeted savings for 2019/20, the Council must maintain a constant focus on their implementation and look to respond during the course of the year to any delivery shortfalls, potentially necessitating other solutions. The Council agreed to establish a Budget Resilience Reserve (BRR) in 2018/19 to provide some financial resilience and help manage the risk associated with a significant budget reduction programme. It is proposed that this reserve is maintained at the pre-agreed level of £7.2m for 2019/20.

11 Summary Priority Revenue Budgets 2019/20-2023/24

11.1 The summary revenue budget position by priority area over the five-year period is shown in the table below.

Table 11.1: Summary of Proposed Budgets/Cash Limit

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	£'000	£'000	£'000	£'000	£'000	£'000
Priority 1 - Children Services	54,525	58,310	56,928	56,838	56,838	56,838
Priority 2 - Adults Services	79,241	82,312	79,201	79,196	79,235	79,135
Priority 3 - Environment & Neighbourhoods	27,920	26,652	24,887	24,287	24,217	24,147
Priority 4 - Regeneration & Growth	4,716	1,173	1,508	1,508	1,508	1,508
Priority 5 - Housing Services	19,833	18,888	18,180	17,606	17,606	17,606
Priority X - Corporate Services	38,281	35,805	33,856	33,831	33,825	33,819
Total Priority Cash Limit	**224,516**	**223,140**	**214,561**	**213,267**	**213,230**	**213,054**
Council Wide	25,594	23,528	35,876	41,597	51,003	58,909
Savings to be identified	-	-	(13,171)	(13,983)	(18,095)	(20,470)
Council Cash Limit	**250,110**	**246,668**	**237,265**	**240,880**	**246,137**	**251,492**

11.2 Given the continued reduction in funding for the Council and need to continue to identify budget reduction opportunities, the overall cash limit for the Council in 2019/20 is projected to fall.

11.3 The growth in 'council wide' in later years to address inflationary increases (pay and non-pay), capital financing costs, increase in levies charged to the Council and other central service charges that are not specific to any one service. Budget provisions for inflation will be allocated to services in year to reflect the impact of inflationary pressures on services. This will in turn further increase each service's share of overall council spend and reduce the council-wide budget.

12 New Transformation Agenda

12.1 The Council has made very substantial reductions in our budget over the last 10 years. This year is no exception as our MTFS includes proposals here for a further £13.4m of measures. Over the last few years it has changed much of what it does and its way of doing things (efficiency), and there are further major change programmes under way. The Council has also markedly increased its level of income generation.

12.2 It is forecast that the Council will avoid drawing upon the General Fund balance in 2018/19 and has a balanced budget proposal for 2019/20. Significant budget reductions (£20.5m by 2023/24) will be necessary to ensure the Council remains financially sustainable.

12.3 In order to meet the Council's ambitions for improving outcomes for residents whilst managing a reducing resource base, significant and transformative change is required across everything we do. This combined imperative requires the Council to look at everything it does and identify ways of maximising its resources, further improving efficiency and finding ways of reducing demand for high cost services.

Transformation and Change

12.4 The Council has already fundamentally changed much of what it is and substantially improved efficiency. Some change programmes are already underway, in other areas further change will be needed. The themes set out below

bring together those areas where change is currently underway with areas for further focus and change in future.

People

12.5 We spend nearly two thirds of our budget on our people priority - so we must identify ways to deliver good outcomes with less money:

- Good quality social work, and early help, particularly in children' services and improvement work in Children's Services which also responds to the action plan set out to meet the requirements of recent Ofsted inspections.

- Promoting independence so that adults are able to stay healthy for longer and are supported in the community rather than in hospital or residential settings wherever possible, and for as long as possible.

- Supporting the use of evidence based approaches to early intervention which must be supported by a business case which delivers within the period of the MTFS.

- Developing our 'community first' approach which aims to identify low cost, community based interventions that prevent people from entering into acute need, and which are joined up and easily accessible.

- Developing a new approach to working with 14-28 year olds who may need more support to prevent them requiring acute services later in life, and ending the cliff edge for young people when the turn 18.

- Ensuring all our commissioned services and contracts are routinely tested to ensure they continue to deliver the required outcomes and provide good value for money.

Housing

12.6 Housing places very significant demands on the Council's finances – we will seek to manage the impact of this through:

- Meeting housing needs through an integrated housing model with different solutions to address different requirements and circumstances.

- Reducing the cost of temporary accommodation both by bringing down the numbers of people in TA and ensuring that the cost of individual units are cheaper (whilst sustaining or improving current quality)

- Prudently investing the ringfenced Flexible Homelessness Support Grant from Government in initiatives to reduce homelessness.

- Maintaining a business plan for the Housing Revenue Account which balances the need for investment in maintaining existing stock with the ambition for new development and taking advantage of the reduced

restrictions on borrowing through a prudential approach to capital borrowing and investment.

- Recognising and acting upon the strong interdependencies between housing and homelessness and other areas of major investment and strategic focus, for example through employment programmes targeted at preventing homelessness, and a significant programme of investment in housing related support.

- Investing in a programme to deliver new Council homes.

Place

- Potential for reform of the waste management agenda, reflecting changes in waste types/levels, designing collection services more efficiently and effectively and for street cleansing services to be designed around the needs of a local area.

- Developing the business case to roll out LED lighting across the borough, which potentially reduce energy use, reduce maintenance cost and have a longer life. Technological improvements together with a reduction in unit costs for LEDs could result in a reduction in energy both now and when considering future years. Other benefits of LEDs is that they require less maintenance, need replacing less and if replaced across the borough a central system of lighting control could be introduced.

- Using technology in parking services to ensure maximum efficiency.

- To ensure that all our services operate efficiently, understanding the markets they operate in, developing and expanding the core business whilst maximising potential income streams.

Economy

12.7 Through its regeneration and economic development programmes, the Council has an opportunity to support and stimulate the local economy through its own direct investment and bring in significant external investment to support its strategic priorities, and to secure capital and revenue income for the Council itself, which can be reinvested in services for the borough. The Council's work in this area includes:

- A new focus on 'community wealth building', whereby the Council uses its own investment power to promote and develop local business, keeping money and employment in the borough wherever possible.

- Promoting business and job growth in the borough, creating thriving high streets and industrial estates, providing opportunities for local people, and boosting business rate income for the Council.

- Targeting investment and other interventions in locations where need and opportunity are greatest, most obviously in the priority regeneration areas of Tottenham and Wood Green.

- Ensuring that regeneration programmes combine physical change with social and economic interventions that help to ensure local people can benefit from opportunities both in the borough and further afield.

- Using the Council's own property both to support the businesses and activities which we want to see in the borough, and to generate income for reinvestment in other services.

- Attracting external investment, from the private and public sector, in new homes, new jobs, new infrastructure and improved public spaces, always ensuring that investment aligns with the Council's priorities for the borough.

Your Council

12.8 Our future business plan and financial strategy must continue our focus on:

- Needs based, quality core services – ensuring that any services we provide or commission are essential to the outcomes we are seeking to deliver for residents, and that that they provide good quality and value for money and deliver effectively the outcomes required.

- More creative – taking opportunities to generate income and adopt a commercial approach across all our priority areas, for instance across our place-based services and our property portfolio.

- Increasing productivity – increasing the productivity of our front office and back office services (customer services, revenues and benefits, and internal council services), so that services are delivered in the most efficient way and that we get it right first time. We will rationalise our property base to help ensure that retained locations can be maintained and operated to the standard required. We will ensure that have the right management structure and right size services.

- A skilled workforce, supported by good management and with access to the right tools to enable us to reduce requirement for expensive office accommodation.

- Digital services which are easier for residents to use and reduce costs (ensuring that this does not exclude less digitally engaged residents). We will automate processes where possible and save cost (without compromising the service itself).

- Responding to demand – services will understand demand and effectively manage and respond to it. Effectively managing demand will be key elements of transformation in our People and Place priorities. This will be based on a significant intensification in our access to, and use of, data to

enable the council to identify potential demand and help people avoid the need to access expensive services.

- Effective commissioning decisions, including an assessment of insourcing potential to ensure value for money in service provision.

Budget Delivery and Live Budgeting

12.9 The Council's planned delivery of its savings programmes over recent years has been below projection for a number of reasons. The new service budget reductions proposed in this Budget/ MTFS are considered to be deliverable. In order for these to be achieved, the Council will strengthen its management of this programme.

12.10 Despite this, there will inevitably be some plans that are not deliverable in full (or indeed possibly at all) due to changing circumstances. While this budget provides a level of financial capacity for dealing with such circumstances, it is important that the Council also looks to find alternative solutions (in year mitigations) as and when savings issues or base budget pressures arise. Similarly, it is important that the Council makes progress on both designing and, where possible, implementing the measures needed to address it future year's structural funding gap at the earliest point.

12.11 We are therefore presently considering how the Council's current budget setting and periodic corporate monitoring processes might be developed to support a "live budgeting" type of approach. This will help risk manage the in year budget delivery position and allow us to get the best start for the forthcoming year, and potentially enable better decision making. This will be subject to later clarification and potentially proposals for changes to the Council's budgeting approach.

13 Review of assumptions and risks 2019/20-2023/24

13.1 The Council's Section 151 Officer has a statutory responsibility to assess the robustness of the Council's budget and to ensure that the Council has sufficient contingency/reserves to provide against known risks in respect of both expenditure and income. This formal assessment will be made as part of the final report to Full Council on the Council's budget on 25th February 2019. Given the increase in financial pressure falling upon this council's budget and the size of the gap still to be closed for 2020/21 onwards, this statutory role is acquiring more and more significance.

13.2 The main uncertainties and risks identified to date which may impact on the Council's budget over the period of the MTFS are:

- The on-going uncertainty over Brexit and the implication of whatever arrangement is put into place. The Council is actively assessing and planning as to how it might need to respond to consequences of Brexit. While the government has recently announced a grant of £210k over two years, the actual costs associated with dealing with the ramifications will almost certainly be higher. This provides a further case for ongoing BRR.

- The shift to Council Tax and Business Rates as the main funding drivers exposes the Council to risks such as collection rates, adverse changes in the size of the tax base, appeals and negative cashflows.
- The outcome of the Fair Funding Review & the consultation on the redesign of the Business Rates Retention scheme
- The implications arising from the 2019 Spending Review (SR19).
- The Council's Transformational Programmes do not deliver the required savings, do not deliver savings quickly enough, or are counteracted by demographic trends particularly in critical areas such as Children's and Adults Social Care and Temporary Accommodation.
- Increases in London Living Wage in future years.
- Any further deterioration in the forecast 2018/19 position.
- The impact of inflation pressures above current assumptions (e.g. energy costs which are currently estimated at well above the rate of inflation for 2019/20).
- Non delivery of 2019/20 budget reduction programme.
- General population increases that are expected over the next 5 years and any associated growth in demand - other than specifically allowed for – may lead to financial pressure.
- The need to balance revenue and capital priorities to ensure the most appropriate use of available resources and the risk that the required skilled workforce to deliver at pace is not available
- Continuing trend to on-line services in the business sector negatively impacts on our business rates base
- The impact of changes in legislation – for example the Homelessness Reduction Act and whether the funding provided to undertake the new responsibilities under the Act will be sufficient.
- Ability to work collaboratively with a number of partner organisations and for such collaborations to deliver much needed efficiency gains.
- Impact of NHS Sustainable Transformation Plans (STPs) may result in a transfer of costs.

14 Council's Capital Strategy and Capital Programme 2019/20-2023/24

Introduction to Capital Strategy

14.1 This capital strategy report is a new report for 2019/20 as required by CIPFA. It gives a high-level overview of how capital expenditure; capital financing and treasury management activity contribute to the provision of public services. It also provides an overview of how the associated risk is managed and the implications for future financial sustainability.

Background

14.2 Capital expenditure in local government is defined in statute and accounting practices/codes and as such must operate with them. Within those rules capital budgets offer opportunities for Council's to affect the lives of its residents and visitors. Capital programmes can shape the local environment (e.g. through the provision of new housing, traffic schemes, or regeneration schemes); positively impact people's lives (e.g. through creating appropriate housing for adults with learning difficulties or investment in parks); transform the way in which the Council interacts with local residents (e.g. through the libraries investment programme or proposals for a new customer service centre); and deliver fit for purpose schools.

14.3 The key objectives of the Council's capital programme are to deliver the borough plan and to assist the Council in meeting the financial challenges that it faces.

Capital Expenditure & Financing

14.4 Capital expenditure is where the Council spends money on assets, such as property or vehicles that will be used for more than one year. In local government, this includes spending on assets owned by other bodies, and loans and grants to other bodies enabling them to buy assets. For 2019/20 the Council is planning to spend £255.1m as summarised in the table below.

Table 14.1: Capital Expenditure Plans Overview 2019/20-2023/24

	2019/20 Budget £'000	2020/21 Budget £'000	2021/22 Budget £'000	2022/23 Budget £'000	2023/24 Budget £'000	Total £'000
General Fund	200,904	129,562	106,236	89,286	107,481	**633,469**
Council Housing (HRA)	54,183	119,257	365,215	236,314	190,840	**965,809**
Total	**255,087**	**248,819**	**471,451**	**325,600**	**298,321**	**1,599,278**

14.5 The capital programme is composed of individual priority programmes (most of which have been previously agreed by Cabinet and Council as part of the 2018/19 budget setting process or earlier). Within those priority totals there are schemes and within schemes there are individual projects. For instance, Scheme 302 Borough Roads, will contain individual projects on individual roads.

14.6 The inclusion of a scheme within the capital programme is not necessarily permission to spend. Most schemes will be subject to the completion of a satisfactory business case that validates the high-level estimates contained within the programme. An integral part of a satisfactory business case will be an assessment of the risks that a project faces and once a project is agreed the review of the risk register is a standing item on the agenda for the project's governance.

14.7 There are a range of schemes within the general fund capital programme that will only proceed if they produce a reduction in expenditure that includes reductions enough to cover the cost of financing the investment, known as self-financing schemes.

14.8 The Housing Revenue Account (HRA) is a ring-fenced account, which ensures that Council housing does not subsidise or is itself subsidised by other local services. HRA capital expenditure is recorded separately.

14.9 Service managers bid annually as part of the Council's budget setting process. The Capital Board assesses the bids against their "fit" in relation to the borough plan and meeting the objectives of the medium-term financial strategy.

14.10 The main previously agreed General Fund schemes are the: ongoing work to the education estate; development of supported living accommodation to allow clients to live in appropriate homes; creation of a depot on the Marsh Lane site; continued investment in regeneration in Tottenham Hale; funding for the community benefit society (CBS) to provide high quality temporary accommodation; and a range of transformation projects to enable the Council to change the way it delivers services.

Table 14.2: Capital Expenditure Plans by Priority

	2019/20 Budget £'000	2020/21 Budget £'000	2021/22 Budget £'000	2022/23 Budget £'000	2023/24 Budget £'000	Total £'000
Priority 1 - Children Services	11,752	20,713	17,686	8,566	13,011	**71,729**
Priority 2 - Adults Services	5,720	11,820	12,120	6,870	2,870	**39,400**
Priority 3 - Environment & Neighbourhoods	22,850	15,060	11,500	11,380	10,660	**71,450**
Priority 4 - Regeneration & Growth	118,110	66,480	52,140	51,870	70,990	**359,590**
Priority 5 - Housing Services	34,332	13,409	9,000	9,000	9,000	**74,741**
Priority X - Corporate Services	8,140	2,080	3,790	1,600	950	16,560
Total General Fund	**200,905**	**129,562**	**106,236**	**89,286**	**107,481**	**633,470**
Housing HRA	**54,183**	**119,257**	**365,215**	**236,314**	**190,840**	**965,809**
Total - Council	**255,088**	**248,819**	**471,451**	**325,600**	**298,321**	**1,599,279**

14.11 Appendix 3 contains a detailed list of the previously agreed and newly proposed schemes for the general fund capital programme. The following paragraphs highlight those new schemes that are being proposed for inclusion within the five-year capital programme.

Children's Services

14.12 There are two new schemes proposed for Children's Services.

i. Scheme 115, Fortismere Secondary School Development. This scheme is a proposed redevelopment of the Fortismere Secondary School site. The scheme involves the demolition and re-provision of sub-standard education accommodation. There would be residential development on the site which would pay for the re-provision of the education accommodation. The budgetary assumption is that this scheme will be self-financing with no call on the Council's general fund resources. A business case is being developed that would need approval before the scheme progressed.

ii. 118, Education Estate. A strategic business case is being prepared for the whole of the education estate. As part of that business case preparation surveys have been undertaken and they have identified works that are required to be done now. The scheme will be combined with Scheme 102.

Adult Services

14.13 There are six new schemes proposed for Adult Services.

i. Scheme 211, Community Alarm Service. As part of the review of the revenue budget, costs were identified in the service that should be a charge to capital rather than revenue. These relate to the cost of the installation of the alarms.

ii. Scheme 216, Homelessness Hub. Due to the need to relocate the Homelessness Assessment Centre from Dial House, new premises have been found. The costs in the capital programme are the estimated costs of fitting out the new facility.

iii. Scheme 208, Supported Living Schemes. The budget is an allowance within the capital programme to fund either property acquisitions or refurbishment to enable clients who need 1-2-1 assistance to live in accommodation co-located with other clients with similar care characteristics. This will enable the same or higher levels of service to be provided at a reduced cost. At this stage property addresses are not known. Any decision to proceed will be subject to the completion of a satisfactory business case. The budgetary assumption is that the scheme will be self-financing.

iv. Scheme 209, Assistive Technology. This scheme is to provide technological solutions that enable people to live in their homes for longer rather than transferring to other forms of accommodation or care. Spending on this budget is subject to the completion of a satisfactory business case and the budgetary assumption is that it is self-financing.

v. Scheme 213, Canning Crescent Assisted Living. Cabinet has agreed to purchase this property (a former health service property) to create a 21 unit assisted living centre with drop in café. The acquisition of the building was funded from the 2018/19 capital programme. The scheme has c£1m of NHS grant contribution. The spend in future years is to convert the facility into a 21 unit assisted living scheme with café and is subject to the completion of a satisfactory business case. The budgetary assumption is that it is self-financing.

vi. Scheme 214, Osborne Grove Nursing Home. Currently a feasibility study is being undertaken. The outcome of the feasibility work will be reported to Cabinet and at that point a decision will be made. The 2019/20 budget for this scheme is to undertake detailed design of the chosen option from the feasibility study outcome. The budgetary assumption is that it will be self-financing.

Environment & Neighbourhoods

14.14 There are four new schemes proposed for Environment & Neighbourhoods.

i. Scheme 322, Finsbury Park. This scheme has been included within the Council's capital programme to formalise the recording of the expenditure.

ii. Scheme 307, CCTV. This scheme has been enhanced to include expenditure in upgrading the CCTV infrastructure of the borough. The budgetary assumption is that it will be self-financing.

iii. Scheme 323, Parking Strategy. The scheme will include expenditure on delivering the new parking strategy for the borough and will encompass works required to the infrastructure of the borough. The budgetary assumption is that it will be self-financing.

iv. Scheme 325, Parks Vehicles. This is for the re-provision of parks vehicles. The scheme will result in revenue savings to offset the capital expenditure incurred.

Growth & Employment

14.15 There are five new or expanded schemes proposed for Growth & Employment

i. Scheme 481, Strategic Investment Pot. The Council has been successful in bidding to this pot. The Council has received £3m of grant funding for the Productive Lea Valley (which provides loans and other assistance to businesses) and £2m for a workspace intensification scheme in Tottenham. The £0.8m balance is for a broadband project. These schemes are 100% externally financed.

ii. Scheme 477, Strategic Regeneration & Community Assets. This budget is to enable the Council to respond swiftly to new initiatives in the arena of strategic regeneration and community assets. There are at this stage no firm expenditure plans. Any expenditure will be funded from the Council's own resources.

iii. Scheme 474, Tottenham High Road Strategy. This scheme is composed of a range of projects, with the first one being the Enterprising High Road Project. This project has attracted GLA funding of £2m. The budgetary assumption is that the strategy will require the Council to use its own resources for part of the cost (approximately 70%). However, there are likely to be contributions to Council resources through higher levels of business rates and an uplift in rental rates for Council properties if the strategy is successful.

iv. Scheme 480, Wood Green Regeneration. This scheme is composed of a range of projects with a range of funding streams which are being developed. The budgetary assumption is that the Council will fund approximately 60% of the cost but like the Tottenham High Road Strategy there could be consequential financial positives for the Council.

v. Scheme 482, Strategic Property. This scheme has budget allowances for investments in the commercial property portfolio to increase rental yields and for the acquisition of several properties. Most of the budget relates to the acquisition of properties and as such is commercially confidential.

vi. Scheme 464, Bruce Castle. This scheme is to fund improvements to Bruce Castle and the surrounding park. The proposed investment will be subject of a business case and the budgetary assumption is that the investment will be self-financing.

Homes & Communities

14.16 There are three new schemes proposed for Homes & Communities

i. Scheme 512, The Wholly Owned Company (WOC). This scheme was designed to facilitate the building of Council houses through utilising Council land, building the land out and then cross subsidising social rented properties through sales of properties. This structure was needed as there was insufficient financial capacity within the Council's housing revenue account (HRA) to create the required number of social rented properties. However, in October 2018 the government lifted the cap on the ability of HRA's to borrow and this will impact on the scale of the WOC's activities. The budgetary assumption is that there is still a role for the WOC in the Council's housing strategy and that the scheme is self-financing.

ii. Scheme 513, Muswell Hill Flats. This scheme is to fit out 6 flats at 54 Muswell Hill as shared ownership properties. The budgetary assumption is that the scheme will make a positive contribution through the generation of capital receipts and other income.

iii. Scheme 514, Notting Hill Housing Group (4 Ashley Road). This is a scheme to provide 33 affordable rented homes at 4 Ashley Road. The Council's contribution will be funded through retained right to buy receipts.

Enabling

14.17 There are three new schemes proposed for Enabling

i. Scheme 607, Financial Management System. This scheme is to provide a new financial management system. Scoping and other work is underway to prepare the business case to support the expenditure. It is anticipated that the investment will pay for itself through further revenue budget reductions.

ii. Scheme 622, FOBO. The acronym stands for Front Office Back Office and is a transformational programme to radically change the way in which the Council works. This budget is to fund the creation of any physical assets needed to deliver on the FOBO agenda such as new digital platforms. This scheme is assumed to be self-financing. Funding for other elements of the FOBO programme are contained the flexible use of capital receipts schedule.

iii. Scheme 639, Ways of Working. This scheme provides funding for alterations to existing Council assets to enable the Council to reduce its office footprint. This scheme is assumed to be self-financing.

Financing

14.18 All capital expenditure must be financed from either external sources (government grants and other contributions), the Council's own resources (revenue, reserves and capital receipts) or debt (borrowing, leasing, Private Finance Initiative). The planned financing of the capital programme is as follows:

Table 14.3: Financing the General Fund Capital Programme

	2019/20 Budget £'000	2020/21 Budget £'000	2021/22 Budget £'000	2022/23 Budget £'000	2023/24 Budget £'000	Total £'000	Total (%)
External Sources	77,117	29,782	34,826	30,871	53,871	226,466	35.8%
Borrowing for Self financing schemes	87,525	61,670	47,155	39,747	34,253	270,349	42.7%
Borrowing for Non-Self financing Schemes	36,263	38,110	24,256	18,669	19,357	136,654	21.6%
Total	200,904	129,562	106,236	89,286	107,481	633,469	100.0%

14.19 The Council's capital programme is moving to a financing strategy that seeks to ensure that investment via the capital programme is self-financing. Of the new schemes added to the capital programme for 2019/20; borrowing for self- financing schemes has risen to 61% (up from 42.68%); borrowing for non self-financing schemes has reduced to 19% (down from 22%); and funding from external sources has declined to 21% (down from 35%). The decline in external sources is reflective of reduced expenditure across the public sector of which reductions by TfL is a good example.

14.20 The self-financing schemes will normally only proceed if they produce a reduction in expenditure that includes reductions sufficient to cover the cost of financing the investment. This is necessary to ensure that the investment contributes to meeting the financial challenges that the Council faces.

14.21 As debt needs to be repaid the Council is required to set aside from its revenue account an annual amount sufficient to repay borrowings, this is known as the minimum revenue provision (MRP). The MRP for the period is set out below.

Table 14.4: Estimated MRP

	2018/19 Forecast £'000	2019/20 Budget £'000	2020/21 Budget £'000	2021/22 Budget £'000	2022/23 Budget £'000
MRP	2,777	4,788	7,602	10,091	14,301

14.22 The Council's cumulative outstanding amount of debt is measured by the capital financing requirement (CFR). This increases when new debt financed capital expenditure is incurred and reduces with MRP.

Table 14:5. Prudential Indicator: Estimates of Capital Financing Requirement

	2018/19 Forecast £'000	2019/20 Budget £'000	2020/21 Budget £'000	2021/22 Budget £'000	2022/23 Budget £'000
CFR	685,977	822,382	971,044	1,211,119	1,401,108

Asset Management

14.23 The Council is currently updating its asset management plan to reflect the new borough plan.

Asset Disposals

14.24 When a capital asset is no longer needed, it may be sold and the proceeds (known as capital receipts) can be spent on new assets or the repayment of debt. Repayments of grants, loans and non-treasury investments also generate capital receipts. The Council is currently permitted, by legislation, to spend capital receipts

on service transformation initiatives until 2021/22. This is known as the flexible use of capital receipts.

14.25 As stated above, capital receipts can be used to fund capital expenditure or repay debt, but the budget assumption is that capital receipts will not fund capital expenditure or debt repayment. It is anticipated that the capital receipts received in the MTFS period will be used to fund transformation initiatives. There is a separate policy statement and schedule of proposed schemes to utilise capital receipts flexibly.

Treasury Management

14.26 The Council has a separate Treasury Management Strategy Statement (TMSS) that deals in detail with treasury management matters. The Capital Strategy document repeats some of the information contained within the TMSS but places the information in the context of the capital programme of the Council.

14.27 Treasury management is concerned with keeping sufficient but not excessive cash available to meet the Council's spending needs, while managing the risks involved. Surplus cash is invested until required, while a shortage of cash will be met by borrowing. This is to avoid either excess credit balances or overdrafts at the bank. The Council is typically cash rich in the short-term as cash revenue income is received before it is spent but cash poor in the long-term as capital expenditure is incurred before it is financed. The revenue cash surpluses are offset against capital cash shortfalls to reduce borrowing.

Borrowing Strategy

14.28 The Council's main objectives when borrowing are to achieve a low but certain cost of finance while retaining flexibility should plans change in the future. These objectives are often conflicting as the Council seeks to strike a balance between cheap short-term loans and long-term fixed loans where the future cost is known but higher.

14.29 Projected levels of the Council's total outstanding debt (which comprises borrowing, PFI liabilities and leasing are shown below and compared to the capital financing requirement:

Table 14:6. Prudential Indicator: Gross Debt and the Capital Financing Requirement

	31/3/18 Actual £'000	31/3/19 Forecast £'000	31/3/20 Budget £'000	31/3/21 Budget £'000	31/3/22 Budget £'000
Debt (incl. PFI & leases)	403,115	492,863	626,012	770,450	1,006,784
Capital Financing Requirement	591,940	685,977	822,382	971,044	1,211,119

14.30 Statutory guidance is that debt should remain below the capital financing requirement, except in the short-term. As can be seen from above the Council expects to comply with this requirement.

Affordable Borrowing Limit

14.31 The Council is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year. In line with statutory guidance, a lower operational boundary is also set as a warning level should debt approach the limit.

Table 14.7: Prudential Indicator: Authorised limit and operational boundary for external debt

	2018/19 Limit £'000	2019/20 Limit £'000	2020/21 Limit £'000	2021/22 Limit £'000	2022/23 Limit £'000
Authorised limit – borrowing	618,366	752,382	901,044	1,141,119	1,331,108
Authorised limit – PFI & leases	43,261	39,935	34,998	30,062	25,125
Authorised limit – total external debt	661,627	792,317	936,042	1,171,180	1,356,233
Operational boundary - borrowing	568,366	702,382	851,044	1,091,119	1,281,108
Operational boundary – PFI & leases	39,934	36,305	31,817	27,329	22,841
Operational boundary – total external debt	608,300	738,687	882,861	1,118,447	1,303,949

14.32 Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue, offset by any investment income receivable. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, business rates and general government grants.

Table 14.8: Prudential Indicator: Proportion of financing costs to net revenue stream

	2018/19 Forecast	2019/20 Budget	2020/21 Budget	2021/22 Budget	2022/23 Budget
Financing costs General Fund (£'000)	7,655	9,205	10,687	11,991	15,028
Proportion of net revenue stream	3.10%	3.50%	4.30%	4.80%	5.80%
Financing costs HRA (£'000)	10,638	10,557	12,316	18,373	22,192
Proportion of net revenue stream	9.70%	10.40%	11.80%	16.80%	19.10%

14.33 It can be seen that over the MTFS period that the general fund ratio increases. However, whilst the costs of financing investment increases there will be off setting revenue savings from those schemes that are self-financing and these savings will be reflected in reduced service area budgets. It is also possible that once business cases are prepared that some of the schemes within the capital programme may well not proceed. The ratio also increases for the HRA. This level of ratio has been modelled into the current version of the evolving HRA business plan and capital programme and is affordable. The business plan will come back to Cabinet for agreement and will be monitored in the normal course of events and this indicator will form part of that monitoring.

Governance

14.34 Decisions on treasury management investment and borrowing are made on a daily basis and are delegated to the Director of Finance. There is a further sub-delegation to members of the Director of Finance's staff to facilitate day-to-day operations. Whoever is making the decision(s) they will need to act in line with the treasury management strategy approved by full Council.

15 Flexible Use of Capital Receipts Strategy

15.1 This Strategy sets out the statutory guidance on the flexible use of capital receipts and its application within this Council.

15.2 Capital receipts can only be used for specified purposes and these are set out in Regulation 23 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, which is made under Section 11 of the Local Government Act

2003. The main permitted use of capital receipts is to fund capital expenditure and the use of capital receipts to support revenue expenditure is not permitted by the regulations.

15.3 The Secretary of State is empowered to issue directions allowing expenditure incurred by local authorities to be treated as capital expenditure. Where such a direction is made, the specified expenditure can then be funded from capital receipts.

15.4 The then Secretary of State for the Department for Communities and Local Government issued guidance in March 2016, giving local authorities greater freedoms over how capital receipts can be used to finance expenditure. The direction allows for the following expenditure to be financed by utilising capital receipts:

"expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners"

15.5 In order to comply with this direction, the Council must consider the Statutory Guidance issued by the Secretary of State. The Guidance requires authorities to prepare, publish and maintain a Flexible Use of Capital Receipts Strategy with the initial strategy being effective form the 1st April 2016 with future strategies included within future annual budget documents.

15.6 The Statutory Guidance for the Flexible Use of Capital Receipts Strategy states that the Strategy should include a list of each project that is intended to be funded via this flexibility, together with the expected savings that the project will realise. The Strategy should also include the impact of this flexibility on the affordability of borrowing by including updated prudential indicators.

15.7 The Council's strategy on the flexible use of capital receipts is set out in appendix 11.

16 Housing Revenue Account (HRA)

16.1 The HRA is the Council's record of the income and revenue expenditure relating to council housing and related services. Under the Local Government and Housing Act 1989, the HRA is ring-fenced and cannot be subsidised by increases in council tax. Equally, any surplus in the HRA or balances held in reserves cannot be transferred to the General Fund. Since April 2012, the HRA has been self-financing. Under self-financing Councils retain all the money they receive from rent and use it to manage and maintain their homes.

Housing Rents

16.2 The Council is required to comply with section 23 of the Welfare Reform and Work Act 2016 by reducing tenants' rents (excluding service charges) by 1% each year for four years starting from 1 April 2016.

16.3 From 2 April 2017, all rents including sheltered housing and affordable rents will be reduced by 1%. However, shared ownership rents will increase by 3.4% (CPI rate at September 2018 plus 1%) as the Act exempts these properties from the rent reductions.

General needs and sheltered / supported housing

16.4 This is the last financial year that rents in general needs properties are to be reduced by 1% but the third and last year of rent reduction for tenants living in sheltered/supported housing. Under the original rent restructuring regime, these rents would have increased by 3.4%.

16.5 Proposed rents for general needs and sheltered/supported housing for 2019/20 have been calculated so that the rent paid by existing tenants is reduced by 1% from the 2018/19 levels. On this basis, the current average weekly dwelling rent will reduce by £1.03 from £102.85 to £101.82. The potential rental income budget for 2019/20 will reduce by £1.98m against the budget for 2018/19. The table below, Table 14.4, sets out the average weekly dwelling rents for 2019/20 by property size.

Table 16.1: Proposed rents for general needs and sheltered / supported housing

Number of Bedrooms	Number of Properties	Current average weekly dwelling rent 2018/19	Provisional average weekly dwelling rent 2019/20	Proposed average rent decrease	Percentage decrease
Bedsit	135	£83.45	£82.61	-£0.83	-1%
1	5,409	£88.37	£87.49	-£0.88	-1%
2	5,165	£103.00	£101.97	-£1.03	-1%
3	3,727	£117.94	£116.76	-£1.18	-1%
4	602	£134.28	£132.93	-£1.34	-1%
5	105	£157.08	£155.51	-£1.57	-1%
6	14	£163.23	£161.60	-£1.63	-1%
7	2	£154.45	£152.91	-£1.54	-1%
8	1	£174.85	£173.10	-£1.75	-1%
All dwellings	**15,160**	**£102.85**	**£101.82**	**-£1.03**	**-1%**

16.6 The government announced in September 2018 that annual increases in social housing rents will return to CPI plus 1% for the next five years after the statutory rent reduction ends in March 2020. This provides certainty regarding rental income in the short to medium term.

The current policy of increasing rents to the 2015/16 formula rent (adjusted for 1% reduction each 19/20) on re-let to new secure tenants will continue.

Affordable Rent Housing

16.7 Phase 1 of the New Build Infill Programme has delivered eighteen new homes, which are let at affordable rents. From 1 April 2019, affordable rents must reduce by 1% from their current levels. The current average weekly affordable rent will reduce by £2.49 from £249.15 to £246.65 per week. There is a range of affordable

rents across different sizes of properties. The table below, Table 14.6, sets out the provisional average weekly affordable rents for 2019/20 by property size.

Table 16.2: New build Average Weekly Affordable Rent (2019/20)

Number of Bedrooms	Number of Properties	Current average weekly rent 2018/19	Provisional average weekly rent 2019/20	Proposed average rent decrease	Percentage decrease
1	1	£207.32	£205.25	-£2.07	-1%
2	5	£230.44	£228.13	-£2.31	-1%
3	7	£231.13	£228.82	-£2.31	-1%
4	3	£289.93	£287.03	-£2.90	-1%
5	2	£318.70	£315.51	-£3.19	-1%
All dwellings	**18**	**£249.15**	**£246.65**	**-£2.49**	**-1%**

Temporary Accommodation in Council-owned Properties

16.8 All council-owned properties that are used as temporary accommodation or social housing will continue to have rents reduced by 1% from their current levels. These are mainly council-owned hostels used as temporary accommodation.

Licences and Non-Secure Tenancies

16.9 Rents for licences and non-secure tenancies are not affected by the government's social rent reduction policy, so the Council has flexibility to keep these rents at their current levels based either on the hostel rate or on Local Housing Allowance (LHA).

Service charges

16.10 In addition to rents, tenants pay charges for services they receive which are not covered by the rent. The Council's policy has been to set tenants' service charges at the start of each financial year to match budgeted expenditure.

16.11 Service charges are set at a level that recovers the cost of the service, and no more than this. Charges are calculated by dividing the budgeted cost of providing the service to tenants by the number of tenants receiving the service. Therefore, a flat rate is charged to tenants receiving each service and the weekly amount is fixed. The amount tenants pay increases where the cost of providing the service is anticipated to increase. Equally, charges are reduced when the cost of providing the service reduces or where there has been an over-recovery in the previous year.

16.12 Tenants currently pay for the services listed below:

- Concierge
- Grounds maintenance
- Caretaking
- Street sweeping (Waste collection)
- Light and power (Communal lighting)
- Heating
- Integrated reception service (Digital TV)
- Estates road maintenance

- TV aerial maintenance
- Door entry system maintenance
- Sheltered housing cleaning service
- Good neighbour cleaning service
- Converted properties cleaning
- Window cleaning service.

16.13 Tenants living in sheltered and supported housing also pay the following additional support charges:

- Sheltered Housing Charge
- Good Neighbour Charge
- Additional Good Neighbour Charge

16.14 A detailed summary of proposed tenant's service charges including proposed increases for 2019/20 are set out in Appendix 2A.

Water rates

16.15 Tenants paid weekly water rates with their rent if the water supply to their home is unmetered. The amount for each property varied and was set by Thames Water Utilities Ltd based on the rateable value for the property.

16.16 Thames Water has notified their intention to discontinue this arrangement from 1 April 2019 and tenants will be billed directly for water rates. Tenants will be notified accordingly.

16.17 This will lead to a £1m budget loss to the HRA and this impact has been factored into the 2019/20 budget and the five-year MTFS. Officers are reviewing this in other to mitigate the real impact of this loss to the HRA. The budget loss amount does not take into consideration the impact of uncollected water rates, the cost of collection or the financial benefit to the Council of refocussing on collecting rents and service charges.

Rent Consultation

16.18 The Council must give written notice to tenants at least four weeks before the new rents for 2019/20 start on 1 April 2019 (the first Monday in April).

16.19 Under the previous rent restructuring regime, HfH consulted tenants informally on behalf of the Council from late December to mid-January. In the past, HfH sent letters to the various Residents Associations asking for their views on rent increase proposals. The consultation was also published on HfH website to invite comments from tenants.

16.20 No informal consultation was undertaken in 2016/17, 2017/18 and 2018/19 due to the mandatory 1% social housing rent reduction. Similarly, no consultation is planned for 2019/20, as there are no alternative options for which HfH could seek tenants' opinions.

Commercial Rents

16.21 Following the Cabinet decision in July 2017, most of the commercial portfolio within the HRA has been transferred to the General Fund. Therefore, most of the income

and expenditure relating to Commercial properties is now accounted for in the General Fund.

HRA Expenditure

16.22 The Council's Arms' Length Management Company (ALMO), Homes for Haringey (HfH) manages the dwellings stock and garages on behalf of the Council. The management fee the council pays for these services is budgeted at £42m for 2019/20. This includes £20m for repairs and about £2m for housing demand.

16.23 Other significant items of expenditure include the capital financing charge and depreciation. The capital financing charge is the interest on HRA loans and internal funding and is budgeted at a higher level than 2018/19 due to borrowing rates associated with increased level of capital works programme and New build programme.

Development of HRA Business Plan

16.24 The Council maintains a statutory Housing Revenue Account (HRA) in which it accounts for all its social housing activity (management and maintenance, health & safety works, rent collection, major repairs etc.). The government recently announced the lifting of the restrictions, that had been in place, on the ability of HRA to borrow money (known as the borrowing cap). This change has provided the opportunity a for fundamental review of HRA Business Plan.

16.25 A new HRA business plan is being developed initially with a 10-year focus, in order to determine how the council might best use the new HRA borrowing capability (still of course constrained by the prudential borrowing code) to both fulfil its responsibilities in respect of its existing stock and deliver the council's new housing provision objectives. Indeed, the lifting of the borrowing cap enables the Council to use the HRA as the vehicle both for developing and holding new council homes; until recently the Council had expected to carry out both functions through a separate wholly owned company using General Fund borrowing. While this company will still be created, its role in the programme will be much smaller in light of these removed restriction.

16.26 Though this HRA Business Planning work is yet to be finalised, and indeed will change frequently over time as the Council's income and investment business plans evolves, the HRA budget and MTFS has been prepared to incorporate its anticipated financial implications and to provide the necessary financial framework for its delivery. This includes its implication both to the HRA revenue budget and HRA capital programme.

HRA 5 Years MTFS (2019/20-2023/24)

16.27 The HRA budget for 2019/20 is a balanced budget maintaining a reasonable revenue contribution to capital of £16.4m. This report sets out the proposed HRA 5 years Budget/MTFS in Appendix 2. It accommodates the scale of development presently assumed within the business planning in terms of its impact of the future years HRA revenue position.

HRA 5 Years Capital Programme (2019/20 – 2023/24)

16.28 This represents the capital implications of the emerging new business plan, focused on both the delivery of new homes and improvement of existing stock. The HRA MTFS is geared towards maximising the use of other available resources and use borrowing as last resort. The MTFS capital programme funding assumes a mix

of grant funding, revenue contribution and prudential borrowing. The total capital investment in 2019/20 is £54.2m fully funded from revenue contribution, grants, Major repairs reserve and borrowing. Appendix 4 provides a detailed summary of the five year HRA capital programme.

17 Dedicated Schools Budget (DSB)

17.1 The Dedicated Schools Budget is mainly funded from the ring-fenced Dedicated Schools Grant (DSG) and two other funding streams, namely the Pupil Premium and Post 16 Grant. The DSG allocation to the Schools block equates to 77% of grant, which is based on school characteristics and pupil numbers. Spending must be consistent with the prevailing Funding Regulations and the Schools Forum has a decision-making or a consultative role in determining budget levels for each year.

17.2 The in-year revenue position reported to Schools Forum in January 2019 sets out the budget pressures which are all within the High Needs Block and are creating a net overspend of £3.5m.

17.3 Table below sets out Haringey's Dedicated Schools Grant allocations for 2018-19 and 2019-20.

Table 17.1: Haringey's Dedicated Schools Grant Allocation

Block (£'000)	2018-19 Funding allocation as at 19 Dec 2018	2019-20 Funding allocation as at 19 Dec 2018
Schools Block	195,300	196,970
Central School Services Block	3,090	3,030
Early Years Block	20,290	20,280
High Needs Block	35,470	36,050
Total DSG	**254,150**	**256,330**

17.4 Previously, those items now categorised under the Central Schools Service Block (CSSB) formed part of the Schools Block. This funding has now been dis-aggregated into two separate Blocks, under the National Funding Formula instructions and is stated in the table above.

17.5 Overall, Haringey received a provisional increase of 0.86% in its DSG allocation, which is equivalent to £2.18m. These figures are based on the October 2018 pupil number census.

17.6 The 2019-20 funding allocation to Haringey for Schools block and High Needs Block increased by £1.67m and £0.58m respectively.

17.7 In December 2018 the Education and Skills Funding Agency (ESFA) provided a further £625k in both 2018-19 and 2019-20, as additional support for the High needs block and this is included on the table above.

17.8 The CSSB and the Early Years Block element of the DSG remained relatively static.

17.9 **DSG Reserve**

DSG Reserve is forecast to close with a deficit of £2.6m at the end of 2018-19, with the deficit forecast to increase to £3.9m by the end of 2019-20. This is a significant deterioration from the £1.4m surplus closing position reported 2017-18.

17.10 The picture is replicated nationally, and Central Government have recently been in consultation with council's regarding their financial position, with a view to instructing those with deficits of greater than 1% of their total DSG allocation, to provide a 3-year financial recovery plan. This would mean any deficit greater than £2.6m for Haringey, which is very close to what is currently being forecast would require a recovery plan.

Table 17:2 Projected DSG Reserves Position at 31 March 2019

Block (£'000)	Opening DSG Reserves at 01/04/18	Schools Forum agreed transfer between blocks	One-off transfer from Reserves	Revised DSG Reserves after Adjustments	Q3 Forecast	Closing DSG Reserves at Q3
Schools block	(1,267)	400	488	(379)	(273)	(652)
Central Schools Services Block	-	-	-	-	(15)	(15)
Early years block	(1,653)	1,100	-	(552)	6	(547)
High needs block	1,500	(1,500)	-	-	3,809	3,809
Total	**(1,419)**	-	**488**	**(931)**	**3,527**	**2,595**

18 MTFS Consultations Outcomes and Findings

18.1 In December 2018, the Cabinet agreed to begin the statutory consultation on the Medium Term Financial Strategy and proposals set out in that report, running from 18th December 2018 through to January 20th 2019.

18.2 Detailed information was made available in the following ways:

- Dedicated pages on our website;
- An on-line survey available on the Haringey Council;
- Hard copies of the budget proposals were available at all libraries in the borough;
- Regular social media promotion;
- Engagement with local media;
- Publicised through our partners and volunteer organisations;

18.3 A more detailed summary of the consultation process together with a breakdown of responses, is appended to the Cabinet report at Appendix 8. Having taken these into account, this report not propose any amendments to the proposals consulted upon.

19 Overview and Scrutiny

19.1 As part of the Council's governance arrangements for scrutiny of the Medium Term Financial Strategy, the Council's Overview and Scrutiny Committee and Panels have scrutinised all of the savings proposals presented to the 11th December 2018 Cabinet.

19.2 Following consideration by Cabinet, all four Scrutiny Panels met in December 2018 and January 2019 to scrutinise the draft budget proposals that fell within their portfolio areas:

- Children and Young People Scrutiny Panel (Priority 1)
- Adults and Health Scrutiny Panel (Priority 2)
- Environment and Community Safety Scrutiny Panel (Priority 3)
- Housing and Regeneration Scrutiny Panel (Priority 4 and Priority 5)

19.3 In addition, the Overview and Scrutiny Committee met on 14th January to consider proposals relating to Priority X (Enabling).

19.4 Cabinet Members, senior officers and finance leads were in attendance at each meeting to present proposals and to respond to questions from members. For some of the proposals, additional information was requested. These were considered by the Overview and Scrutiny Committee on 28th January, along with emerging recommendations from each Panel, ahead of final recommendations being agreed and referred to Cabinet.

19.5 The key recommendations from the Overview and Scrutiny Committee and Cabinet Member responses are attached at Appendix 8.

19.6 A further meeting of the Overview and Scrutiny Committee is planned for the 5th February 2019 to enable scrutiny of the additional proposals identified since the 11th December 2018 Cabinet report. The outcome of this meeting will be published as an addendum to this report.

20 Statutory Officers' comments

Chief Finance Officer Comments

20.1 As the MTFS report is primarily financial in its nature, comments of the Chief Financial Officer are essentially contained throughout the report.

20.2 Ensuring the robustness of the Council's 2019/20 budget and its MTFS 2019/24 is a key function for the Council's Section 151 Officer. This includes ensuring that the budget proposals are realistic and deliverable and that they will be achieved in a number of ways including consideration of the budget setting process itself, the quality and extent of both statutory and non-statutory consultation, the assessment and management of risks, feedback and challenge via scrutiny processes, and the coherence of the working papers supporting budget proposals.

20.3 The basis for the £20.5m underlying recurrent budget deficit is set out clearly in this report and flows largely from funding reductions, and from expenditure pressures

due to local demographic and demand increases at which have been set out in some detail above. The final pressures on the authority has worsened by the recognition that £9.8m of previously agreed savings will now no longer be achieved. We have refreshed all previous financial assumptions, including identifying new saving proposals, to ensure a sound base for the development of this MTFS.

20.4 Importantly, it is proposed that further significant growth is built into the Children's and Adults, recognising the pressures on these services. The updating of savings proposals, provision for pressures and maintenance of the Council's capacity to deal with budget issues via the BRR and if needs be other reserves, makes the proposed budget adequately resilient.

20.5 As I have sought to make clear throughout this report, the council should be concerned at the remaining size of the structural funding gap remaining beyond 2019/20 and continue to identify and approve new solutions at pace. Furthermore, senior officers and Cabinet it needs to ensure that the 2019/20 agreed budget reduction proposals are delivered in accordance with the agreed profile to avoid the further need to draw down on balances or to increase further the gap in future years.

Assistant Director of Corporate Governance Comments

20.6 The Local Authorities (Standing Orders) (England) (Regulations) 2001 and the Budget and Policy Framework Procedure Rules at Part 4 Section E of the Constitution, set out the process that must be followed when the Council sets its budget. It is for the Cabinet to approve the proposals and submit the same to the Full Council for adoption in order to set the budget. However, the setting of rents and service charges for Council properties is an executive function to be determined by the Cabinet.

20.7 The Council must ensure that it has due regard to its Public Sector Equalities Duty under the Equalities Act 2010 in considering whether to adopt the recommendations set out in this report.

20.8 Where detailed savings proposals are yet to be developed, the Cabinet will need to ensure that where necessary, consultation is carried out and equalities impact assessments are undertaken, and the outcomes of these exercises inform any final decisions.

Equalities Comments

20.9 Haringey council has a consistent approach to equality analysis across service areas and ensures that the impacts of individual budget decisions on legally protected groups are evaluated.

20.10 The Equality Act 2010 places a 'General Duty' on all public bodies to have 'due regard' to:

- Eliminating discrimination, harassment and victimisation and any other conduct prohibited under the Act

- Advancing equality of opportunity between those with 'protected characteristics' and those without them

- Fostering good relations between those with 'protected characteristics' and those without them.

20.11 The 'protected characteristics', as determined by the Equality Act 2010, are: age, disability, ethnicity, gender, gender reassignment, marriage civil partnership, pregnancy, maternity, sexual orientation, religion or belief.

20.12 In addition, the Council complies with the Marriage (same sex couples) Act 2013.

20.13 Haringey Council also has a 'Specific Duty' to publish information about people affected by our policies and practices.

20.14 By law, our assessment of the impact of policy/procedure/practice on equality must:

- Contain enough information to enable the Council to demonstrate it has due regard for the aims of the equality duty in its decision making

- Consider ways of mitigating or avoiding any adverse impacts

20.15 EqIAs need to be proportionate to the decision being made, hence all proposals for, or changes in, policy, practice, procedure or projects are screened to establish whether a full EqIA is needed to inform the decision taker.

20.16 Further detail on EqIAs in Haringey Council, including contextual information, published EqIAs and how to complete an EqIA, is available on the Haringey website.

Equalities profile of Haringey

20.17 The total population of the borough is 254,926 according to the 2011 Census.

20.18 In terms of equality, demographics break down as follows:

Gender:

- There is a relatively equal gender split in Haringey, just over half of the population is female (50.5%), in line with England and London

Age:

- Haringey has a relatively young population with a quarter of the population under the age of 20

- 91% of the population is aged under 65 (89% London; 83% England)

Ethnicity:

- Haringey is the 5th most ethnically diverse borough in the country. Over 65% of residents come from non-White British communities (55% for London; 20% England)

- The proportion of non-White British communities varies across the different wards from 35.2% in Muswell Hill to 83.4% in Northumberland Park

Religion:

- Haringey is one of the most religiously diverse places in the UK

- The most common religion was Christianity, accounting for 45% of residents (London 48.4%; England 59.4%)

- The next most common religions were Muslim (14.3%) - higher than London (12.3%) - and Jewish (3%)

- Haringey had a lower percentage of residents who were Hindu (1.8%) and Sikh (0.3%) than London (5.0% and 1.5%, respectively)

- A quarter of Haringey residents stated that they did not have a religion, higher than London (20.7%)

Disability:

- 14% of residents have a long-term health problem that limits their day to day activity, lower than England but in line with London

- 5.7% of residents report being in bad health, slightly higher than England and London

Marital Status and Civil Partnership

- Haringey has a higher proportion of couples in a registered same sex civil partnership than England and London: 0.6% or 1,191 residents (London 0.4%; England 0.2%)

Sexual Orientation

- As per the ONS Integrated Household Survey, 3.2% of London residents aged 16 or over identified themselves as lesbian, gay or bisexual in 2013. In Haringey this would equate to 6,491 residents

20.19 Further detail on the equalities profile of Haringey is available on the Haringey website .

20.20 In line with the Equality Act 2010 and in order to ensure that proposed budget reductions do not have a negative impact on equality within Haringey, the Council has completed the following process when developing the Budget and associated savings:

- The Council **has focused as far as possible on achieving savings through efficiencies and income generation**. In doing so, the aim has been to minimise cutting frontline services.

- The Council has evaluated the **impact of MTFS proposals following the appropriate equality impact assessment (EqIA) process**, conducting equalities screenings and full EqIAs where applicable

- For MTFS proposals **where full EqIAs have been applicable and so potential impacts on equalities been identified, a range of mitigation actions have been proposed to compensate for such potential impacts**

- In addition, the Council is **seeking to minimise the burden on those who can least afford to pay through the annual review of Fees & Charges, and revisions to the Council Tax Reduction Scheme**

- **The Borough Plan 2019/2023 explicitly addresses inequality through its Equality Principles and Objectives section**. In addition, a wide range of outcomes and objectives within the different priority areas explicitly take these principles forward.

Review of Fees and charges

20.21 Every year the Council reviews the level of fees and charges levied on service users. Where increases were proposed for 2019/20, relevant services conducted equality screenings on their proposals. In a few instances, the equality screenings identified small impacts and proposed satisfactory mitigating actions. In only one case the initial screening pointed at the possibility of the proposal impacting on the Council's Equality Duty and therefore the relevant service carried out a full EqiA. In this case the assessment demonstrated the policy was robust and there was no potential for discrimination or adverse impact.

Council Tax Reduction scheme

20.22 Following the abolition of Council Tax Benefit by the then Conservative-Lib Dem coalition UK Government in 2013, many of the lowest income households in Haringey became liable to pay at least 19.8% of the Council Tax charge according to the band in which their property falls.

20.23 In response to the abolition of Council Tax Benefit at a national level, local Council Tax Reduction Schemes have been developed by individual local authorities. Haringey Council developed its own Council Tax Reduction Scheme (CTRS) in 2012/13 and decided to protect working-age claimants on a prescribed disability-related or disability premium. Those working age claimants received the same maximum level of CTR as those of pensionable age (100%).

20.24 As an enactment of the new administration's commitment in 2018 to redistribute the burden of Council Tax, Haringey Council has amended its 2019/20 CTRS in order to provide more financial support to working age claimants with children and so re-instating extra support for over 6,000 families in Haringey on low income.

20.25 The Council's preferred option going forward which was approved by Full Council in Feb 2019, is to:

i. Increase the maximum level of Council Tax Reduction from 80.2% to 100% for working age claimants with children

ii. Update the CTRS to align with some national welfare changes.

20.26 The maximum level of Council Tax Reduction would continue to be 100% for pensioners and working age claimants in receipt of disability related benefits, as it is under the existing CTRS.

20.27 An EqiA on the proposal demonstrated there was no potential for discrimination or adverse impact.

Council Tax Increase

20.28 Haringey Council is proposing to increase council tax by 2.99% from 2019/20 in order to create an additional £3m to deliver local services. For the previous nine years council tax had been frozen, except for a precept for the previous three years specifically to fund adult social care. Because council tax proportionately affects those with the lowest income, the Council is proposing to extend the CTRS to 100% for its least well-off families with children as detailed above in section 2.3.

Borough Plan 2019-2023: Equality Principles

20.29 The Borough Plan 2019-2023, to be published in February 2019, sets the organisational priorities for the next four years. In addition to these, the Plan presents a set of Equality Principles reflecting Haringey Council's commitment to the principles of equality and opportunity, fairness and quality of life for all, both in terms of the work carried out with the community and in the role as an employer.

20.30 These principles establish that the Council will challenge discrimination, support people with protected characteristics, promote equality of opportunity, monitor and assess the impact of Council's activity on equalities, and ensure the requirements of the Equality Act 2010 are well communicated in the borough. The principles run through everything the Council does.

20.31 More detail on the Equality Principles and Objectives and the full draft Borough Plan is available on the Haringey website[2].

21 Use of Appendices

Appendix 1 – General Fund Revenue MTFS 2019/20-2023/24

Appendix 2 – HRA Revenue Budget 2019/20

Appendix 2A – Detailed Summary of 2019/20 Service Charges

Appendix 3 – General Fund MTFS Capital Programme 2019/20-2023/24

Appendix 4 – HRA Capital Programme 2019/20

Appendix 5 – Dedicated Schools Budget 2019/20

Appendix 6 – General Revenue Budget 2019/20

Appendix 7 – Overview and Scrutiny Committee Recommendations and Proposed Response (**To Follow**)

Appendix 8 – Summary of Consultation Responses

Annexe 8A – Haringey Business Alliance Response

Annexe 8B – Haringey Defend Council Housing Response

Appendix 9 – Detailed Summary of MTFS Budget Reductions

Appendix 10 – Calculation of 2019/20 Council Tax Base

Appendix 11 – Flexible Use of Capital Receipts Policy

[2] Haringey Council. 2019. *Borough Plan 2019-2023 - Consultation*. [ONLINE] Available at: https://www.haringey.gov.uk/local-democracy/policies-and-strategies/borough-plan-2019-2023-consultation. [Accessed 11 January 2019].

Appendix 12 – Equalities Impact Assessment (EqIA) Report

Annexe 12A – Detailed Summary of Budget Reduction EqIAs

Annexe 12B – Completed Full EqIAs Proformas - http://www.minutes.haringey.gov.uk/documents/s106964/Annexe%2012B%20-%20Full%20EqIAs%20for%20Budget-MTFS.pdf

22 Local Government (Access to Information) Act 1985

22.1 Background papers are as follows:

- Budget reduction proformas - http://www.minutes.haringey.gov.uk/mgAi.aspx?ID=59349

22.2 For access to the background papers or any further information, please contact Oladapo Shonola, Lead Officer – Budget and MTFS; Frances Palopoli, Head of Corporate Financial Strategy & Monitoring

HARINGEY GENERAL FUND BUDGET 2019/20 AND MEDIUM TERM FINANCIAL PLAN 2019/24 **Appendix 1**

	2018/19 Budget	Movement	2019/20 Projected	Movement	2020/21 Projected	Movement	2021/22 Projected	Movement	2022/23 Projected	Movement	2023/24 Projected
Services	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Priority 1	54,525	3,786	58,310	(1,382)	56,928	(90)	56,838	0	56,838	0	56,838
Priority 2	79,241	3,071	82,312	(3,111)	79,201	(6)	79,196	39	79,235	(100)	79,135
Priority 3	27,920	(1,268)	26,652	(1,765)	24,887	(600)	24,287	(70)	24,217	(70)	24,147
Priority 4	4,716	(3,543)	1,173	335	1,508	0	1,508	0	1,508	0	1,508
Priority 5	19,833	(945)	18,888	(708)	18,180	(573)	17,606	0	17,606	0	17,606
Priority X	38,281	(2,477)	35,805	(1,949)	33,856	(25)	33,831	(6)	33,825	(6)	33,819
Non Service Revenue	25,594	(2,066)	23,528	12,348	35,876	5,721	41,597	9,406	51,003	7,906	58,909
Further Savings to be identified	0	(0)	(0)	(13,171)	(13,172)	(811)	(13,983)	(4,112)	(18,095)	(2,375)	(20,470)
Contribution from Reserves and Balances	0	(5,487)	(5,487)	5,487	0	0	0	0	0	0	0
Total Budget Requirement	**250,110**	**(8,929)**	**241,182**	**(3,917)**	**237,265**	**3,615**	**240,880**	**5,257**	**246,137**	**5,355**	**251,492**
Funding											
New Homes Bonus	(2,736)	195	(2,541)	341	(2,200)	0	(2,200)	0	(2,200)	0	(2,200)
Adult Social Care Grant	(718)	718	0	0	0	0	0	0	0	0	0
Revenue Support Grant	(30,202)	30,202	0	0	0	0	0	0	0	0	0
Council Tax	(101,917)	(3,914)	(105,831)	(1,370)	(107,201)	(3,162)	(110,363)	(3,257)	(113,620)	(3,355)	(116,974)
Retained Business Rates by Pool	(20,729)	(15,755)	(36,484)	4,048	(32,436)	457	(31,980)	(500)	(32,480)	(500)	(32,980)
Top up Business Rates	(56,702)	(8,494)	(65,196)	31	(65,165)	(895)	(66,060)	(1,500)	(67,560)	(1,500)	(69,060)
Total Main Funding	**(213,004)**	**2,952**	**(210,052)**	**3,050**	**(207,002)**	**(3,601)**	**(210,602)**	**(5,257)**	**(215,859)**	**(5,355)**	**(221,214)**
Public Health	(20,209)	532	(19,677)	0	(19,677)	0	(19,677)	0	(19,677)	0	(19,677)
Other core grants	(16,897)	5,444	(11,453)	866	(10,586)	(14)	(10,601)	0	(10,601)	0	(10,601)
TOTAL FUNDING	**(250,110)**	**8,929**	**(241,182)**	**3,917**	**(237,265)**	**(3,615)**	**(240,880)**	**(5,257)**	**(246,137)**	**(5,355)**	**(251,492)**

Appendix 2

HRA Revenue MTFS (2019 – 2023/24)

Housing Revenue Account (HRA) 5 Yr Budget	2019-20 £'000	2020-21 £'000	2021-22 £'000	2022-23 £'000	2023-24 £'000	Total £'000
Income						
Dwellings Rent Income	(79,648)	(82,188)	(86,583)	(92,096)	(96,684)	**(437,199)**
Void Loss	557	574	608	644	681	**3,064**
Hostel Rent Income	(2,299)	(2,358)	(2,418)	(2,481)	(2,545)	**(12,101)**
Service Charge Income	(11,140)	(11,385)	(11,887)	(12,513)	(13,005)	**(59,930)**
Leaseholder Income	(6,842)	(7,085)	(7,327)	(7,569)	(7,817)	**(36,640)**
Other Income (Garages /Aerials/Interest)	(1,913)	(1,913)	(1,913)	(1,913)	(1,913)	**(9,565)**
Total Income	**(101,285)**	**(104,355)**	**(109,520)**	**(115,928)**	**(121,283)**	**(552,371)**
Expenditure						
Repairs	20,020	20,454	21,356	22,480	23,365	**107,676**
Housing Management	20,461	20,904	21,826	22,975	23,880	**110,046**
Housing Demand	1,879	1,879	1,879	1,879	1,879	**9,395**
Management Fee (HfH)	**42,361**	**43,237**	**45,061**	**47,333**	**49,124**	**227,116**
Estates Costs (Managed)	8,834	9,011	9,191	9,375	9,563	**45,974**
Provision for Bad Debts (Tenants)	724	734	752	774	793	**3,777**
Provision for Bad Debts (Leaseholders)	18	18	19	20	20	**95**
Total Managed Expenditure	**9,576**	**9,763**	**9,962**	**10,169**	**10,376**	**49,846**
Other Costs (GF Services)	3,626	3,699	3,773	3,848	3,925	**18,871**
Other Costs (Property/Insurance)	1,983	2,023	2,063	2,104	2,146	**10,319**
Capital Financing Costs	10,594	12,388	17,769	21,597	24,769	**87,117**
Capital Financing Costs (Debt Repayment - RTB)	1,278	1,364	1,247	1,330	1,417	**6,636**
Contribution to Major Repairs (Depreciation)	15,506	15,761	18,706	20,330	21,499	**91,802**
Revenue Contributions to Capital	16,361	16,119	10,939	9,217	8,028	**60,664**
Total Expenditure	**101,285**	**104,355**	**109,521**	**115,928**	**121,283**	**552,371**
HRA (Surplus) / Deficit	(0)	(0)	0	0	0	0

Appendix 2A

Proposed Tenants' Service Charges (2019/20)

Tenants' service charges	Current Weekly Charge 2018/19	Proposed Weekly Charge 2019/20	Increase/ (decrease)	Draft Budget 2019/20
Concierge	£15.64	£16.80	£1.16	£1,667,700
Grounds Maintenance	£2.77	£3.05	£0.28	£1,433,000
Caretaking	£4.02	£4.30	£0.28	£1,648,300
Street Sweeping	£4.42	£5.12	£0.70	£2,186,700
Integrated Reception Service (Digital TV)	£0.77	£0.77	£0.00	£348,200
Estates Road maintenance	£0.57	£0.58	£0.01	£270,500
Light and Power (Communal Lighting)	£2.39	£2.40	£0.01	£1,097,900
Gas (Elderly Person)	£9.59	£9.75	£0.17	£191,400
Gas (Not Elderly Person)	£9.17	£9.33	£0.16	£52,800
GLC Heating	£10.49	£10.67	£0.18	£33,800
District Heating 6	£9.38	£9.54	£0.16	£500
Oil/Electricity (Elderly Person)	£7.50	£7.63	£0.13	£15,400
TV aerial maintenance	£0.18	£0.31	£0.13	£138,900
Door entry system maintenance	£0.63	£0.89	£0.26	£334,000
Sheltered housing cleaning service	£2.06	£1.77	-£0.29	£84,000
Good neighbour cleaning service	£1.00	£1.28	£0.28	£28,400
Window cleaning	£0.50	£0.55	£0.05	£38,300
Converted properties cleaning	£1.02	£1.93	£0.91	£74,800
Total Property Charge Income				**£9,644,600**
Sheltered Housing Charge	£28.31	£28.31	£0.00	£1,100,400
Good Neighbour Charge	£12.64	£12.64	£0.00	£388,500
Additional Good Neighbour Charge	£2.76	£2.76	£0.00	£6,100
Total Support Charge Income				**£1,495,000**
Tenants' Service Charge Income Budget - 2019/20				**£11,139,600**

Capital Programme 2019/20 - 2023/24		2019/20	2020/21	2021/22	2022/23	2023/24	Overall Total
SCHEME REF	SCHEME NAME	£,000	£,000	£,000	£,000	£,000	£,000
Priority One (Childrens)							
103	Primary Sch - new places	162	39	-	-	-	201
110	Devolved Sch Capital	531	531	531	531	531	2,655
114	Secondary Sch - mod & enhance (Inc SEN)	3,552	4,200	750	110	-	8,612
104	Early years	93	93	-	-	-	187
109	Youth Services	14	-	-	-	-	14
101	Primary Sch - repairs & maintenance	1,030	1,000	1,000	1,000	1,000	5,030
102	Primary Sch - mod & enhance (Inc SEN)	5,970	4,800	5,355	1,525	1,480	19,130
115	Secondary Estate Mixed Development - Fortismere Sec Sch Dev	400	10,050	10,050	5,400	10,000	35,900
Total - Priority One (Children's)		11,752	20,713	17,686	8,566	13,011	71,729
Priority Two - Adults							
201	Aids, Adap's & Assistive Tech -Home Owners (DFG)	2,193	2,193	2,193	2,193	2,193	10,965
211	Community Alarm Service	177	177	177	177	177	885
216	Homelessness Hub	100	-	-	-	-	100
208	Supported Living Schemes	1,500	1,500	1,500	1,500	-	6,000
209	Assistive Technology	500	500	500	500	-	2,000
213	Canning Cresent Assisted Living	500	4,200	1,750	250		6,700
214	Osborne Grove Nursing Home	500	1,500	6,000	2,250	500	10,750
215	Hornsey Town Hall Supported Living	250	1,750	-	-	-	2,000
Total - Priority Two (Adults)		5,720	11,820	12,120	6,870	2,870	39,400
Priority Three - Environment & Neighbourhoods							
309	Local Implementation Plan(LIP)	2,500	2,500	2,500	2,500	2,500	12,500
310	Developer S106 / S278	750	750	750	750	750	3,750
301	Street Lighting	1,300	1,300	1,300	1,300	1,300	6,500
302	Borough Roads	4,189	3,689	3,689	3,689	3,689	18,945
303	Structures (Highways)	394	-	-	-	-	394
304	Flood Water Management	590	620	650	680	710	3,250
305	Borough Parking Plan	322	-	-	-	-	322
311	Parks Asset Management:	300	300	300	300	300	1,500
313	Active Life in Parks:	230	230	230	230	230	1,150
314	Parkland Walk Bridges	1,000	1,000	-	-	-	2,000
316	Asset Management of Council Buildings	4,326	1,991	651	331	381	7,680
322	Finsbury Park	600	600	600	600	600	3,000
307	CCTV	2,109	-	830	1,000	200	4,139
319	Bull Lane MUGA	2,520	1,080	-	-	-	3,600
323	Parking Strategy	1,000	1,000				2,000
325	Parks Vehicles	720					720
Total - Priority 3 (Environment & Neighbourhoods)		22,850	15,060	11,500	11,380	10,660	71,450

Capital Programme 2019/20 - 2023/24		2019/20	2020/21	2021/22	2022/23	2023/24	Overall Total
Priority 4 - Growth & Employment							
421	HRW business acquisition	54,580	15,521	15,670	12,770	32,830	131,371
427	White Hart Lane Public Realm (LIP)	500	-	-	-	-	500
430	Wards Corner CPO	5,000	-	-	-	-	5,000
481	Strategic Investment Pot	1,750	1,400	2,650	-	-	5,800
434	Wood Green Regeneration	100	-	-	-	-	100
435	Wood Green Station Road	120	-	-	-	-	120
438	Vacant possession Civic Centre	72	-	-	-	-	72
444	Marsh Lane	821	9,323	4,700	266	-	15,110
447	Alexandra Palace - Maintenance	470	470	470	470	470	2,350
464	Bruce Castle	1,000	500	4,000	6,000	8,500	20,000
472	JLAC Match Fund	500	500	-	-	-	1,000
475	Tottenham Green Public Realm Scheme Phase 2	-	156	-	-	-	156
477	Strategic Regeneration & Community Assets	3,000	3,000	-	-	-	6,000
411	Tottenham High Rd & Bruce Grove Stn	150	-	-	-	-	150
474	Tottenham High Road Strategy	1,638	5,402	3,980	1,027	1,027	13,074
480	Wood Green Regen (2)	2,997	4,632	5,901	12,141	13,610	39,279
401	Tottenham Hale Green Space	4,990	5,946	900	2,680	600	15,116
402	Tottenham Hale Streets	9,017	7,683	5,097	1,363	450	23,609
429	Site Acq (Tott & Wood Green)	10,000	8,867	-	-	-	18,867
452	Low Carbon Zones	15	-	-	-	-	15
465	District Energy Network (DEN)	800	-	1,500	6,500	3,500	12,300
470	Wood Green HQ, Library & Customer Service Centre	950	2,400	6,000	8,400	10,000	27,750
482	Strategic Property	19,640	680	1,273	254	3	21,850
Priority 4 - Growth & Employment		118,110	66,480	52,140	51,870	70,990	359,590
Priority Five - Housing							
514	Notting Hill Housing Group (4 Ashley Road)	2,970	-	-	-	-	2,970
509	CPO - Empty Homes	650	1,000	1,000	1,000	1,000	4,650
510	Temporary Accommodation Acquisition Programme	25,000	4,409	-	-	-	29,409
512	Wholly Owned Company	5,000	8,000	8,000	8,000	8,000	37,000
513	54 Muswell Hill Flats	712		-			712
Total - Priority 5 (Housing)		34,332	13,409	9,000	9,000	9,000	74,741
Priority X - Enabling							
604	Continuous Improvement	950	950	950	950	950	4,750
606	Hornsey Library Refurbishment	1,882	-	-	-	-	1,882
621	Libraries IT and Buildings upgrade	1,056	25	85	-	-	1,166
698	Responsiveness Fund	2,000	-	-	-	-	2,000
699	P6 - Approved Capital Programme Contingency	1,500	-	-	-	-	1,500
607	Financial Management System Replacement	-	350	2,000	650		3,000
622	FOBO Programme	500	500	500	-	-	1,500
639	Ways of Working	252	255	255	-	-	762
Total - Priority 6 (Enabling)		8,140	2,080	3,790	1,600	950	16,560
Total General Fund Capital Programme		200,904	129,562	106,236	89,286	107,481	633,469

HRA Capital Budget (2019/20 – 2023/24) Appendix 4

Capital Investment	2019-20 £'000	2020-21 £'000	2021-22 £'000	2022-23 £'000	2023-24 £'000	Total
Existing Stock Investment (Haringey Standard)	52,293	56,532	57,663	58,816	59,992	285,296
New Homes Build Programme	1,890	11,246	180,590	27,714	26,036	247,476
New Homes Acquisitons	0	51,479	126,962	149,784	104,812	433,037
Total Capital Investment	**54,183**	**119,257**	**365,215**	**236,314**	**190,840**	**965,809**
Capital Investment Financing						
Grants (GLA Bid)	228	8,100	43,462	11,068	0	62,858
Grants (Additional Bid)	0	6,848	16,064	22,428	17,276	62,616
Major Repairs Reserves	15,506	15,761	18,706	20,330	21,499	91,802
Revenue Contributions	16,361	16,119	10,939	9,217	8,028	60,664
Balances & Reserves	4,439	0	0	0	0	4,439
Leaseholder Contributions to Major Works	2,551	2,656	2,709	2,763	2,818	13,497
LLR Disposals (at cost)	0	8,600	69,805	41,570	13,401	133,376
Market Sales Receipts (at cost)	0	0	22,921	0	20,676	43,597
Borrowing	15,098	61,173	180,609	128,938	107,142	492,960
Total Capital Financing	**54,183**	**119,257**	**365,215**	**236,314**	**190,840**	**965,809**

5 Year Capital Programme Details:

Works/Projects	2019/20	2020/21	2021/22	2022/23	2023/24	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Boilers	3,640	3,719	3,793	3,869	3,946	18,967
Mechanical and Electrical	1,249	1,063	1,084	1,105	1,128	5,628
Lifts	210	212	217	221	226	1,086
Health & Safety/Structural works	2,602	2,656	2,709	2,764	2,819	13,550
Health & Safety/Structural works	229	234	238	243	248	1,192
Health & Safety/Structural works	1,560	1,594	1,626	1,658	1,691	8,129
Professional Fees	390	381	388	396	404	1,958
Health & Safety/Compliance works	**9,880**	**9,858**	**10,055**	**10,256**	**10,461**	**50,511**
Capitalised voids	520	531	542	553	564	2,710
High value voids	522	531	542	553	564	2,712
Internal works programme	5,833	5,950	6,069	6,190	6,314	30,357
Noel Park	4,689	4,781	4,877	4,974	5,074	24,395
External/communal	27,719	31,648	32,281	32,927	33,586	158,162
Professional Fees	1,674	1,744	1,779	1,815	1,851	8,864
Stock Investment Programme	**40,957**	**45,187**	**46,090**	**47,012**	**47,952**	**227,199**
Adaptations	**1,456**	**1,487**	**1,517**	**1,548**	**1,579**	**7,587**
Total Existing Stock	**52,293**	**56,532**	**57,663**	**58,816**	**59,993**	**285,297**
New Homes Build Programme	**1,890**	**11,246**	**180,590**	**27,714**	**26,036**	**247,476**
New Homes Acquisitons	**0**	**51,479**	**126,962**	**149,784**	**104,812**	**433,037**
Total Capital Programme	**54,183**	**119,257**	**365,215**	**236,314**	**190,840**	**965,809**

Appendix 5

Dedicated Schools Budget (2019/20)

Allocation agreed by Schools Forum	Proposed Budget 2019-20 (£'000)	Proposed Budget 2019-20 (£'000)
Amount distributed to Primary and Secondary Schools after de-delegation and central education services (former ESG)		**195,137**
Support for Underperforming Ethnic Minority Group	0	
Early Help	350	
Growth Fund	933	
ESG transferred to DSG - Statutory Education Welfare Service	172	
Attendance and Welfare Service	122	
Contingency for Schools in Financial Difficulty	179	
Trade Union Facilities Time - Primary	117	
Total De-delegation		**1,873**
Total budget allocation for Schools Block	**1,873**	**197,010**
ESG transferred to DSG - Other Statutory and Regulatory Duties	378	
School Standards	344	
LAC Placements	800	
Servicing of Schools Forum	10	
Admissions	300	
Governor Support	130	
Music & Performing Arts	168	
Support Costs	192	
CLA & MPA Licences	173	
Contribution to HNB	490	**2,985**
Total Central School Services Block		**2,985**
Funding for settings		
3 & 4 Year olds base rates	11,180	
3 & 4Year olds supplements	3,551	
3 & 4 Year olds Children Centres	527	
2 Year Olds Programme	2,745	
Early Years Pupil Premium	131	
Supplementary funding for Maintained Nursery Schools (MNS)	1,249	
Disability Access Fund	60	**19,443**
Centrally Retained budgets		
Early Years Quality Team	441	
EH Commissioning	228	
Support costs	16	
TU Representation	18	
Contingency	135	**839**
Total budget allocation for Early Years Block		**20,282**
Recoupment for SEN places from EFA	2,516	
High Needs Placement Funding (Maintained)	4,360	
Local Authority Services	1,900	
Alternate Provision Commissioning	1,634	
Independent & Voluntary Special Schools	5,718	
High Needs Top-up Funding	15,718	
SEN Contingency	1,300	
Early Years SEN	274	33,420
Centrally Retained budgets		
Attendance and Welfare Service	177	
Early Help	880	
Tuition Service	550	
Hospital educaction	220	
Support costs	800	
TU Representation	2	2,629
Total budget allocation for High Needs Block		**36,049**
Total Dedicated Schools Budget Allocation 2019/20		**256,326**

HARINGEY COUNCIL BUDGET PLAN TO MARCH 2020

	2018/19 (Orignal Cash Limit)	Unavoidable Growth	Pre-Agreed Savings	Additional Savings	Policy Priorities	Corporate Adjustments	Other Budget Adjustments	2019/20 (Draft Cash Limit)
Expenditure	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Priority 1	**54,525**	2,679		(1,602)	300	4,631	(2,222)	**58,310**
Priority 2	**79,241**	7,792	(2,510)	(2,000)	0	1,621	(1,832)	**82,313**
Priority 3	**27,920**	0	(900)	(1,665)	0	(539)	1,836	**26,652**
Priority 4	**4,716**	0	0	(600)	0	(1,043)	(1,900)	**1,173**
Priority 5	**19,833**	0	0	(1,070)	0	0	125	**18,888**
Priority X	**38,281**	0	(2,650)	(129)	0	(247)	549	**35,805**
Council Wide	**25,594**	0	0	0	1,100	(3,247)	80	**23,528**
Contribution to/(from) Reserves and Balances	**-**						(5,487)	**- 5,487**
Priority Total	**250,110**	**10,471**	**(6,060)**	**(7,066)**	**1,400**	**1,177**	**(8,850)**	**241,182**
Funding								
Core Grants	**(37,106)**						5,976	**(31,130)**
New Homes Bonus	**(2,736)**						195	**(2,541)**
Adult Social Care Grant	**(718)**						718	**-**
Revenue Support Grant	**(30,202)**						30,202	**-**
Council Tax	**(101,917)**						(3,914)	**(105,831)**
Retained Business Rates	**(20,729)**						(15,755)	**(36,484)**
Top Up Business Rates	**(56,702)**						(8,494)	**(65,196)**
Total Funding Available	**(250,110)**	**0**	**0**	**0**	**0**	**0**	**8,928**	**(241,182)**

Overview and Scrutiny Committee

Budget Scrutiny Recommendations

Children and Young People's Scrutiny Panel - Priority 1					
Ref	**MTFS Proposal**	**Further info requested by the Panel (if appropriate)**	**Recommendation**	**Cabinet Response Required**	**Cabinet Response**
PC2	Children in Need of Support and Protection and Children in Care, Quality Assurance, Early Help	Further details of the proposed budget reductions arising from the rationalisation of the management of Children's Centres	None.	No	
PC2	Reduce Operational Costs a) De-designing vacant social worker posts where support could be delivered by family support workers. e) Reducing the costs of running children's centres through reducing the management costs.	Further assurances were requested about whether proposals for the use of family support workers and reducing the management costs of running children's centres were realistic. Further information was also requested about the potential risks involved. The Committee were concerned about the level of risk that this could expose the Council to and were also concerned about the impact of reducing the number of managers and on standards of care.	Further information requested.	Yes	De-designating two vacant social worker posts in the No Recourse to Public Funds team is low risk, and the impact to families will be positive. Ongoing statutory social work support is seldom required as families are able to care for their children appropriately. There will continue to be social workers in the team who will complete an initial assessment of the family and if there are issues of significant harm or child protection there is a pathway to stepping cases back up for a social work intervention. The delivery of support by non-social work qualified staff is a very common approach in most other authorities. The Children's Centre re-structure does not reduce the number of posts but reduces costs as a result of a review of the posts and the way the operate. The revised arrangements for the management structure will strengthen consistency of approach across the three centres as each of the managers will have their areas of specialist focus such as childcare. This will drive continued improvement.

PC3	Reduce the cost of placements. e) Ensure that children with Special Educational Needs and disabilities placed in out of borough schools are receiving independent travel training to encourage independence where appropriate.	Concerns were raised about whether this saving was achievable and further information was requested about the potential risks involved in a reduction of the transport provision for vulnerable children.	Further information requested.	Yes	Generally, travel training is both important for good adulthood outcomes and long term cost savings and should be a focus for all young people with disabilities in the appropriate age groups (e.g. from year 6 and upwards where possible and definitely from year 10) unless there is a risk assessment that indicates that a child cannot have a travel buddy or be travel trained. Young people state that independent travel is their most commonly occurring high priority request if you ask what they want to do. Conversely this is often an outcome that parents feel naturally nervous about. To counteract this, we have introduced the summer travel training scheme, which forms part of the respite offer, and also travel buddies as an interim offer where appropriate.
Capital	Fortismere School	Further details of the proposal, including the amount of funding that would be required next year. The Committee requested that further information come back to OSC as well as Housing and Children's Panels.	There wasn't enough information available to scrutinise this proposal.	No	

Comments:	
Panel Members stated that they felt that the proposals within the MTFS appeared to be achievable and realistic. They also welcomed the transparent and collaborative approach and the income generation that was proposed.	

Adults and Health Scrutiny Panel – Priority 2

Ref	MTFS Proposal	Further info requested by the Panel (if appropriate)	Recommendation	Cabinet Response Required	Cabinet Response
PA1	Charging for Managed Account	The Equality Impact Assessment on the introduction of charges for the administration of Appointeeship clients to be provided. Further information to be provided on the proposed annual charges compared to the equivalent annual charges levied by broadly comparable local	None.	No	

		authorities. This should include any known evidence about whether charges by other local authorities have caused any financial harm to individuals.			
PA1	Charging for Managed Account	Clarification was requested on the cost of the charges involved.	Further information requested.	Yes.	See below
PA1	Charging for Managed Account		The Committee requests that Cabinet reconsider charges for Appointeeship clients, and the suitability of making savings in this area. It was felt that the cost of charges was very high and that these would disproportionately be met by residents receiving benefits.	Yes	For Appointeeships: • Only clients with savings will be charged. A maximum charge of £650 per year for those people with over £16,000 savings. • If client has no savings then the fee will not be applied. • It is proposed that those with savings below £1,000 will not be charged. • The implementation of the charge will be monitored so that people are not put at risk by the introduction of the charge. • The proposal is subject to consultation with service users and their representatives. • Safeguards exist to ensure no hardship is experienced as a result of these charges. For Self Funders: An individual has already been financially assessed to fund the cost of their own care, therefore they would have the financial means to fund a management fee.
PA5	Care Negotiation Activity and Adults Care Packages	Figures on the projected savings from this proposal to be clarified in writing. That information on potential risks to this proposal, including modelling of potential savings and the number of clients be provided.	None.	No	

PA5	Care Negotiation Activity and Adults Care Packages	Further assurances were requested about the potential impact on the level of care received by residents. The Committee requested further information about the risks and mitigations involved, as these were not picked up in the information provided to OSC. Once those savings have been made, how will people in semi-independent care and supported living settings be assessed - to ensure that they are in the correct setting and are receiving the care provision detailed within their care package?	Further information requested.	Yes	2019/20 = £116k 2020/21 = £344k Total = £460k The risks to this proposal are related to non-achievement of savings: • In negotiation, the levels of care commissioned and delivered are found to be in balance • Needs are found to have changed, with additional costs being identified to meet these needs • Savings made are marginal rather than fundamentally addressing the cost of the package All client's needs are reviewed annually as part of the statutory review process. Support packages may be amended if the client's needs have changed.
PA6	Transfer of High Cost Day Opportunities	That full details of the capital costs associated with this proposal be brought back to OSC during the 2020/21 budget setting process.	That consideration be given to the potential risk of the savings not being delivered to the amount and/or timescale projected. This was due to concerns that some service users and their carers/families may be deterred from returning to services in Borough because of a perception that this was being carried out as part of a budget reduction process with lower cost services. Consideration should be given to addressing these concerns.	Yes	Any re-design process is complex and the possibility of delay or slippage has been built in by not assuming any savings until 2020/2021 at the earliest. The co-design group being set up for this project will include users, carers and staff. This group will have the opportunity to raise and challenge the perception that the main driver for this project is cost. Historically, some out of borough packages are high cost and without local competition may remain higher than necessary. The redesign will focus on ensuring that services commissioned locally will meet identified levels of need. The co-design process will consider issues in the round including: value for money, reduced travel time, increasing the number of local day opportunity places in borough, increasing choice, improving outcomes, increasing variety. Engaging with users and carers early on should mitigate the potential risk of the proposal especially given that anxiety in carers has in the past unnecessarily been raised by other persons/groups not directly involved.

PA7	Sexual Health Projection	Further information requested from about how residents from hard to reach communities will be given the information around self-testing. How will the uptake of these services be measured?	Further information requested.	Yes.	Haringey has a variety of ways to self test; pharmacies, on line, outreach service. Hard to reach communities generally come to know about the services via Embrace UK or sexual health outreach service, through seeing a poster in the pharmacy or via the London HIV awareness campaign (do it London). We have a strong network of professionals who are trained up to talk about sexual health i.e. homeless agencies and BUBIC, faith leaders. Young people are likely to access self testing via partners like youth services who deliver the C Card scheme and via web-searching.
General Query	Care Package Savings. There were concerns about the carry forward of £2.4m of savings from 2018/19 in relation to care packages, which was in addition to a further £2m saving identified for 2019/20.	Concerns were expressed about the amount of money being taken out of this area. The Committee requested assurance from Cabinet about how these savings would be achieved and the feasibility of making those savings in light the amount of carried over savings from 2018/19.	Further information requested.	Yes.	Priority 2 have proposed total savings of £4.4m in 2019/20, made up of – • £2.4m ASC care packages – joint savings plans are being developed by heads of service for Adults, Learning Disabilities and Mental Health This is not a carry forward of unachieved savings but is pre-agreed saving from the previous MTFS. The new savings identified £2m for 2019/20 include: • £0.67m Public Health • £0.60m Housing-related Support • £0.12m charging for managed accounts • £0.14m fast-tracking financial assessments • £0.18m capitalisation of CAS • £0.12m in-house negotiator • £0.18m other ASC
General Query	That the impact of savings were being considered at a partnership level.	Assurances were requested from Cabinet that discussions were taking place with partners at a strategic level to ensure that joint funding arrangements with the CCG were fully considered. Assurances requested that any potential reduction in services wouldn't be disproportionately met by the Council.	Going forward, where CCG funding decisions impact on Adult Social Care or have a joint funding involvement, then this CCG budget will be scrutinised alongside the Councils budget by the Adults and Health Budget Scrutiny Monitoring meetings and then by OSC Budget Scrutiny.	Yes	We have a long history of working together to ensure that the financial pressures the public sector faces do not adversely impact on our residents. Our joint working (e.g. through the Better Care Fund Schemes) has not only helped reduce budgets it has also seen improvements in outcomes – for example the number of people being delayed in hospital has reduced considerably. There are major challenges ahead but our joint work on areas such as Community First, Locality Based Provision and Discharge to Assess, all seeks manage joint budget pressures whist improving the outcomes for our residents. On a practical level we have joint budget and savings plans with the CCG to ensure a joined up and cooperative approach to reducing costs, delivering VFM services and managing preventable demand.

					Any specific information required from the CCG should be addressed to the CCG, Director of Commissioning, Clare Henderson.
In relation to the capital budget, the relevant finance officer was not available at the panel meeting so instead there were a number of questions from the panel that officers agreed to follow up.					
Capital Scheme 213	Canning Crescent Assisted Living	Does the £6.7m allocated for this scheme include the CCG funding or is the CCG funding additional to this?	Further information requested.	Yes	The £6.7m is the estimated cost of completing the conversion works. This will in part be funded by the CCG grant of £0.95m, so it includes the CCG funding.
Capital Scheme 214	Osborne Grove Nursing Home	How has the allocation of £10.75m for this scheme been arrived at given that the feasibility study has not yet been completed? £200k of capital spend is identified for 2018/19 on the supplementary information sheet. What was this for?	Further information requested.	Yes	To derive a budget estimate an estimated per square metre rate for construction was used and it was multiplied by an estimated number of square metres. The £200k is to cover the cost of the feasibility study into the options for the OGHN.
Capital Scheme 215	Hornsey Town Hall	How many affordable housing units will be purchased, will these be managed by Homes for Haringey and on what terms is the affordable housing available to people? What is the breakdown of bedrooms for each of these housing units?	Further information requested.	Yes	Eleven (11) affordable homes will be purchased. They will be managed by Homes for Haringey, and we are currently considering whether they will be let as general needs Council homes or as specialist supported housing. The breakdown of the homes is one 3 bed flat and ten 1 bed flats; this mix is because of the complexities of designing within the confines of the listed building and already has full planning permission.

Environment and Community Safety Scrutiny Panel - Priority 3					
Ref	MTFS Proposal	Further info requested by the Panel (if appropriate)	Recommendation	Cabinet Response Required	Cabinet Response
PL1	Additional HMO Licensing Scheme for HMO	The Panel sought assurances from Cabinet that the additional HMO licensing scheme would be tenant focused and that the Council would monitor its impact on tenants, such eviction rates and homelessness.	Assurances requested.	Yes	The main aim of Additional HMO Licensing is to provide a safe, well managed environment for tenants to live. It is not the aim of licensing to displace tenants from their homes and there is no evidence from our previous schemes within Haringey or from working along-side borough partners who have scheme in place, that this is a concerning outcome of such schemes. We always try to work with our landlords when a situation arises that may cause a tenant or tenants to lose their tenancy. This only happens in cases were the tenant is living in overcrowded conditions or does not have adequate space or amenities to live comfortably and safe in the HMO. In these circumstances the tenant is usually being exploited by the landlord and it is with the best interest of the tenant/s that we apply our standards for such accommodation. In these cases a tenant would never be forced to move with no notice (unless they were at imminent risk and then there would be measures in place with our own services to assist with alternative accommodation). The landlord is always advised that a tenant can remain until the natural end of their tenancy to prevent unnecessary sec 21 eviction proceeding and to give tenants time to find alternative accommodation. In many situations the officers will work with landlords to try and reconfigure existing properties to continue to accommodate the number tenants that they have residing at a property. Through connected communities funding we have employed two housing needs officers whose role it will be to work alongside landlords and tenants to provide early interventions such as housing advice, guidance and legal advocacy when needed, to help to maintain/ sustain tenancies. These officers will support tenants who face difficulties with their tenancies (can't pay their rent, having problems with other tenants etc) and signpost if needed to

					other services for support. They will support landlords who have difficult tenants to offer mediation and education to tenants who maybe causing anti-social behaviour or nuisance to prevent landlords evicting in order to solve the problem
PL1	Additional HMO Licensing Scheme for HMO	Further information was requested on how the Council would meet the stated income targets for the HMO licensing scheme, including a breakdown of the financial profiling used.	None.	No	
PL11	Flexible Police resources		That Cabinet reconsider the proposed saving in relation to flexible police resources. In particular, consideration should be given to whether this would have a disproportionate impact on the east of the borough, which had a higher number of victims of crime. Cabinet should also consider whether this proposal was reflective of the fairness agenda. The Panel felt that this saving proposal was contrary to the priorities identified in the new Borough Plan around tackling crime. Fear of crime was one of the main issues identified by residents as part of the consultation in response to the new Borough Plan.	Yes	The Flexible Police resources is a police partnership asset that can be specifically targeted, to areas of greatest need in terms of the impact on Haringey's residents and businesses. It can be considered that this proposal would have a disproportionate impact on the east of the borough, as the east has higher numbers of victims and perpetrators of crime. The Flexible Police resource represents 0.5% (6) of the total number of police officers (1200) in the North Area Basic Command Unit (Haringey & Enfield).

Housing and Regeneration Scrutiny Panel - Priorities 4 & 5					
Ref	**MTFS Proposal**	**Further info requested by the Panel (if appropriate)**	**Recommendation**	**Cabinet Response Required**	**Cabinet Response**

EC2	Reduction in consultancy budget.	More details on how much is spent on consultants altogether, including through capital costs.	That consideration be given to further reducing consultancy costs and that senior managers should always examine whether functions can be carried out another way rather than through consultants.	Yes	Across Housing, Regeneration and Planning, officers will only ever use consultants where it is the most appropriate and cost-effective means to achieve our objectives, for example because a particular professional specialist service is required, or if the requirement is one-off or short-term in nature. In all cases, officers ensure that consultant expenditure is being capitalised or reallocated wherever possible
EC5	Outdoor media advertising	More details on the cost of the consultancy work that has been carried out on this proposal. Information on how much other boroughs had been able to raise through similar outdoor advertising initiatives. The consultants have been carrying out a benchmarking study on this with findings expected to be available in January.	That consideration be given to whether it would be possible to obtain some advertising revenue in 2019/20. (Income is currently projected from 2020/21 onwards) That consideration be given to avoiding excessive street clutter when implementing the scheme. That Cabinet should also bring forward a robust policy on the nature of advertising that is permitted through Council controlled advertising space. The Council should follow the Mayor of London's policy around advertising, which prohibits junk food advertising.	Yes	A review by the Strategic Property Team has been completed of the potential for outdoor media income generation from our property estate. The income generation from regularising illegitimate advertising by tenants may yield minor additional revenue in 2019-20. The potential for major income generation from new advertising is not significant and only a handful of sites are thought to be suitable. The additional income would not be realised until 2020-21. The income generation target is similar to that achieved by other North London Boroughs but is not comparable with Central London boroughs
Capital Scheme 513	Muswell Hill Flats	N/A	That the flats should be used for social rent and not shared ownership as currently proposed.	Yes	The homes on 54/56 Muswell Hill cannot be changed to social rent – the possibility of this was previously investigated at the request of the new Administration. The Council bought them two years ago on a long lease of 999 years and it is a stipulation in that lease that they be used for shared ownership
N/A	N/A (General query)	More details on the overall Housing, Regeneration & Planning staffing budget.	None.	No	
N/A	General query – Commercial Property Portfolio.	More details on the current void rate and rental income from properties in the commercial portfolio.	There was the potential for significant expansion of the income stream from the Council's commercial property portfolio and achieving this	Yes	The existing MTFS projections for additional rental income from property for 2019-20 were mostly hypothecated to the additional cost of building the property team to pre HDV capacity. However, recruitment has already taken place and with capital programme commitment to improvements works to the stock we

			should be further up the Cabinet's agenda.		have identified that £500k additional income can be achieved against the portfolio in 2019-20, contingent on appropriate support from internal and external sources
Comments					
The Panel noted that they were not able to fully scrutinise the Capital section of the budget as Members felt that the information that they received did not contain sufficient detail.					
Overview and Scrutiny Committee – Priority X					
Ref	**MTFS Proposal**	**Further info requested by the Panel (if appropriate)**	**Recommendation**	**Cabinet Response Required**	**Cabinet Response**
N/A	N/A (General query)	Clarification on whether the capital spend on the IT and buildings upgrade was for buildings or for IT.	None.	No	
N/A	N/A (General query)	Further information to be provided on raising revenues through libraries, and the radical ways of working programme.	None.	No	
N/A	N/A (General query)	General concerns around last year's savings in relation to the decant of Alexandra House and the risks associated to a failure to let out Alexandra House.	None	No.	
N/A	N/A (General query)	Further information requested into progress against last year's saving around Shared Services and the loss of 100 posts. This information to come back to OSC.	Further information requested.	Yes	Will be reported back to a future O&S meeting

Overview and Scrutiny Committee – Cross Cutting Issues				
MTFS Proposal	**Issue/Area of Concern**	**Recommendation**	**Cabinet Response Required**	**Cabinet Response**
N/A (General query)	That further support be provided to Scrutiny Panel Chairs to ensure a robust approach to the ongoing monitoring and scrutiny of the MTFS and budget saving proposals.	Quarterly briefings be prepared for all panel chairs on priority performance, budget, risks and mitigation.	Yes	Quarterly budget monitoring reports are available for scrutiny by the relevant Overview and Scrutiny panel. Senior finance staff will be able to attend as required to clarify financial matters that arise.
N/A (General query)		That the Budget Monitoring Scrutiny process undertaken by the Chairs in the individual priorities and the OSC Budget Scrutiny process be re-examined in order to ensure that full Finance Officer support is available	Yes	Finance officer support will be available as outlined above.

Appendix 8

Budget Proposals 2019/20 – Consultation Report

Context

As part of the Medium Term Financial plan 2023/24, the Council put together options for consultation on how the council would meet the budget reductions required in order to achieve a balanced budget, linked to the priorities set out in the draft Borough Plan.

The purpose of consultation was to seek views of resident on our budget proposals for the short and medium term.

The consultation launched on 18 December 2018 and set out:

- Purpose of consultation – to seek views from residents and businesses, specifically the Haringey Business Alliance and the Chamber of Commerce.
- Our Budget – showing how much the Council was budgeted to spend in 2017/18, reductions in spend already made, and what we need to reduce further in coming years.
- Budget proposals, including proposals for specific services.

Consultation Activities

The consultation ran from 18 December 2018 to 20 January 2019.

Consultation Methods:

- Online questionnaire – promoted on the Council's website and social media platforms.
- Hard copy consultation booklet with questionnaire – the booklet outlined the council financial challenges and illustrated current budget. Proposals were put forward such as an increase in council tax, budget reductions required and intended savings over the next 5 years. Savings proposals were outlined across each of the services. This information was duplicated on the dedicated webpages on the council's website.

The Council publicised the consultation through a number of channels:

- The council specifically sought feedback from business representatives and the Haringey's Business Alliance and Chamber of Commerce were asked for their feedback on the councils proposals
- Press release – accompanied the launch of the consultation which was picked up by the Ham and High, Tottenham Community Press
- The Council's social media accounts (Facebook and Twitter) – regular updates to inform residents about the drop-in sessions and to encourage residents to share and participate in the consultation.
- The Council's website homepage – as a homepage feature on the carousel
- Local Library posters - Displayed prominently at reception desks and notice boards
- Haringey People magazine – Main news piece in the October/November edition. This is distributed to every household in the borough, including every household in receipt of Council Tax Reduction.
- Haringey People Extra newsletter Several news items to signpost people to the consultation web pages and to encourage them to respond to the consultation

- In-Haringey – a bulletin for council staff
- Partners and Stakeholder Newsletter
- Wider circulation – the consultation was communicated to the Haringey Business
- Alliance and Chamber of Commerce

Analysis of responses

The preferred method of responding to the consultation was through the Council's online questionnaire, which tallies with a majority of the Council's recent borough-wide consultations. Of the 49 responses to the consultation, only 1 response was received by post delivered to library receptions.

Equality Monitoring

The Council included an equality-monitoring questionnaire in the consultation. Of the 49 respondents, 41 of respondents chose to complete this section.

The findings of this section of the consultation questionnaire will be included in the Council's final Equality Impact Assessment.

Consultation Responses

Summary of findings

The consultation feedback indicated that many of the respondents had a good understanding of the Council's financial challenge. Overall, there was broad support for many of the proposals. Of the 49 respondents there were approximately 9 respondents who stated they were not in support of any of the proposals.

The main points raised throughout were in relation to the proposed increase in council tax, and the proposals on street cleanliness, children's services and adult social care.

The Haringey Business Alliance submitted their views on the budget proposals on 24th January 2019. Refer to appendix 3.

Break down by question

Q1. Which proposals do you support?

There were 35 individual responses received to this question, for nine of which the response was "none".

Some respondents commented on the difficulty of responding to the consultation without seeing more detail on the proposals, although it is unclear whether or not these respondents had read the full report available online that set out the detail for each of the budget reduction proposals.

Other comments:

- Council Tax increase – 6 respondents suggested they supported the proposal to increase council tax.
- Deletion of senior posts – the reduction in senior management and staffing from external consultants was supported where mentioned.
- Children's Services – "Reducing budget for children services will always be counter-productive." Many supported the additional funding into the pot.
- Adult services – "Whilst the council has a role to play in delivering adult support services I do not believe this should be at the sacrifice of a Safe & Clean Borough."

- Ward budgets – A couple of respondents who spoke about ward budgets said there was no need for them.
- HMO licensing - respondents supported this proposal.
- Regeneration – respondents did not support less funding for regeneration, stating that certain areas in the borough are in need of change

Q2. Are there any specific proposals you think we should not progress and why?

Of the 49 respondents 40 answered question 2. Two respondents said that they were unable to fully answer the question as they didn't understand what all the proposals meant.

The most common proposals respondents expressed their opposition to were:

- Council tax increase - Council tax should not rise because it will cause low income families and the elderly the most hardship.
- Reduction in street cleaning and rubbish collection – one respondent said any cuts to rubbish collections would seriously impact certain parts of the borough more, Tottenham is overrun with rubbish and the streets east of the borough have a ridiculous level of fly tipping and dumping.
- CPZ extensions – many people said they were against any more restrictions on parking in the borough. Some already struggle to pay for permits and visitor permits, also it is detrimental for local business whose customers cannot park anywhere.
- Housing cuts - Haringey has severe issues with housing, especially with standards in the private rented sector and the growing number of HMOs. How can you reduce the cost of temporary accommodation before providing more social housing?

Other points raised:

- None of them – suggesting that they did not support any of the budget proposals.
- Ward budgets - they mean a lot to local organisations, plus it is only a small amount overall but provides the ability to focus on local priorities – we need the ward budgets.
- Regeneration – one respondent said £3.8 million is a tiny sum going towards regenerating communities and this is where more money should be spent to address the neglect of areas. Run down areas will only lead to more crime.
- Children's Services - reduction in children's services, removal of 160 agency staff without the introduction of permanent staff is not acceptable.
- Adult Services - it is difficult to say without seeing the proposed redesign of Adult Social Care. Cutting Housing Support for adult services might leave vulnerable people without the day to day help they need to manage independently.
- Leisure centre concessions - should not be removed because they play an important role in diverting anti-social behaviour and keeping people healthy. This is especially important for communities in less affluent parts of the borough
- Gypsy and traveller – one respondent was concerned over the "undetailed" cuts to services for Gypsy, Traveller and Roma (GTR) people, another saying that the Council should not cut the Travelling People's Team. The last GRT needs assessment undertaken by Haringey identified real need. Haringey has one of the largest GRT populations in London. This service is vital. There is also a duty under the PSED to provide it

Q3. Are there any changes or proposals we haven't included that you think we should consider?

32 respondents chose to respond to the question. The majority of comments suggested methods of income generation the council should consider. Comments included:

- One wrote that bringing the ALMO, Haringey Homes, back into Haringey Council had previously been assessed as providing at least £500,000 in savings per year from the additional Chief Executive post and his Executive Assistants alone.
- Debt collection - collecting council tax from those that do not pay
- Fewer ward councillors
- More free parking in and around Wood Green, there seems to be plenty in Crouch End
- More prevention and strategy towards revenue raising rather than just cuts
- Private developers need to contribute more locally
- Increase business rates on betting shops - they exploit poverty
- Increase business tax
- Increase council tax on empty properties
- Weekly rubbish collections in Tottenham- the streets are filthy

Q4. In considering our proposals please let us know if you think there will be any specific equality impacts

30 respondents answered this question. Many of them suggested that the budget proposals would unfairly burden certain sections of Haringey residents. One respondent said that all cuts in resources would inevitably have an impact on vulnerable people. Points mentioned included:

- Regeneration - unfair to invest less in regenerating our poor areas; that's where the problem lies with crime and upset.
- Adult social care – further cuts would have a huge impact on the disabled and elderly.
- Leisure centre concessions - should not be removed. They play a very important role in diverting anti-social behaviour and keeping people healthy. This is especially important for communities in less affluent parts of the borough and also for less affluent communities.
- BAME residents – cuts would disproportionately affect these residents the most.
- Specific equality impacts pertain to Gypsy, Traveller and Roma groups with specific relation to intersectional issues, e.g. disabled, elderly, youth, pregnancy, gender, etc.
- The Travelling community will be greatly impacted by these proposals

Annexes

Annexe 8A Response from Haringey Business Alliance – Roger Ward (Chair)

Annexe 8B Response from Haringey Defend Council Housing

Annexe 8A

HARINGEY BUSINESS ALLIANCE

THE HBA RESPONSE TO:

"Your Haringey Your Future"

CONSULTATION PROCESS ON THE 2019/20 BUDGET & FINANCIAL STRATEGY 2023/24

INTRODUCTION

The Haringey Business Alliance recognises our Council's imperative to honour its key manifesto commitments within an increasingly tight set of budget parameters.

HBA welcomes the opportunity to participate in the Council's consultation exercise on its 2019/20 Budget and Financial Strategy up to 2023/24.

We do so in the spirit of constructive criticism.

HARINGEY'S BUSINESS BASE

Unlike any other London borough Haringey's business structures are dominated by micro, small, small to medium, and mostly independent shops, cafes, restaurants, retail and other business outlets. These sole trader and limited companies function primarily through our recognised town centre high streets. They combine to make up nearly 90% of Haringey's entire business sector.

HBA businesses are the essential economic heartbeat of our town centres in Wood Green, Turnpike Lane, Tottenham, Green Lanes, Highgate, Bruce Grove, Tottenham Hale, Hornsey, Stroud Green, Crouch End and Muswell Hill as well as the numerous groupings of shops adjacent to our main thoroughfares.

Haringey's business tax rates already generate 46% of our borough's total non-hypothecated income. HBA calculates that at least 70% of all business rate tax payers live within Haringey's borders. This means the majority of our business owners pay council tax as well as business rates. HBA businesses really do need to be recognised by Haringey Council leaders as key stakeholders in the borough's economy.

Not only do we pay two sets of tax to the Finance Department's coffers we also employ thousands of Haringey residents. We continually strive to expand our enterprises despite harsh economic circumstances. We could do even more with greater Council cooperation.

HBA businesspeople and their families are deeply embedded in virtually every aspect of our borough's broad and complex social, healthcare, religious, education, ethnic and economic amalgam. Everything in the Council's budget impacts upon some element of our lives in one way or another.

HBA business owners are investors in Haringey, and not solely in financial terms. We ask that the HBA response to the budget will be interpreted within this wider social context as well as the unique make up of our borough's business sector.

HARINGEY BUDGET METHODOLOGY

HBA recognises that each Director on the Council's Senior Management Team will have contributed their respective directorate's line by line entries into the budget process with the need to protect front line services uppermost in their minds.

We assume Haringey's SMT members will have signed off their directorate's submissions to the Chair of Finance, Finance Director and the Finance Department budget team officers using a variant of outcome based budgeting techniques. This would be in line with many other London boroughs planning for 2019/20 and beyond. Such a transparent approach will have involved detailed evidence based examination of how each Director can achieve their key outcomes with reduced resources against which progress can be regularly monitored.
The HBA would be pleased to learn how the Council will manage such monitoring procedures and whether results will be made available on a monthly or quarterly basis.

2019/20 BUDGET

Guiding Principles – HBA believes the guiding principles adopted in the budget preparation are appropriate in the circumstances. We assume they incorporate impact assessment criteria to examine the implications of outcome based budgeting techniques upon the borough's numerous

business classifications and sub-sets therein. In the unlikely event this is not the case please advise HBA officers accordingly.

Council Tax – HBA businesses note the increase in Council Tax after a nine year freeze. On balance we believe this is inevitable despite the fact that Haringey still has one of the highest sets of tax bands. HBA's responses to previous budget proposals regularly pointed out that instead of a freeze it may well have been wiser to raise this tax by smaller annual increments in order to benefit from the compound income multiplier effect.

Fees and Charges Additional Income Generation – HBA businesses pay substantial sums annually for a range of Council fees and service charges. We believe we already effectively fund many of these services through our business rates tax. We question the continued existence of this form of double taxation on Haringey's commercial, manufacturing, service and retail sectors. Please provide the HBA with a comprehensive list of each Council Directorates' current fees and charges levied against us so we may commence negotiations towards the ultimate elimination of this negative and regressive tax burden.

Summary – The HBA will follow progress on the budget's implementation and raise questions as and when appropriate.

2023/24 FINANCIAL STRATEGY

HBA assumes this will follow basic value for money guidelines when reviewing expenditure headings and exploring additional income sources. We anticipate that cost cutting, eliminating waste, maximising potential from the Council's own office block stock and commercial property portfolio as well as other efficiency improvements must continue across all service delivery points including the procurement and commissioning processes.

CONCLUSION

HBA seeks a practical and dynamic strategic approach to the economic revival of Haringey. One which reflects and underpins the new Council's decent social priorities. One in which our Council works with its business community in a programme of short, medium and long term strategic planning. One which promotes the employment of Haringey residents into Haringey job vacancies. One which uses the power of local authority procurement policies to support Haringey businesses. One which involves our Councillors in a regular and structured dialogue with their own ward's town centre business leaders and one which positively markets the benefits of working and investing in Haringey.

The HBA hopes Haringey's budget proposals and strategic planning will be reviewed by Cabinet and then the full Council from the point of view that a flourishing Haringey business sector should be actively encouraged and incentivised.

NOTE: Whilst the HBA Executive are confident the views expressed in this document are a fair and honest reflection of the HBA's diverse membership across small, medium and large businesses in Haringey the author accepts sole responsibility for its contents.
ROGER WARD. CBE, MSc, AfS, FRSA, FCIPD. HBA CHAIR. 19/01/2019

Annexe 8B

Response to Budget Consultation 2019/20 from Haringey Defend Council Housing

COUNCIL TENANT SERVICE CHARGES

We need proper consultation on council tenant service charges
There should be no increases in tenant service charges for 2019-20

1: Until 2014, Haringey Council consulted council tenants annually, on its proposed service charge amounts.

2: Since 2015, the Council has refused to do so. This year, the Council has refused even to advise us of what is being proposed, until the February Cabinet papers come out.

3: The Cabinet report of December 2018 claims that service charges simply reflect the cost of providing services which are not covered by the rent. This is not so, because economic costs can be calculated in many different ways; and because the tenant service charging agenda has provided a means for social landlords to increase their income at tenants' expense, despite government controls over the amounts of local authority gross rents.

4: The problem is that higher service charges are a key strategy of the neoliberal makeover of public services. The economists doing the costings work for organisations which have an interest in maximising their corporate incomes.

5: The interests of tenants are therefore neglected, and the voices of tenants are going unheard.

Even some High Service-chargers believe in Consultation

6: Housemark, the social housing consultancy jointly owned by the Chartered Institute of Housing and the National Housing Federation, has published two relevant documents. ***Managing Your Service Charges Effectively*** (2013) and ***Maximising Income From Service Charges*** which make the industry's approach to service charges very clear.
http://www.cih.org/resources/Consultancy/Maximising%20income2.pdf
http://www.cih.org/resources/PDF/ConsultCIH/ManagingYourServiceChargesEffectively.pdf

7: Although focused on maximising landlord income from tenants, ***Managing Your Service Charges Effectively*** gives 'ten top tips' to getting service charge management right (para 3.1).

8: The first of them is 'Involve tenants and leaseholders at an early stage in setting the service charges', and the last is 'consult individual tenants and residents as well as their recognised residents' association (under Section 29, Landlord and Tenant Act 1985).' We say, Haringey Council should adopt this best practice on consultation.

9: The same report also warns landlords that the Regulator of Social Housing expects local authorities to ensure that there are 'stronger tools for tenants to hold landlords to account', including on service charges; but in Haringey, why are we offered no way to hold our landlord to account?

Opportunistic Service Charging

10: Since the 'Price is Right' document of the then Labour government recommended the unpooling of service charges from social rents in 2002, these charges have been used by some social landlords in an opportunistic, un-monitored and under-researched bid to levy charges outside the rent, by 'service charging to the max'.

11: Other social landlords have chosen not to follow this route, and instead have avoided the complexities of multiple charges to their tenants. Service charging has not been automatic or unproblematic as council

officers claim, instead this has been a political choice; and some councils have avoided or minimised their service-charging activities.

Haringey has been one of the highest service charging boroughs

12: Haringey has been one of the highest service charging boroughs in the last 5 years. Haringey Council tenants pay the third highest service charges in London. Please see the attached dataset of median average charges, from CORE – the continuous recording of details of new social tenancies. Haringey has been in the top three, in each of the last five years that these figures have been published.

13: In 2017-18, on average, new tenants of Haringey Council paid £106.70 in weekly rent, and an additional £14.50 in service charges. Whereas, of the 27 London local authorities responding to CORE, 14 had median service charges lower than £8.00 weekly.

14: Service charges are paid disproportionately by tenants in flats, in high rise estates, and especially, in sheltered and supported accommodation. Where this writer stays, on the tenth floor, eligible service charges are 28.8% of the Net Rent in 2018-19. The proportion in supported housing is probably higher. Those are very high proportions to be refused consultation on.

15: When services were unpooled from Haringey Council rent accounts in 2003, we were told that this was not a hidden rent increase. Rents were decreased, and service charges were introduced to match. Tenants, we were told, would not lose out. After five years, we were told that overheads and back office costs had been miscalculated, and big increases were then pushed through. The average 2008 increase for Haringey Council net rent (rent and service charges) was 9.1%.

16: In 2017, Haringey Council warned its tenants on the Love Lane demolition estate of seven new or higher service charges after estate renewal.

17: In April 2018, Haringey Council tenants had the introduction of six new weekly service charges. These charges affected between 538 and 8,700 tenants in each case, and were set to bring in an additional landlord income of £598,000 in the first year.

Consultation works: the Council listens sometimes

18: In June 2008, eight additional service charges for things like sweeping and litter picking on bank holidays, more weeding of planted areas, and more weed spraying of paths. 7 of the 8 charges were not proceeded with, after consultation. It was clear that the landlord's concern was not to provide additional services, but to be able to charge for them; while the Council was unable to deliver adequately the services which we were already paying for.

Poverty research on Housing Costs

19: The report ***Housing in London: 2017***, The evidence base for the Mayor's Housing Strategy, states, 'Rents for new general needs social rent tenancies have risen rapidly in recent years. The average rent for a new social rented tenancy in London increased 43% between 2007/08 and 2015/16.'

20: A Joseph Rowntree Foundation report, ***The links between housing and poverty: An evidence review*** (2013) said, 'Low rents, such as council and housing association rents, make an important contribution to reducing the degree of 'housing cost induced poverty' and material deprivation amongst social tenants. Social housing is highly targeted on people with low incomes and has been shown to be the most 'pro-poor' and redistributive major aspect of the entire welfare state.'

21: The institute of Fiscal Studies report, ***Living standards, poverty and inequality in the UK: 2018***, shows that increasing social and affordable rents are a major source of higher housing costs for households with children in the lowest two income quintiles. From 2002-03 to 2016-17, social and affordable renters amongst

this group of households had higher increases in housing costs than either private renters or owner-occupiers.

22: We believe that when poverty researchers write about rising social sector rents, they really mean rising social and affordable Net Rents, including services charges. People in Haringey with low and uncertain incomes, and without savings or in debt, need council and social housing at the existing social rent regime, without excess service charging – and with democratic accountability, and proper consultation on any service charge increases.

Recommendations:

23: There should be no increases in tenant service charges for 2019-20.

24: The council should carry out a proper consultation on any changes in tenant service charges which may be proposed for 2019-20.

SCRAP HARINGEY COUNCIL'S SKY HIGH 'AFFORDABLE RENT'

25: As detailed on p66 of the December Cabinet reports pack, the Council has 15,160 social rent tenancies, and just 18 so-called 'Affordable Rent' tenancies, for which the rents are more than double Social Rents.

26: These are NOT intermediate tenancies aimed at those with somewhat higher incomes, instead they are an attempt by the Conservative-led government to replace and increase Social Rent, a project that the previous Council administration complied with by setting these rents at such sky-high levels in 2014.

27: The previous administration initially promised that these properties would be at Council Social Rent, but when costs were higher than expected, they jumped at the chance of imposing some of the highest council rents in London on a handful of properties.

28: These rents are not 'London Affordable Rent' which is £50pw/50% higher than Council social rent, they are 80% of market, and £100pw/100% higher than Council social rent.

29: The use of these high-rent tenancies is part of a government agenda of raising all council, social and affordable rents, with potentially devastating consequences of social exclusion, social cleansing, and poorer child and family welfare.

30: The annual cost of applying Council social rents to these 18 tenancies is an estimated maximum of £120,000 in a full year.

Recommendation:

31: Haringey Council should adopt a policy of Social Rent for all Council tenancies, including these 18 properties. Let us stand up and give a clear lead against creeping council, social and affordable rent increases, across London.

Detailed Summary of Budget Reduction Proposals

Summary of Savings Proposals: MTFS 2019/20 - 2023/24

Housing

Ref	Title	Category	Description	All Years Net Saving (All)	2019/20 Net Savings	2020/21 Net Savings	2021/22 Net Savings	2022/23 Net Savings	2023/24 Net Savings
				£'000	£'000	£'000	£'000	£'000	£'000
HO1	Temporary accommodation reduction plan	Other	Reduce TA costs, as detailed in the TA Reduction Plan. Proposals include initiatives to prevent homelessness, improve economic position of those in TA, and help support those in TA to move on. Revenue costs covered by the Flexible Homelessness Support Grant. Plan also includes proposals to increase supply of low cost TA through new purchase, repair and management joint venture partnership, and capital investment in new Community Benefit Society. Please note that due to the additional costs incurred due to unforeseen works at BWF, it may not be possible to meet the projected savings.	(2,201)	(920)	(708)	(573)	-	-
	Housing Totals			**(2,201)**	**(920)**	**(708)**	**(573)**	**-**	**-**

People (Children)

Ref	Title	Category	Description	All Years Net Saving (All)	2019/20 Net Savings	2020/21 Net Savings	2021/22 Net Savings	2022/23 Net Savings	2023/24 Net Savings
				£'000	£'000	£'000	£'000	£'000	£'000
PC1	Reduce the number of agency staff	Efficiency Saving	Reduce the the number of agency staff through delivering an effective recruitment and retention strategy.	(257)	(196)	(61)	-	-	-
PC2	Reduce operational costs	Efficiency Saving	Reduce operational costs through streamlining management and staffing and improving efficiency in teams	(597)	(347)	(250)	-	-	-
PC3	Reduce the costs of placements	Efficiency Saving	Reduce the costs of placements through an effective inhouse foster carer recruitment and retention strategy and through effective brokerage and negotiation of placements	(926)	(746)	(90)	(90)	-	-
PC4	Safeguarding and Social Care and Early intervention and preventing demand	Other	Prevent demand and costs through an effective prevention and intervention approach that means children and families are supported to avoid the care system and that where children are in care (particularly young adolescents) they are supported to return home safely wherever possible.	(290)	(290)	-	-	-	-
PC5	Increase income generation	Income Generation	Increase income through delivering services to schools and work with partners to ensure fair contributions to services for children.	(23)	(23)	-	-	-	-
	People (Children) Totals			**(2,093)**	**(1,602)**	**(401)**	**(90)**	**-**	**-**

People (Adults)

Ref	Title	Category	Description	All Years Net Saving (All)	2019/20 Net Savings	2020/21 Net Savings	2021/22 Net Savings	2022/23 Net Savings	2023/24 Net Savings
				£'000	£'000	£'000	£'000	£'000	£'000
PA1	Charging for Managed Accounts	Income Generation	Introduce an administration fee for setting up and maintenance of care packages for Appointeeships and Self Funders. the fee would be comparable to existing charges levied for Deputyship clients.	(120)	(120)	-	-	-	-
PA2	Fast tracking financial assessments	Efficiency Saving	Speed up the process of financial assessment so that charging starts as soon after the start of services as possible. The saving lies largely in reducing levels of debt and the costs of recovering overpayments rather than any additional costs to the user of this approach.	(140)	(140)	-	-	-	-
PA3	Capitalisation of CAS	Other	Capitalise the majority of the operating and equipment costs of the Community Alarms Service. Because installation of a CAS solution can be considered the provision or adaptation of fixed assets for the benefit of our residents, there is scope for capitalisation of associated spending within financial regulations	(177)	(177)	-	-	-	-
PA4	Housing Related support	Efficiency Saving	Fund housing advice and support currently provided from Adult Social Care budgets through the Flexible Homelessness Support Grant whilst we transform these services and create longer term, more sustainable funding routes over the next 3 years.	(600)	(600)	-	-	-	-

People (Adults) - continued

Ref	Title	Category	Description	All Years Net Saving (All)	2019/20 Net Savings	2020/21 Net Savings	2021/22 Net Savings	2022/23 Net Savings	2023/24 Net Savings
				£'000	£'000	£'000	£'000	£'000	£'000
PA5	In-House Negotiator	Efficiency Saving	Expand in house Care Negotiator capacity to work with providerson reducing the cost of care packages in relation to overcharging against service user needs.	(460)	(116)	(344)	-	-	-
PA6	Transfer of High Cost Day Opps	Efficiency Saving	Lease three ex-day centre premises to a local provider to support 15-20 service users at reduced cost, and closer to their existing support networks.	(540)	-	(525)	(15)	-	-
PA7	Public Health (Sexual Health)	Efficiency Saving	Realise savings based on efficiencies already achieved in the provision of open access sexual health services	(267)	(267)	-	-	-	-
PA8	Investment of drug and alcohol savings in preventative services for adults and families, targeting health inequalities	Efficiency Saving	Retendering of the three core substance misuse adult contracts has created savings, available from January 2019. Use these savings for investment in areas to improve health and wellbeing, with a split between cashable savings and investments in preventative services that reduce health inequalities	(600)	(400)	-	-	(100)	(100)
PA9	Further savings to be delivered by Adults Services	Efficiency Saving	Further action by service to reduce cost of adult social care over the next 5 years *(re-profiled existing savings)*	(720)	(180)	(180)	(180)	(180)	-
	People (Adults) Totals			**(3,624)**	**(2,000)**	**(1,049)**	**(195)**	**(280)**	**(100)**

Place

Ref	Title	Category	Description	All Years Net Saving (All)	2019/20 Net Savings	2020/21 Net Savings	2021/22 Net Savings	2022/23 Net Savings	2023/24 Net Savings
				£'000	£'000	£'000	£'000	£'000	£'000
PL1	Additional HMO Licensing Scheme for HMO	Income Generation	Extend the current Additional Licensing scheme for HMOs not governed by Mandatory Licensing and introduce a Selective Licensing scheme to 20% of its geographical area for all other private sector dwellings covered by the Housing Act 2004. All licensing schemes are intended to address the impact of poor quality housing, rogue landlords and anti-social tenants.	(400)	-	(400)	-	-	-
PL2	Review and Extension of CPZ coverage	Income Generation	The proposal is an accelerated programme this year to 'catch up', which will allow us to deliver to residents and Member expectations, make appropriate provision for running costs , dealing with current budget gaps , while generating a surplus to be treated as new savings.	(500)	(500)	-	-	-	-
PL3	Waste, CS & Enforcement: Efficiency Savings on Veolia Contract	Efficiency Saving	Efficiency savings secured in recent contract negotiations with Veolia. Will be delivered with no impact on services or performance.	(100)	(100)	-	-	-	-
PL4	Increase in Moving Traffic Enforcement	Income Generation	The parking and traffic enforcement service enforces moving traffic contraventions at a number of locations. Moving traffic enforcement is undertaken by CCTV camera. Capital investment £40k - Infrastructure measures	(300)	(260)	(40)	-	-	-
PL5	Healthmatic Toilets	Efficiency Saving	Savings accruing from removal of two automated WCs (already agreed and achieved)	(30)	(30)	-	-	-	-
PL6	Extending parking enforcement	Income Generation	This is an invest to save bid. The parking on-street, off street and CCTV enforcement operations are run in-house. Additional staffing , including management is required. This will increase enforcement capacity , and associated income which will cover staffing costs and mitigate some of the current income deficit.	(350)	(350)	-	-	-	-

Place - continued

Ref	Title	Category	Description	All Years Net Saving (All)	2019/20 Net Savings	2020/21 Net Savings	2021/22 Net Savings	2022/23 Net Savings	2023/24 Net Savings
				£'000	£'000	£'000	£'000	£'000	£'000
PL7	Litter Enforcement	Income Generation	The proposal is to consider the option for an in-house service provision based on a pilot with an external contractor, Kingdom, from November 2016 to September 2017. An in-house litter enforcement provision would enable the Council to retain 100% of all Fixed Penalty Notice (FPN) income received.	(100)	-	(100)	-	-	-
PL8	Soft FM Efficiency	Efficiency Saving	Re-commissioning of soft FM services and services delivered through Amey contract (e.g. efficiencies in postage & franking, front of house, security).	(100)	(25)	(25)	(50)	-	-
PL9	Leisure centre concessions	Reduction / Change in service provision	Reduce the number of people eligible for concessionary rates at Fusion Leisure Centres.	(190)	-	-	(50)	(70)	(70)
PL10	London Construction Programme Revenue	Income Generation	Over-achieved income from subscriptions to the new Dynamic Purchasing System for the London Construction Company, managed by Haringey's Procurement service.	(200)	(200)	-	-	-	-
PL11	Flexible Police Resourcing	Other	The proposal is to not extend the current contract for Flexible Police Resourcing beyond March 2019. The funding for the team enables the tasking of police officers along with the wider partnership i.e. trading standards, CCTV, ASB enforcement to hotspots in the borough. The service also uses the team to deal with Travellers and to support partnership enforcement activities.	(200)	(200)	-	-	-	-
PL12	Waste Service Programme	Efficiency Saving	Review of all waste and street cleansing services to identify potential savings	(500)		(500)			
PL13	Parking Transformation Programme	Income Generation	Parking Transformation Programme to deliver significant improvements to this service over the coming three years. Includes a CPZ rollout programme taking the borough to 100% coverage, and extending parking permit charging models to tackle emissions from Diesel vehicles	(1,000)		(500)	(500)		
	Place Totals			**(3,970)**	**(1,665)**	**(1,565)**	**(600)**	**(70)**	**(70)**

Economy

Ref	Title	Category	Description	All Years Net Saving (All)	2019/20 Net Savings	2020/21 Net Savings	2021/22 Net Savings	2022/23 Net Savings	2023/24 Net Savings
				£'000	£'000	£'000	£'000	£'000	£'000
EC1	Carbon Management	Other	Saving £60k from the Carbon Management Service's base budget, replacing this with an income of the same amount from Planning Service. The Carbon Management Service will increase its support to the Planning Service through advice and technical specification on planning applications and issues related to carbon reduction, energy and sustainability.	(60)	(60)	-	-	-	-
EC2	Reduction in consultancy budget	Other	Saving £75k from central budget typically allocated to cover large contracts and project delivery requirements. As some Tottenham Regeneration activities shift from a focus on initial strategies and feasibility work to delivery stage, there is increasing scope to explore funding these types of contracts from other sources, including but not limited to capitalisation of costs, utilising both internal and external funding sources.	(75)	(75)	-	-	-	-
EC3	Deletion of senior post	Efficiency Saving	The Strategic Director of Regeneration, Planning & Development was re-designated as Director of Housing, Regeneration and Planning, and along with this, it was proposed to delete the Director of Regeneration post.	(225)	(225)	-	-	-	-
EC4	Tackling uncrystallised debt	Income Generation	This proposal comprises an opportunity to achieve new income potential by starting a process of tackling the uncrystallised debt in the commercial portfolio	(50)	(50)	-	-	-	-
EC5	Outdoor media adverstising	Income Generation	Proposal to generate new income from outdoor media, utilising the council's landholdings by identifying sites suitable for outdoor installations. It is estimated that net income in 2019/20 would be at least £100k, and increasing significantly over future years.	(15)	-	(15)	-	-	-
EC6	Explore opportunities to capitalise development team costs	Other	Proposal to charge salaries of staff within housing development and enabling team to the Housing Revenue Account, as their work is now focused on bringing forward sites for direct housing development. Approximately 40% of salaries are currently funded by the HRA, and it's proposed to increase this to 100%.	(150)	(150)	-	-	-	-
EC7	Strategic Property Services	Efficiency Saving	This proposal comprises a number of activities to drive out efficiencies in the service, including; better management of Hornsey Town Hall,	(500)	(500)	-	-	-	-
	Economy Totals			**(1,075)**	**(1,060)**	**(15)**	**-**	**-**	**-**

Your Council

Ref	Title	Category	Description	All Years Net Saving (All)	2019/20 Net Savings	2020/21 Net Savings	2021/22 Net Savings	2022/23 Net Savings	2023/24 Net Savings
				£'000	£'000	£'000	£'000	£'000	£'000
YC1	Out of home advertising income generation	Income Generation	The proposal is to recommission the street furnishing advertising contract. Moving to digital display to ensure communication messages can be updated quickly, and to remove printing costs.	(151)	(129)	(5)	(5)	(6)	(6)
YC2	Remove ward budgets	Reduction / Change in service provision	Remove existing provision for Ward Budgets to fund community projects	(190)	(190)	-	-	-	-
YC3	Growing Libraries Income	Income Generation	To grow the level of income from libraries estate as part of a developing libraries strategy.	(100)	(100)	-	-	-	
	Your Council Totals			**(441)**	**(419)**	**(5)**	**(5)**	**(6)**	**(6)**

Appendix 10

Calculation of the Council Tax Base

Line	Band	@	A	B	C	D	E	F	G	H	Total
	Actual current properties										
1	Dwellings on database @ 11.01.2018	0	7,998	19,112	34,103	26,555	11,047	5,395	4,684	713	**109,607**
2	Exemptions @ 11.01.18	0	-194	-382	-533	-429	-175	-43	-33	-13	**-1802**
	Disabled Reductions of Band:										
3	Add to Lower Bands	0	1	16	45	110	79	34	28	9	**322**
	Take from Higher Bands	-1	-16	-45	-110	-79	-34	-28	-9	0	**-322**
4											
5	Line 1-2+3-4 = *H*	-1	7,789	18,701	33,505	26,157	10,917	5,358	4,670	709	**107,805**
6	Number in *H* above Entitled to										
	One 25% Discount		-4443	-9590	-11886	-6515	-2282	-857	-540	-66	**-36,179**
7	Line 6 x 25%		-1110.75	-2397.50	-2971.50	-1628.75	-570.50	-214.25	-135.00	-16.50	**-9044.75**
8	Number in *H* above Entitled to										
	two 25% (50%) Discount	0	0	-2	-14	-24	-20	-15	-15	-5	**-95**
9	Line 8 X 50%		0.00	-1.00	-7.00	-12.00	-10.00	-7.50	-7.50	-2.50	**-47.50**
10	No in *H* above entitled to										
	50% discount										**0**
	50% of above		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
11	No in *H* above entitled to										
	0% discount		0	0	0	0	0	0	0	0	**0**
	0% of above		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
	No in *H* above entitled to										
	100% discount (4 weeks or less)										**0**
	(assessed based on total award / amount per band)										
12	*Total Discounts = Q*		-1110.75	-2398.50	-2978.50	-1640.75	-580.50	-221.75	-142.50	-19.00	**-9092.25**
13	Line 5+ Line 12	-1.00	6,678.25	16,302.50	30,526.50	24,516.25	10,336.50	5,136.25	4,527.50	690.00	**98,712.75**
	Estimated changes										
14	Properties Awaiting Banding										
16	Line 14		0	0	0	0	0	0	0	0	**0**
17	Properties to be Deleted										
18	Known Errors in Valuation List		0	0	0	0	0	0	0	0	**0**
19	Line 17 + Line 18	0	0	0	0	0	0	0	0	0	**0**
20	Line 16 + Line 19 (J)	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
21	Empty homes premium		27	31	34	44	9	5	3	3	**156**
	at 100% (E)		27	31	34	44	9	5	3	3	**156**
22	Debt movement (J)		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
23	Estimated change total	0	27.00	31.00	34.00	44.00	9.00	5.00	3.00	3.00	**156.00**
	CTR Discount										
	Band reduction based on total monetary award	-0.9	-2,398.00	-4,510.00	-5,937.00	-4,267.00	-1,347.00	-385.00	-80.00	-4.00	**-18,928.00**
	Expected in year changes		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
24	Total CTR Band Equivalent	-0.90	-2,398.00	-4,510.00	-5,937.00	-4,267.00	-1,347.00	-385.00	-80.00	-4.00	**-18,928.00**
	Z total CTR Discount	-0.90	-2,398.00	-4,510.00	-5,937.00	-4,267.00	-1,347.00	-385.00	-80.00	-4.00	**-18,928.00**
25	Y Impact of 2019/20 CTRS Changes	0.00	0.00	0.00	0.00	-844.82	0.00	0.00	0.00	0.00	**-844.82**
26	*H - Q + J - Z*	-1.9	4,307.25	11,823.50	24,623.50	19,448.43	8,998.50	4,756.25	4,450.50	689.00	**79,095.93**
27	*To calculate band equivalents*	*0.56*	0.67	0.78	0.89	1.00	1.22	1.44	1.67	2.00	
28	Band D Equivalent: lines 26 x 27	-1.06	2,871.50	9,196.06	21,887.56	19,448.43	10,998.17	6,870.14	7,417.50	1,378.00	**80,067.34**
29	Band D equivalent for Taxbase calculation										**80,067**
31	**Band D Equivalent for Taxbase Calculation**									***Before allowance for collection rate***	**80,067**
	Band D equivalent for Taxbase calculation after non-collection allowance **(3.5%)** applied										**77,265**

Appendix 11

Flexible Use of Capital Receipts Strategy

1. The Government has provided a definition of expenditure which qualifies to be funded from capital receipts. This is:

    a. "expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners"

2. The detail of the the Council's proposed use of flexible capital receipts for 2019/20 onwards and the associated savings arising from the use of the flexibility is set out at below.

    a) These are the anticipated staffing restructure costs, largely arising from the FOBO (Front Office Back Office) initiative.
    b) The Council is reviewing its commercial property portfolio to ensure that it achieves a higher rental yield.
    c) The Council operates in an environment where increasingly it needs to respond to request from external funders for match funding. This budget is to allow for the employment of a post to ensure that the Council maximises the match funding opportunities that are around.
    d) Demand Management in Children's Services. The budget is expected to provide investment capacity for a range of initiatives such as purchasing specialist software to optimise the transport routes for children with SEND to a revised in-house foster care service to reduce the demand for agency foster care and the need for residential placements.
    e) Demand Management in Adult Services. This budget is to support initiatives such as increasing day opportunities to reduce the demand for higher cost care solutions and through the employment of care negotiators who reduce the cost of high demand placements.
    f) The London Counter Fraud Hub is a London wide initiative to reduce the level of fraud perpetrated on London Councils through a data sharing and analytics service.
    g) Strategic Asset Management Planning. The budget will fund a borough wide review of the Council's non-commercial property portfolio to ensure that the authority retains the assets that are needed these have asset management plans that allow for programmed maintenance so as to prevent expensive unplanned repairs and potential loss of assets due to building element failure (such as boilers).
    h) FOBO is the Front Office Back Office transformation programme that will change the way in which the Council it interacts with residents and how it undertakes its processes resulting in reduced cost of service delivery and processes.
    i) FWoW is the Future Ways of Working programme that is seeking to reduce the Council's administrative offices to reduce revenue expenditure. The budget will fund physical alterations to buildings to enable them to function more efficiently.

The guidance requires that the impact on the Council's prudential indicators should be considered when preparing a Flexible Use of Capital Receipts Strategy. The indicators that will be impacted by this strategy are set out below:

a. The Capital Financing Requirement will increase as these capital receipts would otherwise have financed capital expenditure or reduced borrowing.
b. Financing costs as a percentage of the net revenue stream will rise as more borrowing is undertaken but the savings generated by the schemes will offset the costs arising from the additional borrowing. Therefore, there is no impact on Council Tax.

The prudential indicators show that this strategy is affordable and will not impact on the Council's operational and authorised borrowing limits.

				Investment Expenditure (one-off)						Estimated Savings (Recurrent)					
				2018/19	2019/20	2020/21	2021/22	2022/23	Total	2018/19	2019/20	2020/21	2021/22	2022/23	Total
				£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
a	Restructure costs (1)			1,950	3,400	743	0		4,143						0
b	Commercial Property Review				100				100			500	500	500	1,500
c	Match Funding Co-ordinator				50	50			100		125	150	175	175	625
d	Demand Management In Children's Services (2)				1,000	1,000			2,000						0
e	Demand Management in Adults Services (2)				289	277			566		1,104	1104	1104	1104	4,416
f	London Counter Fraud Hub				90	90	90		270		367	734	734	734	2,570
g	Strategic Service Asset Management Planning				125	125			250			250	350	350	950
h	FOBO			500	2,500	2,950	938		6,388		250	2750	4,250	4250	11,500
i	FWoW			0	250	250	250		750			300	300	300	900
	HEP			875	0	0	0		0						0
				3,325	7,804	5,485	1,278	0	14,567	0	1,846	5,788	7,413	7,413	22,461

Appendix 12

Equalities Impact Assessment of Budget Reductions

1. Introduction

1.1. Purpose of report

This report considers the implications of the proposals in the 2019/20 Budget Report and Medium Term Financial Strategy Proposals (MTFS) on groups of residents with protected characteristics in terms of equality law, including any potential cumulative impact of these decisions.

Wherever relevant, service areas have carried out EqIAs for each individual MTFS proposal. This report considers the cumulative impact of those savings and the ways in which negative impacts across the Council might be minimised or avoided.
In addition, this report considers the wider context internal and external to Haringey Council in terms on potential impact on equalities.

Beyond this report, as MTFS proposals are developed further, each service area will assess the equality impacts and potential mitigating actions in more detail and final EqIAs will be published alongside decisions on specific proposals – after the budget is agreed in February 2019, final EqIAs will be required in order to implement the proposals.

1.2. Legal aspects and the process of EqIAs

Haringey council has a consistent approach to equality analysis across service areas and ensures that the impacts of individual budget decisions on legally protected groups are evaluated.

The Equality Act 2010 places a 'General Duty' on all public bodies to have 'due regard' to:

- Eliminating discrimination, harassment and victimisation and any other conduct prohibited under the Act
- Advancing equality of opportunity between those with 'protected characteristics' and those without them
- Fostering good relations between those with 'protected characteristics' and those without them.

The 'protected characteristics', as determined by the Equality Act 2010, are: age, disability, ethnicity, gender, gender reassignment, marriage civil partnership, pregnancy, maternity, sexual orientation, religion or belief.

In addition, the Council complies with the Marriage (same sex couples) Act 2013.

Haringey Council also has a 'Specific Duty' to publish information about people affected by our policies and practices.

By law, our assessment of the impact of policy/procedure/practice on equality
must:

- Contain enough information to enable the Council to demonstrate it has due regard for the aims of the equality duty in its decision making
- Consider ways of mitigating or avoiding any adverse impacts

EqIAs need to be proportionate to the decision being made, hence all proposals for, or changes in, policy, practice, procedure or projects are screened to establish whether a full EqIA is needed to inform the decision taker.

Further detail on EqIAs in Haringey Council, including contextual information, published EqIAs and how to complete an EqIA, is available on the Haringey website[3].

1.3. Equalities profile of Haringey

The total population of the borough is 254,926 according to the 2011 Census.

In terms of equality, demographics break down as follows:

Gender:

- There is a relatively equal gender split in Haringey, just over half of the population is female (50.5%), in line with England and London

Age:

- Haringey has a relatively young population with a quarter of the population under the age of 20
- 91% of the population is aged under 65 (89% London; 83% England)

Ethnicity:

- Haringey is the 5th most ethnically diverse borough in the country. Over 65% of residents come from non-White British communities (55% for London; 20% England)
- The proportion of non-White British communities varies across the different wards from 35.2% in Muswell Hill to 83.4% in Northumberland Park

Religion:

- Haringey is one of the most religiously diverse places in the UK
- The most common religion was Christianity, accounting for 45% of residents (London 48.4%; England 59.4%)
- The next most common religions were Muslim (14.3%) – higher than London (12.3%) – and Jewish (3%)
- Haringey had a lower percentage of residents who were Hindu (1.8%) and Sikh (0.3%) than London (5.0% and 1.5%, respectively)
- A quarter of Haringey residents stated that they did not have a religion, higher than London (20.7%)

[3] Haringey Council. 2019. *Equality Impact Assessments (EqIA)*. [ONLINE] Available at: https://www.haringey.gov.uk/local-democracy/about-council/equalities/equality-impact-assessments-eqia. [Accessed 11 January 2019].

Disability:

- 14% of residents have a long-term health problem that limits their day to day activity, lower than England but in line with London
- 5.7% of residents report being in bad health, slightly higher than England and London

Marital Status and Civil Partnership

- Haringey has a higher proportion of couples in a registered same sex civil partnership than England and London: 0.6% or 1,191 residents (London 0.4%; England 0.2%)

Sexual Orientation

- As per the ONS Integrated Household Survey, 3.2% of London residents aged 16 or over identified themselves as lesbian, gay or bisexual in 2013. In Haringey this would equate to 6,491 residents

Further detail on the equalities profile of Haringey is available on the Haringey website[4].

2. Internal context

2.1. Borough Plan 2019-2023: Equality Principles

The Borough Plan 2019-2023, to be published in February 2019, sets the organisational priorities for the next four years. In addition to these, the Plan presents a set of Equality Principles reflecting Haringey Council's commitment to the principles of equality and opportunity, fairness and quality of life for all, both in terms of the work carried out with the community and in the role as an employer.

These principles establish that the Council will challenge discrimination, support people with protected characteristics, promote equality of opportunity, monitor and assess the impact of Council's activity on equalities, and ensure the requirements of the Equality Act 2010 are well communicated in the borough. The principles run through everything the Council does.

More detail on the Equality Principles and Objectives and the full draft Borough Plan is available on the Haringey website[5].

[4] Haringey Council. 2019. *Equalities Profile of Haringey*. [ONLINE] Available at: https://www.haringey.gov.uk/sites/haringeygovuk/files/equalities_profile_of_haringey.pdf. [Accessed 11 January 2019].

[5] Haringey Council. 2019. *Borough Plan 2019-2023 - Consultation*. [ONLINE] Available at: https://www.haringey.gov.uk/local-democracy/policies-and-strategies/borough-plan-2019-2023-consultation. [Accessed 11 January 2019].

2.2. Review of Fees and charges

Every year the Council reviews the level of fees and charges levied on service users. Where increases were proposed for 2019/20, relevant services conducted equality screenings on their proposals. In a few instances, the equality screenings identified small impacts and proposed satisfactory mitigating actions. In only one case the initial screening pointed at the possibility of the proposal impacting on the Council's Equality Duty and therefore the relevant service carried out a full EqiA. In this case the assessment demonstrated the policy was robust and there was no potential for discrimination or adverse impact.

2.3. Council Tax Reduction scheme

Following the abolition of Council Tax Benefit by the then Conservative-Lib Dem coalition UK Government in 2013, many of the lowest income households in Haringey became liable to pay at least 19.8% of the Council Tax charge according to the band in which their property falls.

In response to the abolition of Council Tax Benefit at a national level, local Council Tax Reduction Schemes have been developed by individual local authorities. Haringey Council developed its own Council Tax Reduction Scheme (CTRS) in 2012/13 and decided to protect working-age claimants on a prescribed disability-related or disability premium. Those working age claimants received the same maximum level of CTR as those of pensionable age (100%).

As an enactment of the new administration's commitment in 2018 to redistribute the burden of Council Tax, Haringey Council has now proposed to amend its 2019/20 CTRS in order to provide more financial support to working age claimants with children and so re-instating extra support for over 6,000 families in Haringey on low income.

The Council's preferred option going forward, to be approved by Feb 2019, is to:

a) Increase the maximum level of Council Tax Reduction from 80.2% to 100% for working age claimants with children
b) Update the CTRS to align with some national welfare changes.

The maximum level of Council Tax Reduction would continue to be 100% for pensioners and working age claimants in receipt of disability related benefits, as it is under the existing CTRS.

An EqiA on the proposal demonstrated there was no potential for discrimination or adverse impact.

2.4. Council Tax rise

Haringey Council is proposing to increase council tax by 2.99% from 2019/20 in order to create an additional £3m to deliver local services. For the previous nine years council tax had been frozen, except for a precept for the previous three years specifically to fund adult social care. Because council tax proportionately affects those with the lowest income, the Council is proposing to extend the CTRS to 100% for its least well-off families with children as detailed above in section 2.3.

3. External context

The impact of the council budget proposals cannot be seen in isolation. The challenging macro-economic climate is also likely to impact on some legally protected groups, e.g. tax and welfare reform, unemployment, increasing unaffordability of housing, etc., and add to the cumulative impact of council proposals.

A more detailed view of the impact of tax and welfare reform is offered in subsection 3.1 below.

3.1. Impact of tax and welfare Reform

Tax and welfare reforms brought forward by the UK Government since 2010 have had an impact on equality.

The Equality and Human Rights Commission conducted an analysis[4] of these welfare reforms (both implemented and proposed) and related government spending decisions as well as of the potential impacts on different groups protected under the Equality Act 2010. The key findings of this analysis are:

> *Overall, changes to taxes, benefits, tax credits and Universal Credit (UC) announced since 2010 are regressive, however measured – that is, the largest impacts are felt by those with lower incomes. This is true even when increases in gross earnings from the NLW are taken into consideration.*
> *Those in the bottom two deciles will lose, on average, approximately 10% of net income, with much smaller losses for those higher up the income distribution.*
>
> *Moreover, the changes will have a disproportionately negative impact on several protected groups, including disabled people, certain ethnic groups, and women:*
>
> - *Negative impacts are particularly large for households with more disabled members, and individuals with more severe disabilities, as well as for lone parents on low incomes.*
> - *For some family types, these losses represent an extremely large percentage of income. For example, for households with at least one disabled adult and a disabled child, average annual cash losses are just over £6,500 – over 13% of average net income.*
> - *The impact of changes to direct taxes and benefits is to reduce the income of Bangladeshi households by around £4,400 per year on average.*
> - *At an individual level, women lose on average considerably more from changes to direct taxes and benefits than men. Women lose about £400 per year on average, and men only £30, although these figures conceal very substantial variation within both genders.*
> - *Lone parents in the bottom quintile (bottom fifth) of the household income distribution lose around 25% of their net income, or one pound in every four, on average.*
> - *On average, disabled lone parents with at least one disabled child fare even worse, losing almost three out of every ten pounds of their net income. In cash terms, their average losses are almost £10,000 per year.*
> - *Around one and a half million more children are forecast to be living in households below the relative poverty line as a result of the reforms.*

[4] Equality and Human Rights Commission. 2018. *The cumulative impact of tax and welfare reforms*. Available at: https://www.equalityhumanrights.com/en/publication-download/cumulative-impact-tax-and-welfare-reforms. This report is a cumulative impact assessment of the distributional impacts of tax and spending decisions on people sharing different protected characteristics. The analysis covers all policy changes made between May 2010 and January 2018, which will have been implemented by the financial year 2021–22.

In addition, there will be particularly negative impacts on intersectional groups who experience multiple disadvantages (for example, lone parents with disabled children).

These negative impacts are largely driven by changes to the benefit system, in particular the freeze in working-age benefit rates, changes to disability benefits and reductions in UC rates. The changes are also likely to lead to significant increases in the number of children (in particular) below a minimum acceptable standard of living.

4. Cumulative EqIA of Medium-Term Financial Strategy and Savings Proposals

4.1. Budget reduction and MTFS proposals

Since 2010, Haringey Council has seen a 59% real terms reduction in government funding, with the central government grant funding reduced by £122m in real terms.

This reduction is set against a background of rising demand, particularly for Adults' and Children's Services and services related to homelessness, including temporary accommodation.

As a result, in 2018/19 both adults' and children's budgets overspent. The Council's draft budget for 2019/20 acknowledges this and so, when including new grants, additional council funding and writing off previous savings, the budget available to Adults Services will increase by £7.8 million and Children's by £7million less savings. However, it is unavoidable that these services will also have to contribute to the Council's overall budget reduction program, which is required to close the budget gap.

In 2019/20 Haringey Council needs to make savings of £19.6 million (roughly 8% in relation to its £250.1 million budget in 2018/19).
The MTFS proposals considered in this report put forward budget reductions rising to £13m when fully implemented.
Looking beyond next year to future financial years, the forecast is that the Council will still have to put in place further budget reductions of between £18m-£26m.

The budget reduction proposals that have been developed through the budget setting process are summarised below:

People (Children's Services)

Although Children's Services will get more funding in 2019/20, there will be budget reductions to make. The proposals include plans to enable the service to more effectively support children and young people through targeted and evidenced based service provision. This includes increasing the support available to our families and looked after children, alongside the recruitment of more foster carers where care is needed. The Council will also ensure its workforce continues to reflect the level of need in the borough and through a targeted support and social care practice it will be able to better support families at the time they need it.

People (Adult Services)

The service is proposing several strands of budget reductions under broad headings of: income maximisation; further back-office efficiency; appropriate use of capital funding; and an ongoing commitment to achieving value for money in negotiating contract prices, including in Public Health services.

Place – Clean and Safe borough

The budget reduction proposals include reviewing and consulting on parking schemes and cleaner streets and traffic enforcement. Further budget reduction are proposed relating to efficiencies and changes to existing and retendered contracts in the areas of waste, leisure and facilities management.

Housing & *Economy* – Housing, Growth and Employment

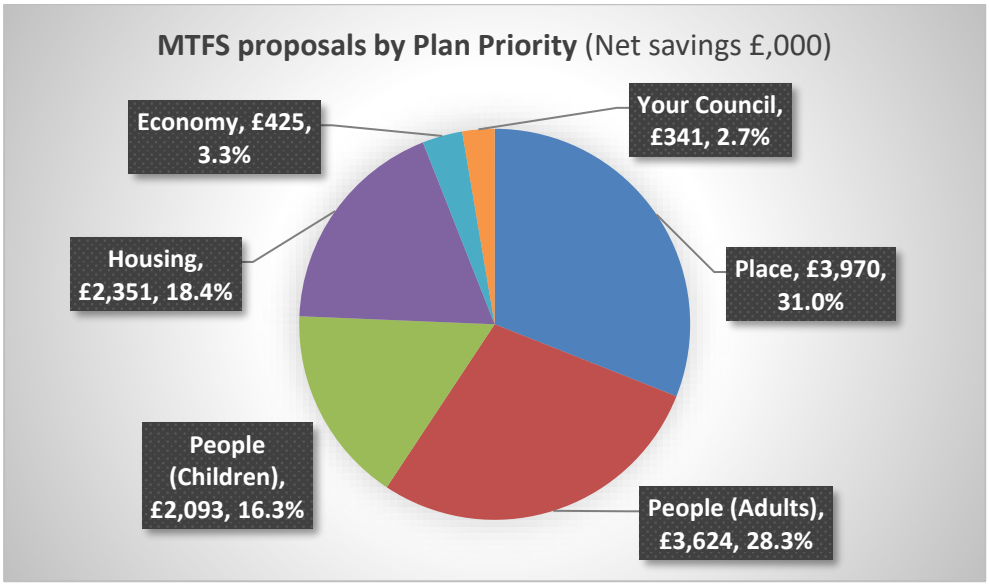
Budget reductions include proposals to reduce consultancy, senior management posts, tackling uncrystallised debt, capitalisation of development costs and reduction in temporary accommodation costs.

Your Council – Enabling Savings

The budget reductions proposed take into account additional income generated from a new street furniture advertising contract and from removing the existing provision for ward budgets.

The chart below shows the breakdown of net savings proposed in the MTFS by 2019-2023 Borough Plan priority:

Fig. 1.



More detail on the budget reduction required and how the Council is intending to save over the next 5 years is available on the Haringey website[6].

4.2. MTFS proposals by category

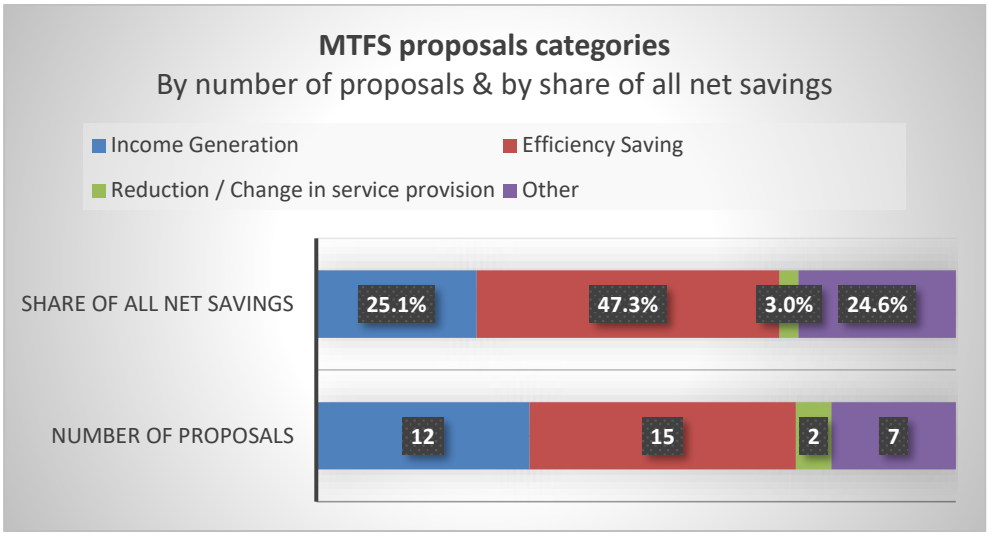
In proposing the MTFS, the Council has focused on savings made as far as possible through optimised efficiencies in service delivery and through income generation. In doing so, the aim has been to avoid cutting frontline services and to limit the potential impact on the most vulnerable among Haringey's residents and those within protected characteristic groups.

[6] Haringey Council. 2019. *Budget Proposals*. [ONLINE] Available at: https://www.haringey.gov.uk/local-democracy/policies-and-strategies/your-haringey-your-future/budget-proposals#reduction. [Accessed 14 January 2019].

Of a total of 36 MTFS proposals, only 2 are categorised as 'reduction / change in service provision'. Moreover, these two proposals added together represent just 3% of all MTFS aggregated net savings.

In contrast, the 15 proposals making the 'Efficiency saving' category all together represent nearly half of all MTFS aggregated net savings. In addition, 12 'Income generation' proposals represent a further quarter of all MTFS aggregated net savings.
The remaining quarter of net savings is represented by 7 proposals categorised as 'Other'.

The chart below provides further detail on the breakdown by MTFS proposals category:
Fig. 2.



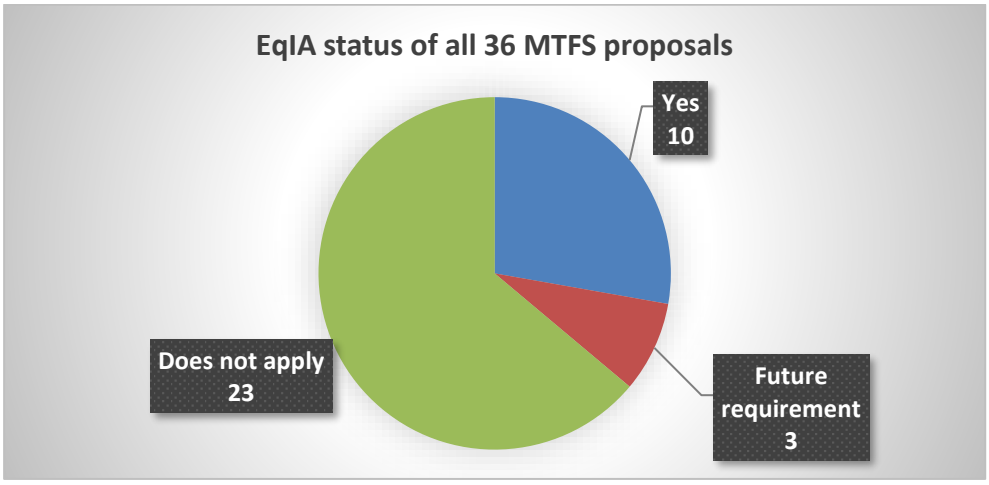
4.3. Assessing impact of MTFS proposals on equalities

The extent of the assessment of the 36 MTFS proposals in terms of impact on equalities breaks down as follows:

- 23 were deemed not to require a full EqIA
- 10 had a full EqIA conducted
- 3 will have a full EqIA once the relevant proposal is developed further in the next months

The chart below provides an overview of the extent of equalities assessment conducted on MTFS proposals. Further detail is available on the spreadsheet featured in Appendix 1. ('Record of MTFS proposals and equality assessment conducted').

Fig 3.



4.3.1. Proposals with full EqIAs conducted

10 MTFS proposals had a full EqIA conducted. Of these, 5 were categorised as 'Income generation' and 4 as 'Efficiency saving'. Altogether, this subset of 10 proposals represents 34.3% of all MTFS aggregated net savings.

Figure 4 below shows the detail of the 8 MTFS proposals that had a full EqIA conducted:

Fig. 4

Priority name	Title	Category	Net Saving (All) £,000	Net Saving (All) %
People (Adults)	In-House Negotiator	Efficiency Saving	£460	3.6%
People (Adults)	Charging for Managed Accounts	Income Generation	£120	0.9%
People (Adults)	Transfer of High Cost Day Opps	Efficiency Saving	£540	4.2%
People (Children)	Reduce operational costs	Efficiency Saving	£597	4.7%
People (Children)	Reduce the costs of placements	Efficiency Saving	£926	7.2%
Place	Additional HMO Licensing Scheme for HMO	Income Generation	£400	3.1%
Place	Review and Extension of CPZ coverage	Income Generation	£500	3.9%
Place	Extending parking enforcement	Income Generation	£350	2.7%
Place	Increase in Moving Traffic Enforcement	Income Generation	£300	2.3%
Place	Flexible Police Resourcing	Other	£200	1.6%
MTFS with full EqIAs			**£4,393**	**34.3%**
All MTFS proposals			£12,804	100.0%

4.3.2. Proposals for which EqiAs do not apply

With regards to those 23 proposals for which an equality assessment does not apply:

- 4 had an EqIA already conducted as part of a wider programme to which the proposal belongs
- 9 had gone through fresh EqIA screening with the result of no full EqIA required
- 10 were reported not to require any equality assessment given the nature of the proposals

Altogether, this subset of proposals represented 52.5% of all MTFS aggregated net savings.

4.4. Mitigation of impact of MTFS on equalities

There are several ways in which the Council has worked to prevent or mitigate the potential impacts of MTFS proposals on equalities:

- The Council has mitigated impact by minimising MTFS proposals of the 'service reduction' type (as per section 4.2. above)

- Where MTFS proposals had a full EqIA conducted, specific mitigations tailored to the relevant proposal were outlined to compensate for any potential impact.
  In all cases, the overall outcome of the assessments considered that the relevant proposal was robust and that ultimately there was no potential for discrimination or adverse impact and all opportunities to promote equality had been taken.
  Having said that, a number of potential impacts, both negative and/or positive, have been highlighted in the process of the assessment and so ensuing mitigating actions outlined wherever applicable. These mitigations included a diverse range of activities such as improving data collection for better monitoring, stepping up individual assessments, providing discounts, communication campaigns, etc.
  To be noted, some of the potential impacts mentioned affected individuals with protected characteristics, but others were identified as affecting low income segments of the population.
  Further detail on identified potential impacts and proposed mitigations is provided in Appendix 2 ('Compilation of all full EqIAs conducted for MTFS proposals').

- In addition, the Council is mitigating the overall impact of proposed savings by reviewing its Fees & Charges policy and Council Tax Reduction Scheme (as per sections 2.2 and 2.3 above)

5. Summary

In 2019/20 Haringey Council needs to make savings of £19.6 million (a reduction of roughly 8% in relation to its £250.1 million budget in 2018/19).

The 36 Medium-Term Financial Strategy (MTFS) proposals considered in this report put forward budget reductions rising to £13m when fully implemented.

In line with the Equality Act 2010 and in order to ensure that proposed budget reductions do not have a negative impact on equality within Haringey, the Council has completed the following process:

- The Council has **focused as far as possible on achieving savings through efficiencies and income generation**. In doing so, the aim has been to minimise cutting frontline services.
- The Council has evaluated the **impact of MTFS proposals following the appropriate equality impact assessment (EqIA) process**, conducting equalities screenings and full EqIAs where applicable
- For MTFS proposals **where full EqIAs have been applicable and so potential impacts on equalities been identified, a range of mitigation actions have been proposed to compensate for such potential impacts**
- In addition, the Council is **seeking to minimise the burden on those who can least afford to pay through the annual review of Fees & Charges, and revisions to the Council Tax Reduction Scheme**
- **The Borough Plan 2019/2023 explicitly addresses inequality through its Equality Principles and Objectives section**. In addition, a wide range of outcomes and objectives within the different priority areas explicitly take these principles forward.

6. Annexe 12A: Record of MTFS proposals and equality assessment conducted

This appendix contains a table listing all MTFS proposals providing a description of the proposal, the all years' net savings figure and the extent to which assessment of equalities impact has been conducted for each proposal.

7. Annexe 12B: Compilation of all full EqIAs conducted for MTFS proposals

This appendix contains the 10 full EqIAs conducted for MTFS proposals in one single document.

Detailed Summary of Budget Reduction EqIAs

Priority name	Priority	Ref	Old Ref	Description	Net Saving £'000 (All)	EqIA received?	
						Yes / Does not apply / Future req	EqIA screening conducted?
HOUSING							
Housing	P5	HO1	P501	Reduce TA costs, as detailed in the TA Reduction Plan. Proposals include initiatives to prevent homelessness, improve economic position of those in TA, and help support those in TA to move on. Revenue costs covered by the Flexible Homelessness Support Grant. Plan also includes proposals to increase supply of low cost TA through new purchase, repair and management joint venture partnership, and capital investment in new Community Benefit Society. Please note that due to the additional costs incurred due to unforeseen works at BWF, it may not be possible to meet the projected savings.	2,201	Does not apply	EqIA already completed as part of wider programme
Housing		HO2	P5C	Proposal to charge salaries of staff within housing development and enabling team to the Housing Revenue Account, as their work is now focused on bringing forward sites for direct housing development. Approximately 40% of salaries are currently funded by the HRA, and it's proposed to increase this to 100%.	150	Does not apply	EqIA screening conducted
PEOPLE (CHILDREN'S)							
People (Children	P1	PC1	P1G1	Reduce the the number of agency staff through delivering an effective recruitment and retention strategy.	257	Does not apply	
People (Children	P1	PC2	P1G2	Reduce operational costs through streamlining management and staffing and improving efficiency in teams	597	Yes	
People (Children	P1	PC3	P1G3	Reduce the costs of placements through an effective inhouse foster carer recruitment and retention strategy and through effective brokerage and negotiation of placements	926	Yes	
People (Children)	P1	PC4	P1G4	Prevent demand and costs through an effective prevention and intervention approach that means children and families are supported to avoid the care system and that where children are in care (particularly young adolescents) they are supported to return home safely wherever possible.	290	Does not apply	
People (Children	P1	PC5	P1G5	Increase income through delivering services to schools and work with partners to ensure fair contributions to services for children.	23	Does not apply	

Priority name	Priority	Ref	Old Ref	Description	Net Saving £'000 (All)	EqIA received?	
						Yes / Does not apply / Future req	EqIA screening conducted?
PEOPLE (ADULTS)							
People (Adults)	P2	PA1	P203	Introduce an administration fee for setting up and maintenance of care packages for Appointeeships and Self Funders. the fee would be comparable to existing charges levied for Deputyship clients.	120	Yes	
People (Adults)	P2	PA2	P207	Speed up the process of financial assessment so that charging starts as soon after the start of services as possible. The saving lies largely in reducing levels of debt and the costs of recovering overpayments rather than any additional costs to the user of this approach.	140	Does not apply	Does not apply
People (Adults)	P2	PA3	P211	Capitalise the majority of the operating and equipment costs of the Community Alarms Service. Because installation of a CAS solution can be considered the provision or adaptation of fixed assets for the benefit of our residents, there is scope for capitalisation of associated spending within financial regulations	177	Does not apply	Does not apply
People (Adults)	P2	PA4	P210	Fund housing advice and support currently provided from Adult Social Care budgets through the Flexible Homelessness Support Grant whilst we transform these services and create longer term, more sustainable funding routes over the next 3 years.	600	Does not apply	EqIA already completed as part of wider programme
People (Adults)	P2	PA5	P212	Expand in house Care Negotiator capacity to work with providerson reducing the cost of care packages in relation to overcharging against service user needs.	460	Yes	
People (Adults)	P2	PA6	P215	Lease three ex-day centre premises to a local provider to support 15-20 service users at reduced cost, and closer to their existing support networks.	540	Yes	
People (Adults)	P2	PA7	P216	Realise savings based on efficiencies already achieved in the provision of open access sexual health services	267	Does not apply	EqIA already completed as part of
People (Adults)	P2	PA8	P2A	Retendering of the three core substance misuse adult contracts has created savings, available from January 2019. Use these savings for investment in areas to improve health and wellbeing, with a split between cashable savings and investments in preventative services that reduce health inequalities	600	Does not apply	EqIA already completed as part of wider programme
People (Adults)	P2	PA9	P2M	Further action by service to reduce cost of adult social care over the next 5 years *(re-profiled existing savings)*	720	Does not apply	Does not apply

Priority name	Priority	Ref	Old Ref	Description	Net Saving £'000 (All)	EqIA received?	
						Yes / Does not apply / Future req	EqIA screening conducted?
PLACE							
Place	P3	PL1	P301	Extend the current Additional Licensing scheme for HMOs not governed by Mandatory Licensing and introduce a Selective Licensing scheme to 20% of its geographical area for all other private sector dwellings covered by the Housing Act 2004. All licensing schemes are intended to address the impact of poor quality housing, rogue landlords and anti-social tenants.	400	Yes	
Place	P3	PL2	P302	The proposal is an accelerated programme this year to 'catch up', which will allow us to deliver to residents and Member expectations, make appropriate provision for running costs , dealing with current budget gaps , while generating a surplus to be treated as new savings.	500	Yes	
Place	P3	PL3	P303	Efficiency savings secured in recent contract negotiations with Veolia. Will be delivered with no impact on services or performance.	100	Does not apply	EqIA screening received
Place	P3	PL4	P304	The parking and traffic enforcement service enforces moving traffic contraventions at a number of locations. Moving traffic enforcement is undertaken by CCTV camera. Capital investment £40k - Infrastructure measures	300	Yes	
Place	P3	PL5	P306	Savings accruing from removal of two automated WCs (already agreed and achieved)	30	Does not apply	EqIA screening received
Place	P3	PL6	P307	This is an invest to save bid. The parking on-street, off street and CCTV enforcement operations are run in-house. Additional staffing , including management is required. This will increase enforcement capacity , and associated income which will cover staffing costs and mitigate some of the current income deficit.	350	Yes	
Place	P3	PL7	P308	The proposal is to consider the option for an in-house service provision based on a pilot with an external contractor, Kingdom, from November 2016 to September 2017. An in-house litter enforcement provision would enable the Council to retain 100% of all Fixed Penalty Notice (FPN) income received.	100	Does not apply	EqIA screening received
Place	P3	PL8	P311	Re-commissioning of soft FM services and services delivered through Amey contract (e.g. efficiencies in postage & franking, front of house, security).	100	Does not apply	Does not apply
Place	P3	PL9	P318	Reduce the number of people eligible for concessionary rates at Fusion Leisure Centres.	190	Future requirement	
Place	P3	PL10	P319	Over-achieved income from subscriptions to the new Dynamic Purchasing System for the London Construction Company, managed by Haringey's Procurement service.	200	Does not apply	Does not apply
Place	P3	PL11	P320	The proposal is to not extend the current contract for Flexible Police Resourcing beyond March 2019. The funding for the team enables the tasking of police officers along with the wider partnership i.e. trading standards, CCTV, ASB enforcement to hotspots in the borough. The service also uses the team to deal with Travellers and to support partnership enforcement activities.	200	Yes	
Place	P3	PL12	P325	Review of all waste and street cleansing services to identify potential savings	500	Future requirement	
Place	P3	PL13	P326	Parking Transformation Programme to deliver significant improvements to this service over the coming three years. Includes a CPZ rollout programme taking the borough to 100% coverage, and extending parking permit charging models to tackle emissions from Diesel vehicles	1,000	Future requirement	

Priority name	Priority	Ref	Old Ref	Description	Net Saving £'000 (All)	EqIA received?	
						Yes / Does not apply / Future req	EqIA screening conducted?
ECONOMY							
Economy	P4	EC1	P401	Saving £60k from the Carbon Management Service's base budget, replacing this with an income of the same amount from Planning Service. The Carbon Management Service will increase its support to the Planning Service through advice and technical specification on planning applications and issues related to carbon reduction, energy and sustainability.	60	Does not apply	EqIA screening conducted
Economy	P4	EC2	P402	Saving £75k from central budget typically allocated to cover large contracts and project delivery requirements. As some Tottenham Regeneration activities shift from a focus on initial strategies and feasibility work to delivery stage, there is increasing scope to explore funding these types of contracts from other sources, including but not limited to capitalisation of costs, utilising both internal and external funding sources.	75	Does not apply	EqIA screening conducted
Economy	P4	EC3	P403	The Strategic Director of Regeneration, Planning & Development was re-designated as Director of Housing, Regeneration and Planning, and along with this, it was proposed to delete the Director of Regeneration post.	225	Does not apply	EqIA screening conducted
Economy	P4	EC4	P404 a	This proposal comprises an opportunity to achieve new income potential by starting a process of tackling the uncrystallised debt in the commercial portfolio	50	Does not apply	EqIA screening conducted
Economy	P4	EC5	P404 b	Proposal to generate new income from outdoor media, utilising the council's landholdings by identifying sites suitable for outdoor installations. It is estimated that net income in 2019/20 would be at least £100k, and increasing significantly over future years.	15	Does not apply	EqIA screening conducted
YOUR COUNCIL							
Your Council	PX	YC1	PX01	The proposal is to recommission the street furnishing advertising contract. Moving to digital display to ensure communication messages can be updated quickly, and to remove printing costs.	151	Does not apply	Does not apply
Your Council	PX	YC2	PX04	Remove existing provision for Ward Budgets to fund community projects	190	Does not apply	Does not apply

Cumulative Equality Impact Assessment of
Medium-Term Financial Plan Saving Proposals 2019/20 – 2023/24

January 2019

Appendix 2.

Compilation of all full EqIAs conducted for MTFS proposals

PA1 - EqIA Charging for Managed Accounts

EQUALITY IMPACT ASSESSMENT

The **Equality Act 2010** places a '**General Duty**' on all public bodies to have '**due regard**' to the need to:

- Eliminating discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advancing equality of opportunity between those with a 'relevant protected characteristic' and those without one;
- Fostering good relations between those with a 'relevant protected characteristic' and those without one.

In addition, the Council complies with the Marriage (same sex couples) Act 2013.

Stage 1 – Screening

Please complete the equalities screening form. If screening identifies that your proposal is likely to impact on protect characteristics, please proceed to stage 2 and complete a full Equality Impact Assessment (EqIA).

Stage 2 – Full Equality Impact Assessment

An EqIA provides evidence for meeting the Council's commitment to equality and the responsibilities under the Public Sector Equality Duty.

When an EqIA has been undertaken, it should be submitted as an attachment/appendix to the final decision-making report. This is so the decision maker (e.g. Cabinet, Committee, senior leader) can use the EqIA to help inform their final decision. The EqIA once submitted will become a public document, published alongside the minutes and record of the decision.

Please read the Council's Equality Impact Assessment Guidance before beginning the EqIA process.

1. Responsibility for the Equality Impact Assessment

Name of proposal	Charging for Managed Accounts
Service area	Commissioning
Officer completing assessment	Raj Darbhanga
Equalities/ HR Advisor	
Cabinet meeting date (if applicable)	
Director/Assistant Director	Charlotte Pomery

2. Summary of the proposal

Please outline in no more than 3 paragraphs

- *The proposal which is being assessed*
- *The key stakeholders who may be affected by the policy or proposal*
- *The decision-making route being taken*

Introduce charging administration fees for appointeeship

Adults have the right to manage their own financial affairs. However, this may be difficult for some individuals who due to lack of capacity, illness and or disability.

Where a person becomes unable to manage their own financial affairs and has not put into place a lasting power of attorney, the matter can be taken to the Department for Work and Pensions (DWP) and or Court of Protection to request a third party is put into place to support the individual.

The third party can be a friend, family member or an organisation (including the council as corporate appointee). Where the individual requiring this support only has only has DWP income, then an appointee can be appointed by the DWP.

Most local authorities provide a money management service for adult social care users who are unable to manage their own financial affairs. The council recognises the importance of supporting vulnerable adults to manage their finances and to protect them from potential or actual financial abuse.

The council currently only becomes DWP appointee or court appointed deputy for finances as a last resort where there is no other party (or suitable party due to safeguarding concerns) to undertake this role.

What is appointeeship:
A Department for Work and Pensions appointee is the person who is appointed by the DWP to manage an individual's DWP income.

The appointee responsibility includes making and maintaining any benefit claims, collecting payments and managing the money including the payment of bills.

Current Practice:
Currently the council does not charge administration fees for the management of appointeeship clients as it does for deputyship clients, where there are administration fees for managing client funds and assets.

The full set of deputyship charges for local authorities are set out by the Court of Protection (Practice Direction 19B Fixed Costs in the Court of Protection).

Proposal:
The Council is currently able to charge for court of protection clients based on legislative guidance issued by the Court of Protection. There is no national policy for governing charging for DWP appointeeship. Policy and charges are therefore subject to local Council decisions.

As the number of DWP clients increase, the council recognises the administrative costs of managing appointee client accounts is increasing and there is a need to off-set this increasing cost. As the level and type of service provided to appointeeship clients is similar to deputyship clients, the proposal is to introduce **annual administration fees** comparable with deputyship charges for appointeeship clients.

The proposed fees applicable from 01 April 2019 for DWP appointeeship clients is as follows:

It should be noted that the likely fee that will apply to all DWP appoint clients will be the Category II fee (see below) and the savings proposal of £70K is based on this fee only. It should also be noted tha the fees are comparable with deputyship charges.

Category	Description	Fee Amount not exceeding
Category I	Work up to and including the date the DWP appoint the LBH council as the corporate appointee. This fee will not be applied to existing clients (unless they are converted to court of protection). This will be a one-off fee.	£745
Category II	Annual management fee where LBH acts as corporate appointee for DWP income/ Benefits (a) For the first year (b) For the second year and subsequent years Where the net savings of an individual are below £16,000 an annual management fee not exceeding 3.5% of the client's net assets on the anniversary of the DWP appointing the council as corporate appointee.	£745 £650
Category III	Annual management fee for property where the council is involved in the maintenance of the property. This will only be applied with agreement of	£300

	client or family and service manager.	
Category IV	Preparation of appointee annual report. This will be optional and will only apply with agreement of client or family and service manager where requested.	£216

Where the appointeeship ends before the date the annual fees are due to be charged then pro rata fees will be calculated.

The above fees are based Practice Direction 19B Fixed Costs in the Court of Protection. The fees and charges are subject to change.

For existing clients as at 01 April 2019 (proposed implementation date):

1. For clients with savings over £16K and where the council has been DWP corporate appointee for over a year, the first (category II) fee to be applied at 01 June will be £650 and **not** £745. If the appointment has been for under a year, then a pro-rata fee will apply.

2. For DWP appointee clients who have less than £16K in savings and where the council has been DWP corporate appointee for over a year, the first annual management fee (category II) will be 3.5% of the savings held on 01 June 2019. If the appointment has been under a year, then a pro-rata fee will apply.

OR:

For existing DWP corporate appointee clients the category II fee will apply on the anniversary date the council was appointed DWP appointee.

What will this mean:
The proposal will impact on current corporate DWP appointee clients where the council manages their DWP income / benefits.

Consultation
This will be necessary if the proposal is to go ahead. Any consultation will need to involve the clients affected to ensure the introduction of administration charges does not have an adverse effect or impact on their wellbeing.

3. What data will you use to inform your assessment of the impact of the proposal on protected groups of service users and/or staff?

Identify the main sources of evidence, both quantitative and qualitative, that supports your analysis. Please include any gaps and how you will address these

This could include, for example, data on the Council's workforce, equalities profile of service users, recent surveys, research, results of relevant consultations, Haringey Borough Profile, Haringey Joint Strategic Needs Assessment and any other sources of relevant information, local, regional or national. For restructures, please complete the restructure EqIA which is available on the HR pages.

Protected group	Service users	Staff
Sex	Mosaic data of service users	N/A
Gender Reassignment	Current data on service users does not breakdown by gender reassignment.	N/A
Age	Mosaic data of service users	N/A
Disability	Mosaic data of service users	N/A
Race & Ethnicity	Mosaic data of service users	N/A
Sexual Orientation	Current data on service users does not breakdown by sexual orientation.	N/A
Religion or Belief (or No Belief)	Current data on service users does not breakdown by religion or belief.	N/A
Pregnancy & Maternity	Current data on service users does not breakdown by pregnancy and maternity.	N/A
Marriage and Civil Partnership	Current data on service users does not breakdown by marriage and civil partnership.	N/A

Outline the key findings of your data analysis. Which groups are disproportionately affected by the proposal? How does this compare with the impact on wider service users and/or the borough's demographic profile? Have any inequalities been identified?

Explain how you will overcome this within the proposal.

Further information on how to do data analysis can be found in the guidance.

See 5.

4. a) How will consultation and/or engagement inform your assessment of the impact of the proposal on protected groups of residents, service users and/or staff?

Please outline which groups you may target and how you will have targeted them

Further information on consultation is contained within accompanying EqIA guidance

A consultation will take place. This will be developed and involve current corporate DWP clients.

4. b) Outline the key findings of your consultation / engagement activities once completed, particularly in terms of how this relates to groups that share the protected characteristics

Explain how will the consultation's findings will shape and inform your proposal and the decision-making process, and any modifications made?

N/A at this stage.

5. What is the likely impact of the proposal on groups of service users and/or staff that share the protected characteristics?

Please explain the likely differential impact on each of the 9 equality strands, whether positive or negative. Where it is anticipated there will be no impact from the proposal, please outline the evidence that supports this conclusion.

Further information on assessing impact on different groups is contained within accompanying EqIA guidance

Those affected will be either current or future service users of Adult Social care and where the council manages their DWP income.

1. Sex

As of 9 August 2018, of the 188 service users where the council manages their income through DWP Appointeeship, there were 101 (54%) male users and 87 (46%) female users.

This proposal will impact more on males and this is slightly disproportionate compared to the 3514 Adult Social Care Service Users of which 1881 (54%) were female and 1625 (46%) male.

However, compared to the overall Haringey data from the Haringey (2017 Greater London Authority projections), where 49% are female and 51% are male, the slightly 'more' impact on males is expected.

2. Gender reassignment

This data is not available.

3. Age

As of 9 August 2018, of the 188 service users where the council manages their DWP income, 129 are over 61+ (61%) and 59 (29%) are under 61 years of age.

The proposal will be felt across the age range under and 61+. However, it is expected that the impact will fall mostly on the 61+ as they are predominant in the people being provided with a service, of the 3514 Adult Social Care Users, 2038 (58%) are 61+.

4. Disability

Care and support is provided to vulnerable adults all of whom have a disability. Adults who receive this service and where their DWP income is managed by the council through DWP Appointeeship will be affected by this proposal.

5. Race and ethnicity
As of 09 August 2018, the ethnicity of the 188 service users is as follows:

Asian / Asian British	7	4%
Black / African / Caribbean / Black British	57	30%
Mixed / Multiple	2	1%
White	102	54%
Other Ethnic Group	9	5%
Unidentified	11	6%

The impact of this proposed change will impact across all ethnicity groups, however, there is likely to be great impact for the following groups: Black / African / Caribbean / Black British and White. This is expected as these groups are predominant in the people being provided the Appointeeship service and Adult Social Care. This also supported by the overall Haringey data from the Haringey (2017 Greater London Authority) projections.

6. Sexual orientation
Data is not collected in relation to the management of finances via DWP Appointeeship.

7. Religion or belief (or no belief)
Data is not collected in relation to the management of finances via DWP Appointeeship.

8. Pregnancy and maternity
Not available

9. Marriage and Civil Partnership
Not available

10. Groups that cross two or more equality strands e.g. young black women
Not available

Outline the overall impact of the policy for the Public Sector Equality Duty:

- Could the proposal result in any direct/indirect discrimination for any group that shares the relevant protected characteristics?
- Will the proposal help to advance equality of opportunity between groups who share a relevant protected characteristic and those who do not?
  This includes:
  a) Remove or minimise disadvantage suffered by persons protected under the Equality Act
  b) Take steps to meet the needs of persons protected under the Equality Act that are different from the needs of other groups
  c) Encourage persons protected under the Equality Act to participate in public life or in any other activity in which participation by such persons is disproportionately low
- Will the proposal help to foster good relations between groups who share a relevant protected characteristic and those who do not?

Implementation of this proposal would affect current and future adult social care service users aged 18 and over where the council manages their benefit income through Department for Work and Pensions (DWP) Appointeeship.

The policy will continue to provide an equitable process for financial assessments and contributions based on affordability.

Analysis of previous changes to the contributions policy indicates that the proposed changes would impact on the protected characteristics of disability. This is also supported by the analysis above. This is expected given that the profile of those most likely to receive care and support from the Council.

6. a) What changes if any do you plan to make to your proposal as a result of the Equality Impact Assessment?

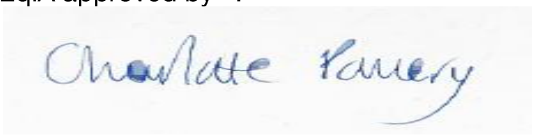
Further information on responding to identified impacts is contained within accompanying EqIA guidance

Outcome	Y/N
No major change to the proposal: the EqIA demonstrates the proposal is robust and there is no potential for discrimination or adverse impact. All opportunities to promote equality have been taken. If you have found any inequalities or negative impacts that you are unable to mitigate, please provide a compelling reason below why you are unable to mitigate them.	N
Adjust the proposal: the EqIA identifies potential problems or missed opportunities. Adjust the proposal to remove barriers or better promote equality. Clearly set out below the key adjustments you plan to make to the policy. If there are any adverse impacts you cannot mitigate, please provide a compelling reason below	N
Stop and remove the proposal: the proposal shows actual or potential avoidable adverse impacts on different protected characteristics. The decision maker must not make this decision.	N

6 b) Summarise the specific actions you plan to take to remove or mitigate any actual or potential negative impact and to further the aims of the Equality Duty

Impact and which relevant protected characteristics are impacted?	Action	Lead officer	Timescale
Potential impact on income for any resident affected.	All subject to individual assessment and engagement with individual on any potential impact.	Raj Darbhanga	From date of implementation and ongoing.

Please outline any areas you have identified where negative impacts will happen as a result of the proposal, but it is not possible to mitigate them. Please provide a complete and honest justification on why it is not possible to mitigate them.
N/A
6 c) Summarise the measures you intend to put in place to monitor the equalities impact of the proposal as it is implemented:
We will keep details of all individuals assessed for charging and monitor any impact.

7. Authorisation	
EqIA approved by .  ..... (Assistant Director/ Director)	Date .....18th January 2019.....

8. Publication *Please ensure the completed EqIA is published in accordance with the Council's policy.*

Please contact the Policy & Strategy Team for any feedback on the EqIA process.

PA5 - EqIA In-house negotiatior

EQUALITY IMPACT ASSESSMENT

The **Equality Act 2010** places a '**General Duty'** on all public bodies to have '**due regard'** to the need to:

- Eliminating discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advancing equality of opportunity between those with a 'relevant protected characteristic' and those without one;
- Fostering good relations between those with a 'relevant protected characteristic' and those without one.

In addition the Council complies with the Marriage (same sex couples) Act 2013.

Stage 1 – Screening

Please complete the equalities screening form. If screening identifies that your proposal is likely to impact on protect characteristics, please proceed to stage 2 and complete a full Equality Impact Assessment (EqIA).

Stage 2 – Full Equality Impact Assessment

An EqIA provides evidence for meeting the Council's commitment to equality and the responsibilities under the Public Sector Equality Duty.

When an EqIA has been undertaken, it should be submitted as an attachment/appendix to the final decision making report. This is so the decision maker (e.g. Cabinet, Committee, senior leader) can use the EqIA to help inform their final decision. The EqIA once submitted will become a public document, published alongside the minutes and record of the decision.

Please read the Council's Equality Impact Assessment Guidance before beginning the EqIA process.

1. Responsibility for the Equality Impact Assessment	
Name of proposal	Care fund negotiations with providers
Service area	Adult social care
Officer completing assessment	Shana Nessa
Equalities/ HR Advisor	Louise Hopton Beatty
Cabinet meeting date (if applicable)	TBC
Director/Assistant Director	John Everson

2. Summary of the proposal

Please outline in no more than 3 paragraphs

- *The proposal which is being assessed*
- *The key stakeholders who may be affected by the policy or proposal*
- *The decision-making route being taken*

Adult social care will use market intelligence and skilled knowledge to liaise with providers to ensure care costs charged to the borough reflected in service provision. The work will include analysis of care packages for new service users with learning disabilities or mental health that are in residential placements costing more than £1,000 per week. The Negotiator will work with social care staff to promote service user independence by increasing the uptake of assistive technology.

The care negotiator works with the provider to mutually agree an appropriate cost of care. In cases where the analysis indicates a fair price, we would not challenge the provider, and in some cases costs may be enhanced

The care negotiator will work with care providers to ensure there is evidence that the care being provided to individual service users', matches what the Council has commissioned. Where there is a difference in care, this is reflected in the renegotiation of care costs.

This process also helps confirm that provider's additional costs are validated with other similar providers to ensure parity. This approach to negotiation ensures value for money where the Council is only paying costs of the actual care package provided, and also that provider's costs are comparable to the market. This is also a good way of ensuring that providers are paid in a fair and equitable way for the all the services they provide.

Any decisions related to changes to care packages involving service users will be carefully based on adult social care procedures in line with Care Act 2014 to review care needs for service users, with a Social Worker undertaking the review with the service user or/ and their family carer present.

3. What data will you use to inform your assessment of the impact of the proposal on protected groups of service users and/or staff?

Identify the main sources of evidence, both quantitative and qualitative, that supports your analysis. Please include any gaps and how you will address these

This could include, for example, data on the Council's workforce, equalities profile of service users, recent surveys, research, results of relevant consultations, Haringey Borough Profile, Haringey Joint Strategic Needs Assessment and any other sources of relevant information, local, regional or national. For restructures, please complete the restructure EqIA which is available on the HR pages.

Protected group	Service users	Staff
Sex	Mosaic data of service users	N/A
Gender Reassignment	Current data on service users does not breakdown by gender reassignment.	N/A
Age	Mosaic data of service users	N/A
Disability	Mosaic data of service users	N/A
Race & Ethnicity	Mosaic data of service users	N/A
Sexual Orientation	Current data on service users does not breakdown by sexual orientation.	N/A
Religion or Belief (or No Belief)	Current data on service users does not breakdown by religion.	N/A
Pregnancy & Maternity	Current data on service users does not breakdown by pregnancy and maternity.	N/A
Marriage and Civil Partnership	Current data on service users does not breakdown by marriage and civil partnership.	N/A

Outline the key findings of your data analysis. Which groups are disproportionately affected by the proposal? How does this compare with the impact on wider service users and/or the borough's demographic profile? Have any inequalities been identified?

Explain how you will overcome this within the proposal.

Further information on how to do data analysis can be found in the guidance.

By adopting a consistent approach, this will reduce the likelihood of discrimination in the proposal which aims to look at charging to the Council for service users needs versus actual delivery of 1:1 support.

For the purpose of this decision, we will be analysing the following data by relevant protected characteristic:

- New adult social care users aged 18-64 with mental health or learning disabilities who are also in residential care (source: Mosaic data at November 2017).
- Whose care costs exceed £1,000 per week.

We have broken down the data by protected characteristic where we have known it:

Sex	Service users	LBH
Male	66%	49.5%
Female	34%	50.5%

Age	Service users in cohort	LBH
18-29	24%	27%
30-44	24%	36%
45-59	43%	21%
60+	8%	16%

Disability	Service users in cohort	LBH
Disabled	94%	14%
Not Disabled	6%*	86%

*Mental Health

The Disabled category for service users in the cohort consists of a breakdown of 213 service users aged 18-64 that have a learning disability, 16 have physical support needs and 6 have sensory impairments.

Ethnicity	Service users in cohort	LBH
Asian / Asian British	8%	9%
Black / African / Caribbean / Black British	31%	19%
Mixed / multiple	4%	6%
No data	2%	0%
Other Ethnic Group	4%	5%
White	52%	61%

4. a) How will consultation and/or engagement inform your assessment of the impact of the proposal on protected groups of residents, service users and/or staff?

Please outline which groups you may target and how you will have targeted them

Further information on consultation is contained within accompanying EqIA guidance

Consultation and engagement will be done on a 1:1 basis with service users and their family/ carers in line with Care Act 2014 guidance. The source of the data is Mosaic Adult social care database via the Council's Performance Team using Mosaic Financial Commitments (B13 report).

4. b) Outline the key findings of your consultation / engagement activities once completed, particularly in terms of how this relates to groups that share the protected characteristics

Explain how will the consultation's findings will shape and inform your proposal and the decision making process, and any modifications made?

249 service users are involved in this proposal. Consultation and engagement will be done on a 1:1 basis with service users and their family/ carers in line with Care Act 2014 guidance. This will be done on an as and when basis as part of an annual review.

5. What is the likely impact of the proposal on groups of service users and/or staff that share the protected characteristics?

Please explain the likely differential impact on each of the 9 equality strands, whether positive or negative. Where it is anticipated there will be no impact from the proposal, please outline the evidence that supports this conclusion.

Further information on assessing impact on different groups is contained within accompanying EqIA guidance

1. Sex

Men are overrepresented among service users in this cohort. They are likely to be neutrally impacted by the proposal because they will benefit from:

- a greater focus on support planning and agreed outcomes
- greater consistency in practice
- clearer procedures, which should make it easier for Brokerage to plan their care.

The proposal is an exercise to ensure value for money from the Council so that the Council is not overcharged by providers. If it is necessary to change a persons care package this will be done in line with a Care Act assessment to ensure fairness and consistency, but also that service provision is based on needs.

Positive		Negative		Neutral impact	x	Unknown Impact	

2. Gender reassignment

We do not hold any service user data on the gender reassignment protected characteristic and we do not have any data on the transgender population of Haringey. However, we are aware that people who are seeking, receiving and have received gender reassignment surgery experience discrimination, harassment and victimisation. The Council will continue to adopt their Equality policy to prevent this happening to service users when delivering social care.

Positive		Negative		Neutral impact	x	Unknown Impact	

3. Age

Adults aged 45-59 are overrepresented in this proposal. They are likely to be positively impacted by this proposal because they will benefit from:

- a greater focus on support planning and agreed outcomes
- greater consistency in practice
- clearer procedures, which should make it easier for Brokerage to plan their care.

There is no change in the policy with regard to short breaks and therefore the impact on children will be neutral.

Positive		Negative		Neutral impact	x	Unknown Impact	

4. Disability

The policy will have a positive impact on people with learning disabilities and mental health as the process will hold providers to account, through agreed outcomes relating to eligible needs. This is likely to increase the availability of funds for service users that need adult social care to maximise independence.

Disabled service users will benefit from:

- a greater focus on support planning and agreed outcomes for service users
- greater consistency in practice
- clearer procedures, which should make it easier for Brokerage to plan care for service users.

Positive	x	Negative		Neutral impact		Unknown Impact	

5. Race and ethnicity

White people are overrepresented among service users. They are likely to be positively impacted by this proposal because they will benefit from:

- a greater focus on support planning and agreed outcomes for service users and greater consistency in practice
- clearer procedures for Brokerage staff to ensure care costs are as reasonable as possible.

Positive	x	Negative		Neutral impact		Unknown Impact	

6. Sexual orientation

We do not hold any service user data on the sexual orientation protected characteristic and we do not have any data on the lesbian, gay and bisexual (LGB) population of Haringey. However, we are aware that LGB people experience discrimination, harassment and victimisation, including in social care. The Council will continue to adopt their Equality policy to prevent this happening to service users when delivering care. In the allocation of care, same sex relationships will be treated the same as heterosexual couples in regards to service users.

Positive		Negative		Neutral impact		Unknown Impact	x

7. Religion or belief (or no belief)

There is insufficient data regarding service users who have a religion, belief or none at all. When implementing the proposal, the Council will need to ensure that no discrimination, harassment and victimisation will occur based upon religion and faith. In addition to this, any inequalities based upon this protected group will be tackled.

Positive		Negative		Neutral impact		Unknown Impact	x

8. Pregnancy and maternity

There is insufficient data regarding service users who are pregnant or recently gave birth. When implementing the proposal, the Council will need to ensure that no discrimination, harassment and victimisation will occur based upon this characteristic. In addition to this, any inequalities identified that are based upon this protected group will be tackled.

Positive		Negative		Neutral impact		Unknown Impact	x

9. Marriage and Civil Partnership

We do not have this information. The proposal does not intend to remove any services away from service users, this is an exercise to ensure value for money from the Council so that the Council is not overcharged by providers. If it is necessary to change a persons care package this will be done in line with a Care Act assessment to ensure fairness and consistency, but also that service provision is based on needs.

Positive		Negative		Neutral impact		Unknown Impact	x

10. Groups that cross two or more equality strands e.g. young black women

This proposal will impact on the protected characteristics of age, sex, disability and ethnicity and therefore is likely to have an inter-sectionary impact

Outline the overall impact of the policy for the Public Sector Equality Duty:

- Could the proposal result in any direct/indirect discrimination for any group that shares the relevant protected characteristics?
- Will the proposal help to advance equality of opportunity between groups who share a relevant protected characteristic and those who do not?

  This includes:

  d) Remove or minimise disadvantage suffered by persons protected under the Equality Act
  e) Take steps to meet the needs of persons protected under the Equality Act that are different from the needs of other groups
  f) Encourage persons protected under the Equality Act to participate in public life or in any other activity in which participation by such persons is disproportionately low
- Will the proposal help to foster good relations between groups who share a relevant protected characteristic and those who do not?

The proposal should not result in any direct or indirect discrimination for any protected group. It should help all service users as they will benefit from:

- a greater focus on support planning and agreed outcomes for the service user
- greater consistency in practice

6. a) What changes if any do you plan to make to your proposal as a result of the Equality Impact Assessment?

Further information on responding to identified impacts is contained within accompanying EqIA guidance

Outcome	Y/N
No major change to the proposal: the EqIA demonstrates the proposal is robust and there is no potential for discrimination or adverse impact. All opportunities to promote equality have been taken. If you have found any inequalities or negative impacts that you are unable to mitigate, please provide a compelling reason below why you are unable to mitigate them.	Y
Adjust the proposal: the EqIA identifies potential problems or missed opportunities. Adjust the proposal to remove barriers or better promote equality. Clearly set out below the key adjustments you plan to make to the policy. If there are any adverse impacts you cannot mitigate, please provide a compelling reason below	N
Stop and remove the proposal: the proposal shows actual or potential avoidable adverse impacts on different protected characteristics. The decision maker must not make this decision.	N

6 b) Summarise the specific actions you plan to take to remove or mitigate any actual or potential negative impact and to further the aims of the Equality Duty

Impact and which relevant protected characteristics are impacted?	Action	Lead officer	Timescale

Age, Sex, Disability, Race,	The Council will try to maximise the positive impact of support planning and agreeing outcomes for the service users, which has previously not been consistent practice. Reviews will promote enabling the independence of the person being cared for, maximising choice and control over their own lives.	John Everson Heads of Service Leads: Anita Marsden/ Jeni Plummer/ Vikki Monk-Meyer/ Peter Brennan	April 19

Please outline any areas you have identified where negative impacts will happen as a result of the proposal but it is not possible to mitigate them. Please provide a complete and honest justification on why it is not possible to mitigate them.

N/A

6 c) Summarise the measures you intend to put in place to monitor the equalities impact of the proposal as it is implemented:

Service users will be at the centre of their care planning process and any effects on equalities for either party, will be highlighted by the care worker and captured in the support plan, which will help to define agreed outcomes relating to their eligible needs.

Service users will be treated fairly and equitably, recognising their individual circumstances and offered services based on their eligible health and care needs.

7. Authorisation

EqIA approved by ..... (Assistant Director/ Director)	Date .....

8. Publication

Please ensure the completed EqIA is published in accordance with the Council's policy.

Please contact the Policy & Strategy Team for any feedback on the EqIA process.

PA6 - EqIA Transfer of High Cost Day Opps

EQUALITY IMPACT ASSESSMENT

The **Equality Act 2010** places a '**General Duty**' on all public bodies to have '**due regard**' to the need to:

- Eliminating discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advancing equality of opportunity between those with a 'relevant protected characteristic' and those without one;
- Fostering good relations between those with a 'relevant protected characteristic' and those without one.

In addition, the Council complies with the Marriage (same sex couples) Act 2013.

Stage 1 – Screening

Please complete the equalities screening form. If screening identifies that your proposal is likely to impact on protect characteristics, please proceed to stage 2 and complete a full Equality Impact Assessment (EqIA).

Stage 2 – Full Equality Impact Assessment

An EqIA provides evidence for meeting the Council's commitment to equality and the responsibilities under the Public Sector Equality Duty.

When an EqIA has been undertaken, it should be submitted as an attachment/appendix to the final decision-making report. This is so the decision maker (e.g. Cabinet, Committee, senior leader) can use the EqIA to help inform their final decision. The EqIA once submitted will become a public document, published alongside the minutes and record of the decision.

Please read the Council's Equality Impact Assessment Guidance before beginning the EqIA process.

1. Responsibility for the Equality Impact Assessment

Name of proposal	Day Opportunities
Service area	Commissioning
Officer completing assessment	Sebastian Dacre
Equalities/ HR Advisor	
Cabinet meeting date (if applicable)	
Director/Assistant Director	Charlotte Pomery

2. Summary of the proposal

Please outline in no more than 3 paragraphs

- *The proposal which is being assessed*
- *The key stakeholders who may be affected by the policy or proposal*
- *The decision-making route being taken*

The Council has three ex-day centre premises that, with certain adaptations, could be leased to a local provider to support 15-20 high cost service users currently receiving services out of borough at reduced cost, and closer to their existing support networks. This is proposed as it chimes with stakeholder views and capacity analysis that there is insufficient capacity and variety in borough and to improve outcomes for users.

This could yield £540,000 in savings in full year 2020/21, depending on:
- Which service users move to the new service
- The outcome of the procurement exercise
- The capacity of the service to support a higher number of service users by using the leased
premises as a 'hub' to support more service users.

There will be a capital outlay requirement of approximately £177k and a £10-15k social work
resource requirement to manage (on a 3-4 month basis), the transition/support planning process of moving service users from out of borough back into area.

3. What data will you use to inform your assessment of the impact of the proposal on protected groups of service users and/or staff?

Identify the main sources of evidence, both quantitative and qualitative, that supports your analysis. Please include any gaps and how you will address these

This could include, for example, data on the Council's workforce, equalities profile of service users, recent surveys, research, results of relevant consultations, Haringey Borough Profile, Haringey Joint Strategic Needs Assessment and any other sources of relevant information, local, regional or national. For restructures, please complete the restructure EqIA which is available on the HR pages.

Protected group	Service users	Staff
Sex	Mosaic data of service users	N/A
Gender Reassignment		N/A

	Current data on service users does not breakdown by gender reassignment.	
Age	Mosaic data of service users	N/A
Disability	Mosaic data of service users	N/A
Race & Ethnicity	Mosaic data of service users	N/A
Sexual Orientation	Current data on service users does not breakdown by sexual orientation.	N/A
Religion or Belief (or No Belief)	Current data on service users does not breakdown by religion or belief.	N/A
Pregnancy & Maternity	Current data on service users does not breakdown by pregnancy and maternity.	N/A
Marriage and Civil Partnership	Current data on service users does not breakdown by marriage and civil partnership.	N/A
All areas	Feedback on outcomes from provider monitoring information	N/A

Outline the key findings of your data analysis. Which groups are disproportionately affected by the proposal? How does this compare with the impact on wider service users and/or the borough's demographic profile? Have any inequalities been identified?

Explain how you will overcome this within the proposal.

Further information on how to do data analysis can be found in the guidance.

This proposal concerns users with a learning disability and users with a learning disability and autism at moderate to complex levels of need. They are therefore disproportionately affected by these proposals which are designed to improve outcomes and maximise independence.

More men that women will be affected and here it is the younger cohort of people with learning disability who tend to be living out of borough, hence they equally may be affected more by the proposal.

4. a) How will consultation and/or engagement inform your assessment of the impact of the proposal on protected groups of residents, service users and/or staff?

Please outline which groups you may target and how you will have targeted them

Further information on consultation is contained within accompanying EqIA guidance

We have established a co-design group which includes users, carers and staff, as well as officers. We are keen to hear directly from services users, as they will be most affected. We are undertaking activities such as visits to centres of excellence with users and carers in order to ensure we consider all opportunities for the future.

We will undertake in-depth reviews and if necessary re-assessments of individuals, which will involve the user and their carer as appropriate, where anyone has been identified as someone who could benefit from in-borough provision.

4. b) Outline the key findings of your consultation / engagement activities once completed, particularly in terms of how this relates to groups that share the protected characteristics

Explain how will the consultation's findings will shape and inform your proposal and the decision-making process, and any modifications made?

We have shared early stage thinking on this proposal with stakeholders and they have expressed support for both bringing users back into the borough and ensuring we have an improved offer locally.

5. What is the likely impact of the proposal on groups of service users and/or staff that share the protected characteristics?

Please explain the likely differential impact on each of the 9 equality strands, whether positive or negative. Where it is anticipated there will be no impact from the proposal, please outline the evidence that supports this conclusion.

Further information on assessing impact on different groups is contained within accompanying EqIA guidance

For people with learning disabilities currently in day provision and those young people with a learning disability taking up services in Haringey, this proposal will have a positive impact. Those affected will be either current or future service users with learning disability of day provision through LB Haringey.

Through co-design and further examination of the data, we will ensure that the future offer reflects the needs as currently identified and that flexibility is built in both to the redesign of spaces and the sort of service commissioned to enable future needs and outcomes also to be met effectively.

Outline the overall impact of the policy for the Public Sector Equality Duty:

- Could the proposal result in any direct/indirect discrimination for any group that shares the relevant protected characteristics?
- Will the proposal help to advance equality of opportunity between groups who share a relevant protected characteristic and those who do not?

This includes:

g) Remove or minimise disadvantage suffered by persons protected under the Equality Act
h) Take steps to meet the needs of persons protected under the Equality Act that are different from the needs of other groups
i) Encourage persons protected under the Equality Act to participate in public life or in any other activity in which participation by such persons is disproportionately low

- **Will the proposal help to foster good relations between groups who share a relevant protected characteristic and those who do not?**

This proposal will build our capacity to respond to duties under the Equality Act for people with learning disabilities, with or without autism. This includes:

- The model will seek to minimise disadvantage suffered by people with learning disabilities.
- The model will seek to meet the needs of people with learning disabilities in the borough, reducing travel time and increasing opportunities to link effectively to normal, community life.
- One of the features of a day opportunity model is to ensure that users do participate in community life, through testing a range of community based activities including leisure, employment, training and building social relationships

6. a) What changes if any do you plan to make to your proposal as a result of the Equality Impact Assessment?

Further information on responding to identified impacts is contained within accompanying EqIA guidance

Outcome	Y/N
No major change to the proposal: the EqIA demonstrates the proposal is robust and there is no potential for discrimination or adverse impact. All opportunities to promote equality have been taken. If you have found any inequalities or negative impacts that you are unable to mitigate, please provide a compelling reason below why you are unable to mitigate them.	Y
Adjust the proposal: the EqIA identifies potential problems or missed opportunities. Adjust the proposal to remove barriers or better promote equality. Clearly set out below the key adjustments you plan to make to the policy. If there are any adverse impacts you cannot mitigate, please provide a compelling reason below	N
Stop and remove the proposal: the proposal shows actual or potential avoidable adverse impacts on different protected characteristics. The decision maker must not make this decision.	N

6 b) Summarise the specific actions you plan to take to remove or mitigate any actual or potential negative impact and to further the aims of the Equality Duty

Impact and which relevant protected characteristics are impacted?	Action	Lead officer	Timescale
Disability	Ensure that the needs and outcomes of learning-disabled	Sebastian Dacre	Through to April 2020

	people are met through this process by working within a co-design model to scope out and commission the provision, by undertaking reassessments and reviews as required and by testing best practice elsewhere to bring into Haringey.		
Age	As above, and in addition: ensuring that the needs of older people with learning disability are fully taken into account.	Sebastian Dacre	Through to April 2020

Please outline any areas you have identified where negative impacts will happen as a result of the proposal, but it is not possible to mitigate them. Please provide a complete and honest justification on why it is not possible to mitigate them.

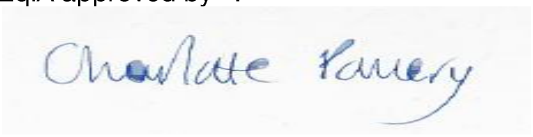
N/A

6 c) Summarise the measures you intend to put in place to monitor the equalities impact of the proposal as it is implemented:

The co-design group will support the monitoring of service delivery, including equalities impact of the proposal and its implementation.

Progress will also be reported to the P2 Steering Group, which will consider equalities as part of the data analysis.

7. Authorisation

EqIA approved by .  ..... (Assistant Director/ Director)	Date .....18th January 2019.....

8. Publication

Please ensure the completed EqIA is published in accordance with the Council's policy.

Please contact the Policy & Strategy Team for any feedback on the EqIA process.

PL1 - Additional HMO Licensing Scheme for HMO

EQUALITY IMPACT ASSESSMENT

The **Equality Act 2010** places a '**General Duty**' on all public bodies to have '**due regard**' to the need to:

- Eliminating discrimination, harassment and victimisation and any other conduct prohibited under the Act
- Advancing equality of opportunity for those with 'protected characteristics' and those without them
- Fostering good relations between those with 'protected characteristics' and those without them.

In addition the Council complies with the Marriage (same sex couples) Act 2013.

Stage 1 – Screening

Please complete the equalities screening form. If screening identifies that your proposal is likely to impact on protected characteristics, please proceed to stage 2 and complete a full Equality Impact Assessment (EqIA).

Stage 2 – Full Equality Impact Assessment

An EqIA provides evidence for meeting the Council's commitment to equality and the responsibilities under the Public Sector Equality Duty.

When an EqIA has been undertaken, it should be submitted as an attachment/appendix to the final decision making report. This is so the decision maker (e.g. Cabinet, Committee, senior leader) can use the EqIA to help inform their final decision. The EqIA once submitted will become a public document, published alongside the minutes and record of the decision.

Please read the Council's Equality Impact Assessment Guidance before beginning the EqIA process.

1. Responsibility for the Equality Impact Assessment

Name of proposal	Property Licensing – Borough wide Additional HMO Licensing Scheme
Service area	Community Safety & Enforcement
Officer completing assessment	Lynn Sellar
Equalities/ HR Advisor	
Cabinet meeting date (if applicable)	12th February 2019
Director/Assistant Director	Stephen McDonnell – Director of Environment and Neighbourhoods.

2. Summary of the proposal

Please outline in no more than 3 paragraphs

- *The proposal which is being assessed*
- *The key stakeholders who may be affected by the policy or proposal*
- *The decision-making route being taken*

The Council is proposing to extend the current Additional Licensing scheme for HMOs not governed by Mandatory Licensing. All licensing schemes are intended to address the impact of poor quality housing, rogue landlords and anti-social tenants. In an area subject to licensing, all private landlords must obtain a licence and if they fail to do so, or fail to achieve acceptable management standards, the authority can take enforcement action. Schemes run for a maximum period of five years and a fee is payable for each license.

Licensing offers the following benefits:

- Provide an improved strategic approach to managing the sector
- Help to identify all properties that are rented out privately
- Establish a register of landlords operating in Haringey
- Give us the opportunity to inspect the properties to assess living conditions and to offer advice to landlords, managing agents and tenants about their obligations.
- Redefine how the service operates by shifting the emphasis from a customer complaints led, reactive service.
- Ensure that a proper standard of management of privately rented property is maintained and that properties do not become, dangerous and/or severely overcrowded
- Reduce the levels of anti-social behaviour in the borough and take action against those whose properties or tenants cause persistent ASB

- Reduce enviro-crime locally including improvement in the management of waste

Stakeholders directly affected by the proposal:

Private sector landlords, managing agents and their tenants within the areas in scope will be directly affected by the proposals.

We anticipate that the majority of residents will be positively affected by the proposal.

Council employees may be affected (change in the operating model) Further work is required to understand the full implication of the impact on staff. Any changes will be addressed in line with the Council's HR policies and a separate EqIA completed if necessary.

Timeline:

A report was presented at the Cabinet meeting of 14th November 2017 and Members agreed to a borough wide public consultation on the proposal. The consultation ran for 12 weeks between 12th December 2017 and 5th March 2018.

Following the statutory consultation period, a report will be presented to Members of the Cabinet in February 2019 for the introduction of a borough wide additional HMO Licensing scheme.

A comprehensive publicity campaign will take place February 2019-May 2019

The licensing scheme will be launched in May 2019

3. What data will you use to inform your assessment of the impact of the proposal on protected groups of service users and/or staff?

Identify the main sources of evidence, both quantitative and qualitative, that supports your analysis. Please include any gaps and how you will address these

This could include, for example, data on the Council's workforce, equalities profile of service users, recent surveys, research, results of relevant consultations, Haringey Borough Profile, Haringey Joint Strategic Needs Assessment and any other sources of relevant information, local, regional or national. For restructures, please complete the restructure EqIA which is available on the HR pages.

Protected group	Service users	Staff
Sex	*Equalities Profile of Haringey – 2013 Mid Year estimates:* http://www.haringey.gov.uk/sites/haringeygovuk/files/equalities_profile_of_haringey.pdf *Property Licensing Consultation*	
Gender Reassignment	EHRC national data *Property Licensing Consultation*	
Age	*Equalities Profile of Haringey – 2013 Mid Year estimates:* http://www.haringey.gov.uk/sites/haringeygovuk/files/equalities_profile_of_haringey.pdf *Property Licensing Consultation*	

	MHCLG English Housing Survey, Private Rented Sector (2017)	
Disability	*Equalities Profile of Haringey – 2013 Mid Year estimates:* *http://www.haringey.gov.uk/sites/haringeygovuk/files/equalities_profile_of_haringey.pdf* *ONS Disability in England & Wales, 2011* *Property Licensing Consultation* *MHCLG English Housing Survey, Private Rented Sector (2017)*	
Race & Ethnicity	*Equalities Profile of Haringey – 2013 Mid Year estimates:* *http://www.haringey.gov.uk/sites/haringeygovuk/files/equalities_profile_of_haringey.pdf* *Property Licensing Consultation* *MHCLG English Housing Survey, Private Rented Sector (2017)*	
Sexual Orientation	ONS sub-national sexual identity data, 2013-15 *Property Licensing Consultation*	
Religion or Belief (or No Belief)	*Equalities Profile of Haringey – 2013 Mid Year estimates:* *http://www.haringey.gov.uk/sites/haringeygovuk/files/equalities_profile_of_haringey.pdf*	
Pregnancy & Maternity	*Census, 2011* *Property Licensing Consultation*	
Marriage and Civil Partnership	*Equalities Profile of Haringey – 2013 Mid Year estimates:* *http://www.haringey.gov.uk/sites/haringeygovuk/files/equalities_profile_of_haringey.pdf* *Property Licensing Consultation*	

Outline the key findings of your data analysis. Which groups are disproportionately affected by the proposal? How does this compare with the impact on wider service users and/or the borough's demographic profile? Have any inequalities been identified?

Explain how you will overcome this within the proposal.

Further information on how to do data analysis can be found in the guidance.

Haringey is an exceptionally diverse and fast-changing borough.

Haringey has a population of 254,900 according to the 2011 National Census made up of 101,955 households. The number of households in Haringey has continued to increase since 2011.

The borough ranks as one of the most deprived in the country with pockets of severe deprivation in the east. Haringey is the 13th most deprived borough in England and the 4th most deprived in London.

Home ownership in Haringey remains lower than London at 38.9% with the level of private renting amongst the highest in London. The level of over occupancy in Haringey is significantly above that for London.

The 2011 census recorded a reduction in full time workers and an increase in part time and self-employed workers. The 2011 census recorded that more people in Haringey identified as never having worked or in long-term unemployment than in London. Over a quarter of households (28%) living in Haringey have no adult in employment. This figure is similar to that of London as a whole.

Our key finding of our analysis in relation to key equalities characteristics are as follows:-

Age
Haringey has a relatively young population with a quarter of the population under the age of 20, and 91% of the population aged under 65 (89% London and 83% England). 38% of the borough's population is aged 25-39 higher than the London. The Borough has a higher proportion of young adults and a smaller proportion of older people than in the rest of London. There are more children living in the East of our borough than in the west.

The private rented sector (PRS) is increasingly being used as an alternative to home ownership for young people who cannot afford to get onto the property ladder. We know that private renting is being used increasingly by families with young children. Haringey has a higher than average population of young adults and so it is likely that young adults are over-represented in the private rented sector.

Young children are over-represented in the private rented sector and notably in properties which are in poorer condition. Moreover, private renters are, on average, younger than social renters and owner occupiers, with a mean age of 40 years (compared with 52 years for social renters and 57 years for owner occupiers).

Disability
14% of residents have a long-term health problem that limits their day to day activity, lower than England but in line with London. 5.7% of residents report being in bad health, slightly higher than England and London.

In 2016-17, 23% of privately rented households in the UK reported a household member with a long-term illness or disability. It is therefore likely that a higher proportion of residents in the private rented sector have a long-term illness or disability than is generally the case in haringey.

The English House condition Survey 2015-16 identified that 23% of households in the private rented sector included at least one member who had a long-term illness or disability, lower than the proportion of such households in the social rented sector; where 49% of households included someone with a long-term illness or disability. Among owner-occupiers, 29% of households had at least one member with a disability or long-term illness. Although this is higher than in the private rented sector, this might be due to the fact that owners are in general older than renters and are therefore might more likely to have age-related illness or disability.

Gender reassignment
The council does not have local data regarding this protected characteristic. There is no reason to believe that there will be specific impacts for this protected group and we will try to ensure that discrimination, harassment and victimisation is tackled based upon this and any other protected group.

Pregnancy and maternity
The number of children born to Haringey residents has been increasing year on year since 2002 in line with the London and England trend. The birth rate (births per 1000 of the population) in Haringey has been consistently higher than London in this period until 2008 and is now level with London. In 2012 there were 4,209 births in Haringey.

Lone parents, of whom the vast majority are women, are over-represented in the private rented sector and notably in properties which are in poorer condition.

Race and Ethnicity
Almost two-thirds of the borough's population, and over 70% of its young people, are from ethnic minority backgrounds. Haringey's population is the fifth most ethnically diverse in the country with over 100 languages spoken. Over 65% of residents come from non-White British communities, compared to 20% in England and 55% for London. 190 different languages are spoken in our schools. The proportion of non-White British communities varies from 35.2% in Muswell Hill in the west of the borough to 83.4% in Northumberland Park in the east of the borough.

BAME individuals are over-represented in the private rented sector and notably in properties which are in poorer condition. It is notable that migrants are more likely than UK nationals to live in private-rented accommodation.

Religion and belief
Haringey is one of the most religiously diverse places in the UK. The most common religion was Christianity, accounting for 45% of residents, less than London (48.4%) and less than England (59.4%). The next most common religions were Muslim (14.3%) – higher than London (12.3%) - and Jewish (3%). Haringey had a lower percentage of residents who were Hindu (1.8%) and Sikh (0.3%) than London (5.0% and 1.5%, respectively). A quarter of Haringey residents stated that they did not have a religion, higher than London (20.7%).

We do not have local data regarding the representation of this protected group in the private rented sector. However, we know that recent and second-generation migrants in the UK are likely to live in the private rented sector rather than social or privately owned housing. It is likely that a significant proportion of these individuals will be members of minority faith groups and are therefore represented among private rented sector tenants.

There is no reason to believe that there will be specific impacts for this protected group and we will try to ensure that discrimination, harassment and victimisation is tackled based upon this and any other protected group.

Sex
There is a relatively equal gender split in Haringey, just over half of the population is female (50.5%), in line with England and London.

The English House condition Survey 2015-16 identified that 61% of households in the PRS had a male HRP. Lone parents, of whom the vast majority are women, are over-represented in the private rented sector and notably in properties which are in poorer condition.

Sexual orientation
3.2% of London residents aged 16 or over identified themselves as lesbian, gay or bisexual in 2013 (ONS Integrated Household Survey). In Haringey this equates to 6,491 residents.

We do not have local data regarding the representation of this protected group in the private rented sector. There is no reason to believe that there will be specific impacts for this protected group and we will try to ensure that discrimination, harassment and victimisation is tackled based upon this and any other protected group.

Marriage and Civil partnership.
A third of the population of Haringey is made up of single households.
Lone parent households account for 10% of the borough's household make up.
Haringey has a higher proportion of couples in a registered same sex civil partnership than England and London. 0.6% (or 1,191 residents), compared to 0.2% for England and 0.4% for London.

We do not have local data regarding the representation of this protected group in the private rented sector. There is no reason to believe that there will be specific impacts for this protected group and we will try to ensure that discrimination, harassment and victimisation is tackled based upon this and any other protected group.

All groups who own, manage or live in privately rented accommodation are likely to be affected by the introduction of a property licensing scheme. People of ethnic minority origin, single parents and young children and certain vulnerable people are key tenant groups and are therefore likely to be affected as they are over-represented in the private rented sector and notably in properties which are in poorer condition.

Generally, the effect of property licensing is to formalise the lightly regulated private rented housing market by imposing an increased regulatory framework to force obligations on landlords / licence holders. It should lead to better quality accommodation and greater community stability for groups who are unable to access social housing or homeownership. Therefore it can assist with community cohesion and tackle exclusion. Better managed private sector dwellings also improve the quality of life of many other Haringey residents, as they are often indirectly affected by low level neighbourhood anti-social behaviour such as fly tipping and noise.

The introduction of a borough wide Additional Licensing scheme will enable us to collect data on demographics/equalities of people living in, managing and owning private sector dwellings in Haringey.

4. a) How will consultation and/or engagement inform your assessment of the impact of the proposal on protected groups of residents, service users and/or staff?

Please outline which groups you may target and how you will have targeted them

Further information on consultation is contained within accompanying EqIA guidance

During the consultation period (12 weeks) we used a wide range of consultation techniques to ensure that all sections of the community had an opportunity to take part. This included:

- Email to 600 landlords/Letting Agents operating in Haringey Council.
- Hand delivered letter to every household within the proposed 29 Selective Licensing areas (approximately 30,000).
- Approximately 36,000 letters hand delivered to identified private sector properties in the borough.
- Leaflets, Posters and paper questionnaires distributed to Libraries.
- Information available on the Council's, web site.
- Officers attending the Borough Wide Neighbourhood Watch Meeting and local Neighbourhood Watch meetings.
- Details of the consultation emailed to all London Boroughs to share with their landlord' forums/letting agents.
- Press release and consultation picked up by:
    - Local: Ham and High, Parikiaki, Tottenham Independent
    - National: BBC Newsround
    - Trade Press: Residential Landlord Association, Landlord Today, Housing 24.
- Bridge Renewal Trust promoted the consultation through weekly e-bulletin and social media.
- Details of the consultation sent to HFH Resident' Associations and all Neighbourhood Watch representatives.
- Article in Haringey People Magazine – distributed to all households in the borough.
- Regular reminders with links to the consultation were posted out via Social Media.
- 2 appearances in Haringey People extra – emailed to 40,000 subscribers.

Our approach was independently evaluated by a third party to ensure compliance. All consultation material was translated on request, and hard copies of the questionnaire made available at various locations across the borough.

4. b) Outline the key findings of your consultation / engagement activities once completed, particularly in terms of how this relates to groups that share the protected characteristics

Explain how will the consultation's findings will shape and inform your proposal and the decision making process, and any modifications made?

A public consultation exercise ran from 12th December 2017 to 5th March 2018. Consultation activities included an online questionnaire, four public meetings, nine drop in sessions at various locations across the borough and a dedicated phone line. In addition, the Bridge Renewal Trust were asked to independently hold a number of focus groups with private sector tenants and partner agencies, specifically they were asked to target tenants with protected characteristics.

We estimate that the consultation resulted in just over 900 people either taking part and offering feedback on the proposals or/and making contact to discuss the proposals in more detail. The results are broken down as follows:

Completed the online-questionnaire	607
Attended a Public meeting	99
Telephone/Face to face contact	150.(estimate)
Attended a Bridge Renewal Focus Group/Telephone interview.	57

M.E.L. Research on line questionnaire

Break down of respondents

As part of the on-line consultation, equality monitoring information was collected. A breakdown of respondents by protected groups is set out below.

AGE

How old are you? (*585 respondents completed this question*)

Under 20	0%
21-24	1%
25-29	4%
30-44	33%
45-59	34%
60-64	9%
65-74	10%
75-84	2%
85-89	0%
90 and over	0%

	Prefer not to say	7%

Haringey has a relatively young population with a quarter of the population under the age of 20, and 91% of the population under 65. Of the 585 respondents completing this question 81% were below 65. A nil response was recorded for under the age of 20. This age group is less likely to be either a landlord, home owner or tenant and therefore licensing is unlikely to affect them.

SEX

Q26. Gender (543 respondents completed this question)	Male	49%
	Female	51%

The gender split is in line with the borough profile.

GENDER REASSIGNMENT

Q27. Does your gender differ from your birth sex? (548 respondents completed this question)		
	Yes	1%
	No	90%
	Prefer not to say	9%

1% of respondents confirmed that their gender differs from their birth sex. No data is available for the profile of Haringey.

PREGNANCY AND MATERNITY

Are you pregnant? (259 respondents completed this question)	Yes	2%
	No	98%
Q29. Have you had a baby in the last 12 months? (257 respondents completed this question)	Yes	2%
	No	98%

2% of the 259 respondents confirmed that they were pregnant at the time of completing the questionnaire and 2% of the 257 respondents confirmed that they had given birth within the last

12 months. These figures are lower than the overall conception rate among women in England and Wales.

MARRAGE AND CIVIL PARTNERSHIP

Q30. What is your marital status? (559 respondents completed this question)

Single	23%
Married	39%
Co-habiting	16%
Separated	2%
In a same sex civil partnership	1%
Divorced	3%
Widowed	1%
Prefer not to say	14%

The above responses are broadly in line with the Borough profile, except for the number of respondents confirming as single is lower than the borough profile of 50%

SEXUAL ORIENTATION

Q33. Which of the following best describes your sexual orientation? (548 respondents completed this question)

Bisexual	1%
Gay/Lesbian	5%
Heterosexual/Straight	65%
Prefer not to say	29%

3.2% of London residents aged 16 or over identified themselves as lesbian, gay or bisexual in 2013 (ONS integrated Household Survey) This compares with 6% of the 548 respondents to the consultation questionnaire.

Race and Ethnicity

Q31. Are you...?	A refugee	0%
	An asylum seeker	0%

	Neither of the above	100%	
(547 respondents completed this question) Nil response was received from respondents identifying as either a refugee or asylum seeker.			
Q34. What is your ethnic background? (554 respondents completed this question)			
	White: British	55%	
	White: Irish		4%
	White Other: Gypsy/Roma		0%
	White Other: Greek/Greek Cypriot		3%
	White Other: Turkish		0%
	White Other: Kurdish		0%
	White Other: Irish Traveller		0%
	White Other: (please specify)		10%
	Mixed: White and Black Caribbean		0%
	Mixed: White and Black African		0%
	Mixed: White and Asian		1%
	Mixed Other (please specify)		1%
	Asian: Indian		2%
	Asian: Pakistani		0%
	Asian: Bangladeshi		1%
	Asian: East African Asian		0%
	Asian Other (please specify)		1%
	Black: African		1%
	Black: Caribbean		2%

	Black Other (please specify)	0%
	Chinese or other ethnic group: Chinese	0%
	Any other ethnic background (please specify)	1%
	Prefer not to say	18%
Ethnic group (452 respondents completed this question)		
	White British	68%
	White Other	20%
	Mixed	2%
	Asian	4%
	Black	4%
	Chinese or Other	2%

The majority of respondents confirming their ethnic background or group, identified as white British/white other. In contrast, the borough profile confirms that 65% of residents identify as non-white British.

DISABILITY

Q36. Do you consider yourself to be a disabled person? (541 respondents completed this question)		
	Yes	6%
	No	94%

14% of residents have a long term health problem or disability in Haringey, compared to 6% of the 541 respondents.

Results of the on-line Consultation

Overall, support for a borough-wide Additional Licensing scheme is strong (70% in support). Opposition to the scheme is highest amongst landlords (39%), whilst residents are most in favour (80%). Around half of all respondents (53%) feel it will have a positive impact on them, with residents again most positive (65% positive), whilst landlords are most negative (34% negative).

Support for a Selective Licensing scheme in parts of Haringey is fairly well supported (57% overall), but less so than an Additional Licensing scheme. PRS tenants are most in favour of the scheme (70%), whilst two thirds of landlords are opposed to it (66%). Six out of ten landlords

(61%) feel it will have a negative impact on them, whilst over half of PRS tenants and residents feel it will be positive (54% and 53% respectively).

When respondents were asked to say why they supported licensing, 351 respondents offered comments for Additional Licencing and 282 offered a comment in respect of Selective Licensing. The top three reasons cited below were offered for both schemes:

- Better living conditions/maintained properties
- Reduce the knock on effects like fly tipping, ASB, overcrowding in HMOs etc.
- Offers protection to tenants and holds landlords accountable.

Bridge Renewal Trust – Engagement Event

There was overwhelming support for a licencing scheme by all participants. The top 3 issues identified by all groups as a priority for licensing to address have been categorised and are summarised below

- Improvement in property maintenance and conditions, including overcrowding and safety concerns.
- Lack of available property and high rents.
- Support for tenants to better understand their rights and deal with illegal evictions and complaints against landlords.

5. What is the likely impact of the proposal on groups of service users and/or staff that share the protected characteristics?

Please explain the likely differential impact on each of the 9 equality strands, whether positive or negative. Where it is anticipated there will be no impact from the proposal, please outline the evidence that supports this conclusion.

Further information on assessing impact on different groups is contained within accompanying EqIA guidance

1. Sex

-

The outcome of licensing is to improve standards within the PRS, and so tenants of any sex are likely to be positively impacted. We can reasonably anticipate benefits for women, as the vast majority of lone parent households in Haringey are headed by women and these households are overrepresented in the private rented sector.

We have no data as to the gender of landlords in Haringey but the proposal will affect any landlord or letting agent equally regardless of their gender and we do not anticipate a disproportionate impact based on this protected characteristic.

Positive	X	Negative		Neutral impact		Unknown Impact	

2. Gender reassignment -

We do not have local data regarding the representation of individuals who identify as a gender different to the one they were assigned at birth in the private rented sector. Our consultation findings lead us to believe that there will not be specific impacts for this protected group, but we will ensure that this group will not be subjected to discrimination, harassment and victimisation due to their protected characteristic. If any inequity in treatment is identified we will take steps to rectify this.

Positive		Negative		Neutral impact	X	Unknown Impact	

3. Age -
The private rented sector (PRS) is increasingly being used as an alternative to home ownership for young people who cannot afford to get onto the property ladder. We also know that private renting is being used increasingly by families with young children. Additional licensing is targeted at houses in multiple occupation, including properties, which are likely to be shared houses as well as bedsit and studio accommodation, which tend to be a cheaper forms of renting and therefore more accessible to young adults who are more likely to be on low incomes. The impact of this proposal for young people in the private rented sector is going to be positive as it will help ensure that the quality of accommodation they are accessing is good and that the landlord they are renting from is fit and proper..

We have no data as to the age of landlords in Haringey but the proposal will affect any landlord or letting agent equally regardless of their age and we do not anticipate a disproportionate impact based on this protected characteristic

Positive	x	Negative		Neutral impact		Unknown Impact	

4. Disability - 14% of Haringey residents have long term health problems that limits their day to day activity, which is lower than England but in line with London. 23% of households in the private rented sector included at least one member who had a long-term illness or disability. It is therefore likely that individuals with disabilities are over-represented among private-rented sector tenants and therefore those impacted by the proposal..

HMO licensing would not be able to take into consideration an individual tenant's disability or needs associated with their disability when applying standards. The effect of licensing overall however would be positive for these households in improving overall housing conditions.

We have no data as to how many landlords in Haringey have disabilities but the proposal will affect any landlord or letting agent equally and we do not anticipate a disproportionate impact based on this protected characteristic.

Positive	x	Negative		Neutral impact		Unknown Impact	

5. Race and ethnicity -

We know from the 2011 census that Haringey is the 5th most diverse borough in the country. 65% of residents come from non-white British communities.
In summary 45% of the population was born outside of Britain. The main nationalities being Polish, Turkish, Jamaican, Irish, Ghanaian and Somalian.

Individuals and groups from ethnic minority backgrounds are over-represented among private-rented sector tenants. The impact of this proposal, in improving conditions in the private-rented sector, will therefore be positive overall for this protected characteristic.

We have no data as to the ethnicity of landlords in Haringey but the proposal will affect any landlord or letting agent equally regardless of their ethnicity and we do not anticipate a disproportionate impact based on this protected characteristic

Positive	X	Negative		Neutral impact		Unknown Impact	

6. Sexual Orientation -.

We do not have local data on the representation of LGBT individuals in private rented sector accommodation. Our consultation findings lead us to believe that there will not be specific impacts for this protected group, but we will ensure that this group will not be subjected to discrimination, harassment and victimisation due to their protected characteristic. If any inequity in treatment is identified we will take steps to rectify this.

Positive		Negative		Neutral impact	X	Unknown Impact	

7. Religion or belief (or no belief) -

Haringey is one of the most religiously diverse places in the UK. At the time of the census the most common religion in Haringey was Christianity, accounting for 45% of residents, this is less than London. The next most common faith is Muslim (14.3%) and Jewish (3%). Hindu and Sikh faiths are under-represented in Haringey compared to London. As we know the PRS is the most likely tenure for new communities and will therefore provide housing for a large diverse population it is without question that different faith groups will be represented. Licensing will improve the condition of private rented housing and will therefore have a positive impact for households from religious minorities.

We have no data as to the faith of landlords in Haringey but the proposal will affect any landlord or letting agent equally regardless of their faith and we do not anticipate a disproportionate impact based on this protected characteristic

Positive	X	Negative		Neutral impact		Unknown Impact	

8. Pregnancy and maternity -

It is highly likely that due to the age demographics of those living in the PRS and the over-representation of lone parents that pregnancy and maternity is a characteristic that will be impacted on by licensing. The link between poor living accommodation and health is well evidenced, as is the impact of poor standards of accommodation on children's health and development. Licensing will affect positively on both maternity and pregnancy through improving these standards for residents.

Positive	X	Negative		Neutral impact		Unknown Impact	

9. Marriage and Civil Partnership -

People who are in a civil partnership will be treated the same as people who are married.

Positive		Negative		Neutral impact	x	Unknown Impact	

10. Groups that cross two or more equality strands e.g. young black women -

Groups that are likely to be over-represented among those affected by the proposal include:

- Young women
- Young people from BAME communities
- Young people with disabilities
- Ethnic minority individuals with disabilities
- Ethnic minority individuals from minority faith communities

These groups are all likely to be over-represented in the private rented sector and are therefore all likely to be positively impacted by the proposal's aim to improve conditions in the private rented sector.

Outline the overall impact of the policy for the Public Sector Equality Duty:

- **Could the proposal result in any direct/indirect discrimination for any group that shares the protected characteristics?**

- Will the proposal help to advance equality of opportunity between groups who share a protected characteristic and those who do not? This includes:
  - j) Remove or minimise disadvantage suffered by persons protected under the Equality Act
  - k) Take steps to meet the needs of persons protected under the Equality Act that are different from the needs of other groups
  - l) Encourage persons protected under the Equality Act to participate in public life or in any other activity in which participation by such persons is disproportionately low
- Will the proposal help to foster good relations between groups who share a protected characteristic and those who do not?

This analysis has concluded that, overall, the extension of HMO licensing is likely to have a positive impact on all tenants and those with protected characteristics in particular. Licensing will have the greatest impact on those who are disadvantaged and who have little or no choice but having to rent in the private sector, including specific groups of tenants who share protected characteristics. .

A key purpose of the scheme is to improve housing conditions and reduce property related antisocial behaviour which will benefit residents across all protected characteristics and particularly more vulnerable groups. In particular, BAME groups, new migrants, families with young children, disabled residents and vulnerable adults will benefit from better enforcement of licence conditions and of the Housing Health and Safety Rating System standards. The proposal will therefore advance equality of opportunity to high quality housing for individuals and groups who share protected characteristics.

We do not anticipate any direct discrimination for any group that shares protected characteristics. The results of the consultation and the Equality Analysis has identified some potential adverse indirect impacts for lower income groups, particularly young people, migrants, single parents, if landlords decide to increase rents as a direct result of licensing. However, based on our existing licensing schemes in Haringey and that of other Councils who have introduced licensing, we believe that this is very unlikely to materialise and so the likelihood of this impact is very low.

There is a risk of homelessness for some residents should landlords decide to withdraw from the private rented sector. Although we think this is unlikely, to mitigate against this we have minimised the cost of a license, including offering a 50% early bird discount. In addition we will ensure that any monitoring or reporting requirements for landlords are kept to a minimum. Feedback from other councils and experience of our existing licensing schemes suggests that this is unlikely to happen and is therefore a low risk.

The proposal will help to foster good relations between individuals and groups who share protected characteristics and those who do not by driving up standards of accommodation that is likely to be shared by diverse small groups and by reducing property-associated anti-social behaviour that may otherwise worsen relations.

6. a) What changes if any do you plan to make to your proposal as a result of the Equality Impact Assessment?

Further information on responding to identified impacts is contained within accompanying EqIA guidance

Outcome	Y/N
No major change to the proposal: the EqIA demonstrates the proposal is robust and there is no potential for discrimination or adverse impact. All opportunities to promote	Y

equality have been taken. If you have found any inequalities or negative impacts that you are unable to mitigate, please provide a compelling reason below why you are unable to mitigate them.	
Adjust the proposal: The EqIA identifies potential problems or missed opportunities. Adjust the proposal to remove barriers or better promote equality. Clearly set out below the key adjustments you plan to make to the policy. If there are any adverse impacts you cannot mitigate, please provide a compelling reason below	N
Stop and remove the proposal: the proposal shows actual or potential avoidable adverse impacts on different protected characteristics. The decision maker must not make this decision.	N

6 b) Summarise the specific actions you plan to take to remove or mitigate any actual or potential negative impact and to further the aims of the Equality Duty

Impact and which protected characteristics are impacted?	Action	Lead officer	Timescale
Lack of data held on some protected characteristics.	The Licensing scheme will enable us to collect much needed data on demographics/equalities of people living in, managing and owning private sector dwellings in Haringey.	Lynn Sellar	5 year timescale from implementation.
Increase in rents due to Licensing. *(all protected characteristics)*	We will minimise the cost to landlords for licensing, including offering an early bird discount of 50%. We will monitor this closely to see if there is any evidence to suggest that rent increases are driven by licensing, rather than market conditions.	Lynn Sellar	5 year timescale from implementation
Increase in the risk of homelessness. *(all protected characteristics)*	We will endeavour to work with landlord and tenants who may be affected by action in relation to Licensing to try and maintain tenancies and work through any problems identified by using internal and external support services when applicable.	Lynn Sellar	5 year timescale from implementation
Lack of understanding about the scheme/certain terminology. *(all protected characteristics)*	It is proposed that a comprehensive publicity campaign is launched when the two licensing schemes are introduced. Extra care will be taken to ensure that the information is presented in an easy to understand format.	Lynn Sellar	

Please outline any areas you have identified where negative impacts will happen as a result of the proposal but it is not possible to mitigate them. Please provide a complete and honest justification on why it is not possible to mitigate them.
None identified.

6 c) Summarise the measures you intend to put in place to monitor the equalities impact of the proposal as it is implemented:
As part of the licensing project we are working closely with connected communities officers funded through Migration Impact funding. Part of this project is to look at the impact of private renting on community groups to try and ensure that we shape or mainstream frontline functions to assist dis- advantaged groups. Licensing also offers the opportunity for officers to visit tenants as part of the licensing inspection programme. For many residents this is the first contact they may have had with council officials. This is an opportunity for officers to identify further needs of tenants/ residents and ensure that they are accessing services and support if required.

7. Authorisation	
EqIA approved by ..... (Assistant Director/ Director)	Date .....

8. Publication *Please ensure the completed EqIA is published in accordance with the Council's policy.*

Please contact the Policy & Strategy Team for any feedback on the EqIA process.

PL2 - Review and Extension of CPZ coverage

(Encompasses: PL4 Increase in Moving Traffic Enforcement & PL6 Extending parking enforcement)

EQUALITY IMPACT ASSESSMENT

The **Equality Act 2010** places a '**General Duty'** on all public bodies to have '**due regard'** to:

- Eliminating discrimination, harassment and victimisation and any other conduct prohibited under the Act
- Advancing equality of opportunity for those with 'protected characteristics' and those without them
- Fostering good relations between those with 'protected characteristics' and those without them.

In addition the Council complies with the Marriage (same sex couples) Act 2013.

Stage 1 – Screening

Please complete the equalities screening form. If screening identifies that your proposal is likely to impact on the Public Sector Equality Duty, please proceed to stage 2 and complete a full Equality Impact Assessment.

Stage 2 – Full Equality Impact Assessment

An Equality Impact Assessment provides evidence for meeting the Council's commitment to equality and the responsibilities under the Public Sector Equality Duty.

When an Equality Impact Assessment has been undertaken, it should be submitted as an attachment/appendix to the final decision making report. This is so the decision maker (e.g. Cabinet, Committee, senior leader) can use the EqIA to help inform their final decision. The EqIA once submitted will become a public document, published alongside the minutes and record of the decision.

Please read the council's Equality Impact Assessment guidance before beginning the EIA process.

1. Responsibility for the Equality Impact Assessment

Name of proposal	The extension of Controlled Parking Zones (CPZs)
Service area	Environment and Neighbourhoods
Officer completing assessment	Ann Cunningham / Hugh Smith
Equalities/ HR Advisor	Hugh Smith
Cabinet meeting date (if applicable)	12th February 2019
Assistant Director	David Murray

2. Summary of the proposal and its relevance to the equality duty

Good parking and traffic management is an important tool that contributes towards wider policy objectives for delivering better road network management, reduced road danger, less motor traffic and pollution, improved conditions for walking, cycling and public transport use, raising the quality and amenity in the borough's public spaces. It also ensure access for disabled drivers, by providing dedicated parking bays and allowing concessions and also provides short term parking in shopping areas and other areas of interest ensuring access to those amenities.

Controlled parking zones (CPZs), are introduced in areas where there is extreme parking pressure and the majority of local residents support those measures. Those schemes prioritise parking for residents and their visitors in the streets in and around their home. Moving Traffic enforcement supports road safety by enforcing a range of traffic restrictions, such a banned entries, one way streets, as well as yellow box junctions.

The use of parking and traffic restrictions as a traffic management tool is in line with the Local Implementation Plan and Transport Strategy, both of which have been subject to an Equalities Impact Assessment at the point of development. Proposals are therefore within the existing policy framework.

This proposal is to extend CPZ coverage in Haringey. The extension of the CPZ is projected to generate net income of £500,000 from year 3 onwards. The wards with the most new CPZ coverage are Alexandra, Fortis Green, Seven Sisters, and Tottenham Green. Resident parking permits in these areas will cost £X per year

The stakeholders affected by this proposal are residents and businesses in the parts of the borough that will be covered by new CPZ schemes noted above, and car drivers in particular.

The proposal will be considered by Cabinet in February 2019 as part of the Medium-Term Financial Strategy.

3. What data will you use to inform your assessment of the impact of the proposal on protected groups of service users and/or staff?

Identify the main sources of evidence, both quantitative and qualitative, that supports your analysis. Please include any gaps and how you will address these

This could include, for example, data on the Council's workforce, equalities profile of service users, recent surveys, research, results of relevant consultations, Haringey Borough Profile, Haringey Joint Strategic Needs Assessment and any other sources of relevant information, local, regional or national. For restructures, please complete the restructure EqIA which is available on the HR pages.

Protected group	Service users	Staff
Sex	Haringey Equalities Profile http://www.haringey.gov.uk/sites/haringeygovuk/files/equalities_profile_of_haringey.pdf GLA London Ward Profiles https://londondatastore-upload.s3.amazonaws.com/instant-atlas/ward-profiles-html/atlas.html	*No impact*
Gender Reassignment	Haringey Equalities Profile http://www.haringey.gov.uk/sites/haringeygovuk/files/equalities_profile_of_haringey.pdf	*No impact*
Age	Haringey Equalities Profile http://www.haringey.gov.uk/sites/haringeygovuk/files/equalities_profile_of_haringey.pdf GLA London Ward Profiles https://londondatastore-upload.s3.amazonaws.com/instant-atlas/ward-profiles-html/atlas.html TfL Roads Taskforce Technical note 12: http://content.tfl.gov.uk/technical-note-12-how-many-cars-are-there-in-london.pdf	*No impact*
Disability	Haringey Equalities Profile http://www.haringey.gov.uk/sites/haringeygovuk/files/equalities_profile_of_haringey.pdf	*No impact*
Race & Ethnicity	Haringey Equalities Profile http://www.haringey.gov.uk/sites/haringeygovuk/files/equalities_profile_of_haringey.pdf TfL Roads Taskforce Technical note 12: http://content.tfl.gov.uk/technical-note-12-how-many-cars-are-there-in-london.pdf	*No impact*
Sexual Orientation	Haringey Equalities Profile http://www.haringey.gov.uk/sites/haringeygovuk/files/equalities_profile_of_haringey.pdf	*No impact*
Religion or Belief (or No Belief)	Haringey Equalities Profile http://www.haringey.gov.uk/sites/haringeygovuk/files/equalities_profile_of_haringey.pdf	*No impact*
Pregnancy & Maternity	Census 2011 TfL Roads Taskforce Technical note 12: http://content.tfl.gov.uk/technical-note-12-how-many-cars-are-there-in-london.pdf	*No impact*
Marriage and Civil Partnership	Haringey Equalities Profile http://www.haringey.gov.uk/sites/haringeygovuk/files/equalities_profile_of_haringey.pdf	*No impact*

Outline the key findings of your data analysis. Which groups are disproportionately affected by the proposal? How does this compare with the impact on wider service users and/or the borough's demographic profile? Have any inequalities been identified?

Those proposals do not impact on staff.

Those proposals will benefit all road users by ensuring safe streets and by allowing residents to park near their homes. The CPZ programme will extend into the West of the borough. This represents bringing about a balance, as there is already extensive coverage in the East of the borough. As the parking surplus contributes towards the cost of concessionary travel, it could be argued the East has subsidised concessionary travel provision in the west of the borough.

Equalities monitoring data is not available for those who reside within the borough who keep and use a vehicle. Ward level data from sources such as the Office for National Statistics and the Census 2011 are used for the purpose of evaluating the impact on different equalities groups.

Sex

- Women make up 50.5% of Haringey's population.
- Women make up a significantly higher proportion of residents in Alexandra and Fortis Green wards.
- Car ownership is more common in Fortis Green and Alexandra wards than the borough and London averages
- Car ownership is higher amongst men than women (46 per cent compared to 34 per cent)

Gender Reassignment

- This data is not held at a borough level. The Equality and Human Rights Commission estimate that there is between 300,000-500,000 transgender people in the UK

Age

- Haringey has a relatively young population - a quarter of the population is under the age of 20.
- Alexandra and Fortis Green wards feature larger proportions of residents aged over 45 than the borough average, but smaller proportions of residents aged 20-44.
- Tottenham Green ward features a larger proportion of residents aged 20-44 than the borough average.
- Car ownership is more common in Fortis Green and Alexandra wards than the borough and London averages
- Personal car ownership increases with age to a peak of 58 per cent amongst 55-59 year olds, after which it declines again

Disability

- This shows that 14% of residents have a long term health problem that limits their day to day activity, lower than England but in line with London.
- Residents with long-term health conditions and disabilities are overrepresented among the populations of Seven Sisters and Tottenham Green.

Race and Ethnicity

- Haringey is the 5th most ethnically diverse borough in the country. Over 65% of residents come from non-White British communities, compared to 20% in England, and 55% for London.
- BAME communities are overrepresented in Tottenham Green and Seven Sisters wards relative to the borough, London, and England populations.
- Car ownership is most common among White London residents

Sexual Orientation

- 3.2% of London residents aged 16 or over identified themselves as lesbian, gay or bisexual in 2013 (ONS Integrated Household Survey). In Haringey this equates to 6,491 residents.

Religion

- Haringey is one of the most religiously diverse places in the UK. The most common religion was Christianity, accounting for 45% of residents, less than London (48.4) and less than England (59.4%). The next most common religions were Muslim (14.3%) – higher than London (12.3%) - and Jewish (3%). Haringey had a lower percentage of residents who were Hindu (1.8%) and Sikh (0.3%) than

London (5.0% and 1.5%, respectively). A quarter of Haringey residents stated that they did not have a religion, higher than London (20.7%).

- There are larger proportions of Jewish residents in Seven Sisters and Fortis Green wards relative to the population of Haringey.
- There are larger proportions of Muslim residents in Seven Sisters and Tottenham Green wards relative to the population of Haringey
- Car ownership is more common in Fortis Green ward than the borough and London averages

Pregnancy and Maternity

- Haringey has a higher birth rate compared to London and England. As Seven Sisters and Tottenham Green ward have higher numbers of 0-4 year olds than the borough average, it is likely that the birth rate is higher in these wards and that there are correspondingly high numbers of pregnant women and mothers of young children.
- London residents are more likely to own a car if there is a child in the household.

Marriage and Civil Partnership

- Haringey has a higher proportion of couples in a registered same sex civil partnership than England and London. 0.6% (or 1,191 residents), compared to 0.2% for England and 0.4% for London.

4. a) How will consultation and/or engagement inform your assessment of the impact of the proposal on protected groups of residents, service users and/or staff?

Please provide a brief outline of:

- *How you intend to consult with those affected by your proposal including those that share the protected characteristics*

Further information on consultation is contained within accompanying EqIA guidance (part 9)

All traffic and parking restrictions are subject to informal and statutory consultation prior to introduction. They are only implemented where there is community support and no major objections from any consultees.

4. b) Outline the key findings of your consultation / engagement activities once completed, particularly in terms of how this relates to groups that share the protected characteristics

Explain how will the consultation's findings will shape and inform your proposal and the decision making process, and any modifications made?

Existing restrictions that will be subject to enforcement were subject to consultation prior to introduction and supported by consultees. The proposed CPZ programme will be subject to full consultation prior to any measures being introduced on the road network.

5. What is the likely impact of the proposal on groups of service users and/or staff that share the protected characteristics?

Please explain the likely differential impact on each of the 9 equality strands, whether positive or negative. Where it is anticipated there will be no impact from the proposal, please outline the evidence that supports this conclusion.

Further information on assessing impact on different groups is contained within accompanying EqIA guidance (part 10)

1. **Sex** *(Please outline a summary of the impact the proposal will have on this protected characteristic and cross the box below on your assessment of the overall impact of this proposal on this protected characteristic)*

Women may be overrepresented among those affected by the proposal because women are overrepresented in the populations of Alexandra and Fortis Green, where car ownership is more common than in the rest of Haringey and in London. However, London-wide data indicates that car ownership is more common among men than women. We do not hold data that would indicate that women will be more likely to pay for parking permits in the new CPZs than men. However, as many women are the main carers of children and consequently need to park as near as possible to their homes, there will be more positive impact for women from the new CPZs.

Positive	x	Negative		Neutral impact		Unknown Impact	

2. **Gender reassignment** *(Please outline a summary of the impact the proposal will have on this protected characteristic and cross the box below on your assessment of the overall impact of this proposal on this protected characteristic)*

The Council does not have data based on this protected characteristic. The Council does not envisage the CPZ will have a disproportionate impact on this particular protected characteristic.

Positive		Negative		Neutral impact		Unknown Impact	X

3. **Age** *(Please outline a summary of the impact the proposal will have on this protected characteristic and cross the box below on your assessment of the overall impact of this proposal on this protected characteristic)*

Older people are more likely to own cars and are overrepresented among the populations of Alexandra and Fortis Green wards. It is therefore likely that older residents will be overrepresented among those paying for parking permits in the new CPZs, relative to the population of Haringey. However, enforcement activity will ensure that older residents are able to park near their homes and residents aged 65+ will benefit from concessionary discounts on visitors parking permits.

The introduction of CPZs and appropriate enforcement will support modal change, reducing car ownership where individuals choose to walk and cycle or use public transport. These residents will experience improved quality of life through associated health benefits. There are facilities, such as car clubs available to support a move from car ownership, for those who may still require the occasional use of a vehicle.

Positive	X	Negative	X	Neutral impact		Unknown Impact	

4. **Disability** *(Please outline a summary of the impact the proposal will have on this protected characteristic and cross the box below on your assessment of the overall impact of this proposal on this protected characteristic)*

Residents with disabilities will be eligible for blue badges and so will not be negatively impacted by requirements to pay for parking permits in new CPZs. People with disabilities living in the new CPZs will find it easier to park near their homes.

Positive	X	Negative		Neutral impact		Unknown Impact	

5. **Race and ethnicity** *(Please outline a summary of the impact the proposal will have on this protected characteristic and cross the box below on your assessment of the overall impact of this proposal on this protected characteristic)*

BAME households are over-represented in two wards affected by the new CPZs and under-represented in two wards affected by the new CPZs. BAME households in London are less likely to own cars than White households according to TfL data. We do not hold data that would indicate that BAME households will be more likely to pay for parking permits in the new CPZs than White households overall. However, the requirement to pay for a permit may disproportionately impact eligible BAME households, who tend to be on lower incomes than white households in Haringey.

All residents living in the new CPZs will find it easier to park near their homes.

The introduction of CPZs and appropriate enforcement will support modal change, reducing car ownership where individuals choose to walk and cycle or use public transport. These residents will experience improved quality of life through associated health benefits. There are facilities, such as car clubs available to support a move from car ownership, for those who may still require the occasional use of a vehicle.

Positive	X	Negative	X	Neutral impact		Unknown Impact	

6. **Sexual orientation** *(Please outline a summary of the impact the proposal will have on this protected characteristic and cross the box below on your assessment of the overall impact of this proposal on this protected characteristic)*

It is anticipated that the impact of these recommendations on people who identify as LGB will be the same as for people who do not share this protected characteristic.

Positive		Negative		Neutral impact	X	Unknown Impact	

7. **Religion or belief (or no belief)** *(Please outline a summary of the impact the proposal will have on this protected characteristic and cross the box below on your assessment of the overall impact of this proposal on this protected characteristic)*

Ward-level data indicates that Muslim and Jewish residents may be more likely than average to be required to pay for parking permits in new CPZs. However, Muslim and Jewish residents living in the new CPZs will also find it easier to park near their homes.

The introduction of CPZs and appropriate enforcement will support modal change, reducing car ownership where individuals choose to walk and cycle or use public transport. These residents will experience improved quality of life through associated health benefits. There are facilities, such as car clubs available to support a move from car ownership, for those who may still require the occasional use of a vehicle.

Positive	X	Negative	X	Neutral impact		Unknown Impact	

8. **Pregnancy and maternity** *(Please outline a summary of the impact the proposal will have on this protected characteristic and cross the box below on your assessment of the overall impact of this proposal on this protected characteristic)*

We do not hold data that would indicate that women will be more likely to pay for parking permits in the new CPZs than men.

Pregnant women and women with babies younger than 6 months old are more likely to be reliant on cars for travel. Safer roads and easier access to a parking space near their home resulting from the CPZs represent a positive impact.

Positive	x	Negative		Neutral impact		Unknown Impact	

9. **Marriage and Civil Partnership** *(Consideration is only needed to ensure there is no discrimination between people in a marriage and people in a civil partnership)*

It is anticipated that the impact of these recommendations on people in a civil partnership will be the same as for people who are married.

Positive		Negative		Neutral impact	X	Unknown Impact	

10. Groups that cross two or more equality strands e.g. young black women

Groups with protected characteristics who may be disproportionately affected by the proposal include:

- Older BAME residents
- Older residents from minority religious groups
- BAME residents from minority religious groups

However, the over-representation of these groups among those affected by the proposal is a probability and not a certainty as we do not hold borough-level or ward-level data on car ownership with respect to protected characteristics.

Outline the overall impact of the policy for the Public Sector Equality Duty:

- **Could the proposal result in any direct/indirect discrimination for any group that shares the protected characteristics?**
- **Will the proposal help to advance equality of opportunity between groups who share a protected characteristic and those who do not?**
- **Will the proposal help to foster good relations between groups who share a protected characteristic and those who do not?**

The proposal is unlikely to result in direct or indirect discrimination for any group that shares the protected characteristics. Although the need to purchase parking permits may impact on households with lower income levels, among whom those with protected characteristics tend to be overrepresented, the cost of a parking permit will be low relative to the overall cost of keeping and using a car. In addition parking controls are only introduced where there is support from the community, as set out in Section 4.

6. a) What changes if any do you plan to make to your proposal as a result of the equality impact assessment?

Further information on responding to identified impacts is contained within accompanying EqIA guidance (part 11)

Outcome	Y/N
No major change: the EIA demonstrates the policy is robust and there is no potential for discrimination or adverse impact. All opportunities to promote equality have been taken.	Y
Adjust the policy: the EIA identifies potential problems or missed opportunities. Adjust the policy to remove barriers or better promote equality. Clearly set out below the key adjustments you plan to make to the policy.	N
Continue the policy: the EIA identifies the potential for adverse impact or missed opportunities to promote equality. Clearly set out below the **justifications for continuing** with it. For the most important relevant policies, **compelling reasons** will be needed.	N
Stop and remove the policy: the policy shows actual or potential unlawful discrimination. It must be stopped and removed or changed.	N

6 b) Summarise the specific actions you plan to take to remove or mitigate any actual or potential negative impact and to further the aims of the Equality Duty

Impact	Action	Lead officer	Timescale
N/A			

6 c) Summarise the measures you intend to put in place to monitor the equalities impact of the proposal as it is implemented:

The impact will be monitored through feedback from residents, Ward Councillors and other representative groups.

7. Authorisation

EIA approved by ..... (Assistant Director/ Director)	Date .....

8. Publication

Please ensure the completed EIA is published in accordance with the Council's policy.

PL11 – Flexible Police Resourcing

EQUALITY IMPACT ASSESSMENT

The **Equality Act 2010** places a '**General Duty**' on all public bodies to have '**due regard**' to the need to:

- Eliminating discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advancing equality of opportunity between those with a 'relevant protected characteristic' and those without one;
- Fostering good relations between those with a 'relevant protected characteristic' and those without one.

In addition the Council complies with the Marriage (same sex couples) Act 2013.

Stage 1 – Screening

Please complete the equalities screening form. If screening identifies that your proposal is likely to impact on protect characteristics, please proceed to stage 2 and complete a full Equality Impact Assessment (EqIA).

Stage 2 – Full Equality Impact Assessment

An EqIA provides evidence for meeting the Council's commitment to equality and the responsibilities under the Public Sector Equality Duty.

When an EqIA has been undertaken, it should be submitted as an attachment/appendix to the final decision making report. This is so the decision maker (e.g. Cabinet, Committee, senior leader) can use the EqIA to help inform their final decision. The EqIA once submitted will become a public document, published alongside the minutes and record of the decision.

Please read the Council's Equality Impact Assessment Guidance before beginning the EqIA process.

1. Responsibility for the Equality Impact Assessment

Name of proposal	Flexible Police Resourcing
Service area	Environment and Neighbourhoods
Officer completing assessment	Hugh Smith
Equalities/ HR Advisor	Hugh Smith
Cabinet meeting date (if applicable)	12 February 2019
Director/Assistant Director	Stephen McDonnell, Director for Environment and Neighbourhoods

2. Summary of the proposal

Please outline in no more than 3 paragraphs

- *The proposal which is being assessed*
- *The key stakeholders who may be affected by the policy or proposal*
- *The decision-making route being taken*

The proposal is to cease funding (£200k) for the police partnership team, which consists of one sergeant and five PCs. The current funding for the team enables the tasking of police officers along with LBH enforcement officers to crime/ASB hotspots in Haringey. The proposal will mean reduced capacity to task officers to tackle ASB and criminality, reduced capacity to work in partnership to tackle localised issues, and potential for reputational damage from the community following withdrawal of officers.

The key stakeholders who may be affected are Haringey residents, particularly those living in areas with higher levels of crime/ASB, and those with lower perceptions of safety in their local area.

The proposal is part of the Medium-Term Financial Strategy due for consideration at Cabinet in February 2019.

3. What data will you use to inform your assessment of the impact of the proposal on protected groups of service users and/or staff?

Identify the main sources of evidence, both quantitative and qualitative, that supports your analysis. Please include any gaps and how you will address these

This could include, for example, data on the Council's workforce, equalities profile of service users, recent surveys, research, results of relevant consultations, Haringey Borough Profile, Haringey Joint Strategic Needs Assessment and any other sources of relevant information, local, regional or national. For restructures, please complete the restructure EqIA which is available on the HR pages.

Protected group	Service users	Staff
Sex	Police crime reports, third party reporting, 2011 census, Haringey Community Safety Partnership Strategic Assessment, Haringey Residents Survey.	*N/A*
Gender Reassignment	Police crime reports, third party reporting, 2011 census, Haringey Community Safety Partnership Strategic Assessment, Haringey Residents Survey.	*N/A*

Age	Police crime reports, third party reporting, 2011 census, Haringey Community Safety Partnership Strategic Assessment, Haringey Residents Survey.	*N/A*
Disability	Police crime reports, third party reporting, 2011 census, Haringey Community Safety Partnership Strategic Assessment, Haringey Residents Survey.	*N/A*
Race & Ethnicity	Police crime reports, third party reporting, 2011 census, Haringey Community Safety Partnership Strategic Assessment, Haringey Residents Survey.	*N/A*
Sexual Orientation	Police crime reports, third party reporting, resident consultation, 2011 census, ONS Integrated Household Survey	*N/A*
Religion or Belief (or No Belief)	Police crime reports, third party reporting, 2011 census, Haringey Community Safety Partnership Strategic Assessment, Haringey Residents Survey.	*N/A*
Pregnancy & Maternity	Police crime reports, third party reporting, 2011 census, Haringey Community Safety Partnership Strategic Assessment, Haringey Residents Survey, NHS.	*N/A*
Marriage and Civil Partnership	Police crime reports, third party reporting, 2011 census, Haringey Community Safety Partnership Strategic Assessment, Haringey Residents Survey.	*N/A*

Outline the key findings of your data analysis. Which groups are disproportionately affected by the proposal? How does this compare with the impact on wider service users and/or the borough's demographic profile? Have any inequalities been identified?

Explain how you will overcome this within the proposal.

Further information on how to do data analysis can be found in the guidance.

The proposal has implications for individuals and groups who are more likely to be victims of crime or have higher levels of fear of crime/lower perceptions of safety in their local area.

<u>Sex</u>
There is a relatively equal gender split in Haringey, just over half of the population is female (50.5%), in line with England and London.

Women comprise 47% of victims of all crime in Haringey and 17% of suspects, indicating underrepresentation relative to the borough population. However:

- Women comprise the vast majority of victims of sexual offences, of which there were 642 in Haringey in the year to February 2018, with offences spread through the entire borough but clustering towards the East
- Women comprise the majority of victims of domestic violence, of whom there were 1,017 in the year to February 2018
- Women comprise the totality of victims of female genital mutilation (FGM).

Fear of crime is higher among women than among men. The Haringey Residents Survey found that 19% of women felt unsafe when outside in their local area after dark, compared to 11% of men.

<u>Gender Reassignment</u>
Some groups are specifically targeted as victims of crime on the basis of prejudice relating to gender reassignment. The council does not have local data regarding victimisation based on this

protected characteristic or the level of fear of crime among individuals who identify as a different gender to the one they were assigned at birth. However, we will try to ensure that discrimination, harassment and victimisation based upon this group is tackled.

Age
Haringey has a relatively young population with a quarter of the population under the age of 20, and 91% of the population aged under 65 (89% London and 83% England).

The largest age group of victims were between 25 and 34 years, forming 28% of all victims (13% female, 15% male). 35 to 44 year olds were the second largest group, followed by 16 to 24 year olds. Younger residents appear to be overrepresented among victims of crime.

Young people are known to be disproportionately impacted by certain forms of crime.

- During 2017-18, 137 reports were recorded by the Metropolitan Police in Haringey with a Child Sexual Exploitation (CSE) flag. The peak age of victims was 14 to 15 years, with a number of victims also aged 16.
- There were 347 victims of serious youth violence in Haringey in the year to September 2018. This consists of a combination of robbery and violence, with victims aged 10 to 19. The age profile of SYV suspects, according to reports to police, show that the highest proportion of offenders are aged between 15 and 18, with particular peaks at ages 16 and 18.
- In 2017/18 there were 83 knife injury victims in Haringey aged under 25.
- Young people are known to be vulnerable to recruitment into and exploitation within County Lines operations

Fear of crime is disproportionately high among older people. The Haringey Residents Survey found that 55% of residents aged 75+ felt safe outside in their local area after dark, compared to an overall borough average of 69%.

Disability
There is no universal definition of disability. Here we use the Census data on long term health problem or disability and self-reported health as a proxies. This shows that 14% of residents have a long term health problem that limits their day to day activity, lower than England but in line with London.

Some individuals are specifically targeted as victims of crime on the basis of prejudice relating to disability. In the year to December 2017 Haringey recorded 14 instances of disability hate crime. Moreover, individuals with long-term conditions and disabilities are known to be more vulnerable to exploitation within County lines operations.

Fear of crime is higher among residents with long-term illnesses and disabilities. Perceptions of safety after dark for these Haringey residents stand at 49% compared to the Haringey average of 69%.

Race and Ethnicity
Haringey is the 5th most ethnically diverse borough in the country. Over 65% of residents come from non-White British communities, compared to 20% in England and 55% in London.

According to police categorisations, the most common ethnicity of victims is White North European (IC1), forming 46% of all victims. This is followed by Black (IC3) victims (27%) and White South European (IC2) (16%). This indicates that Black residents are over-represented among victims, relative to the proportion of Black Haringey residents (19%). Some groups are specifically targeted as victims of crime on the basis of prejudice relating to race. In the year to December 2017, Haringey recorded 675 instances of racist and religious hate crime.

During 2017-18, 137 reports were recorded by the Metropolitan Police in Haringey with
Crime in Haringey is more prevalent in local areas with higher BAME populations. Notably, relatively high levels of offences have been recorded in Noel Park, Northumberland Park,

Tottenham Hale, Tottenham Green, and Bruce Grove wards, in which BAME residents form a larger proportion of the population relative to the Haringey and London averages.

Fear of crime is highest among residents from White Other, Asian, and Black communities, with perceptions of safety after dark ranging from 62 to 64% compared to a Haringey average of 69%.

Overall satisfaction within the BAME community with the service provided by the police stands at 71%. This compares to 73% for the white community in Haringey.

Sexual Orientation
3.2% of London residents aged 16 or over identified themselves as lesbian, gay or bisexual in 2013. In Haringey this equates to 6,491 residents.

Some groups are specifically targeted as victims of crime on the basis of prejudice relating to sexual orientation. In the year to December 2017, Haringey recorded 94 instances of homophobic hate crime

Religion or Belief
Haringey is one of the most religiously diverse places in the UK. The most common religion was Christianity, accounting for 45% of residents, less than London (48.4) and less than England (59.4%). The next most common religions were Muslim (14.3%) – higher than London (12.3%) - and Jewish (3%). Haringey had a lower percentage of residents who were Hindu (1.8%) and Sikh (0.3%) than London (5.0% and 1.5%, respectively). A quarter of Haringey residents stated that they did not have a religion, higher than London (20.7%).

Some groups are specifically targeted as victims of crime on the basis of prejudice relating to religion. In the year to December 2017, Haringey recorded 675 instances of racist and religious hate crime. 37 instances were recorded as anti-Semitic hate crime and 52 were recorded as islamophobic hate crime

Fear of crime is higher among religious minority groups than the Haringey average. 53% of Muslim residents, and 64% of Jewish and Hindu residents feel safe outside in their local area after dark, compared to a borough average of 69%.

Pregnancy and Maternity
The council does not have local data regarding victimisation based on this protected characteristic or the level of fear of crime among individuals who are pregnant or care for small children. NHS guidance notes that pregnancy can be a trigger for domestic abuse, and existing abuse may get worse during pregnancy or after giving birth. However, we will try to ensure that discrimination, harassment and victimisation based upon this group is tackled.

Marriage and Civil Partnership
Haringey has a higher proportion of couples in a registered same sex civil partnership than England and London. 0.6% (or 1,191 residents), compared to 0.2% for England and 0.4% for London.

The council does not have local data regarding levels of victimisation or fear of crime among individuals who are married or in a civil partnership. However, we will try to ensure that discrimination, harassment and victimisation based upon this group is tackled.

4. a) How will consultation and/or engagement inform your assessment of the impact of the proposal on protected groups of residents, service users and/or staff?

Please outline which groups you may target and how you will have targeted them

Further information on consultation is contained within accompanying EqIA guidance

The assessment of the impact is informed by:

- The Haringey Residents Survey 2018
- MOPAC survey data
- An extensive range of partnership events and community forums on matters relating to community safety

4. b) Outline the key findings of your consultation / engagement activities once completed, particularly in terms of how this relates to groups that share the protected characteristics

Explain how will the consultation's findings will shape and inform your proposal and the decision making process, and any modifications made?

The Haringey Residents Survey found that:

- 69% of Haringey residents feel safe outside in their local area after dark
- Women are less likely than men to feel safe outside in their local area after dark
- Residents aged 75+ are least likely to feel safe outside in their local area after dark
- Muslim, Jewish, Hindu, and Buddhist residents are less likely to feel safe outside in their local area after dark
- Residents who define as White Other, Asian, and Black are least likely to feel safe outside in their local area after dark
- Residents with disabilities are less likely to feel safe outside in their local area after dark

Data from the MOPAC Public Voice Dashboard indicates that, across London:

- Those with disabilities are less likely to be satisfied with the police service in their local area
- Black and Mixed Ethnicity residents are less likely to be satisfied with the police service in their local area
- LGBT residents are less likely to be satisfied with the police service in their local area

Partnership events and community forums have identified particular vulnerabilities to victimisation among:

- Women and girls
- Young people
- BAME communities
- Members of minority religious groups

These findings will be considered in arrangements to monitor the impact of the proposal and in the design of mitigating actions.

5. What is the likely impact of the proposal on groups of service users and/or staff that share the protected characteristics?

Please explain the likely differential impact on each of the 9 equality strands, whether positive or negative. Where it is anticipated there will be no impact from the proposal, please outline the evidence that supports this conclusion.

Further information on assessing impact on different groups is contained within accompanying EqIA guidance

1. Sex

Our data analysis indicates that women and girls are over-represented among victims of certain forms of crime, including sexual offences, CSE, FGM, and domestic abuse. Our data analysis also indicates that women are disproportionately affected by fear of crime.

The proposal will withdraw policing resources that may otherwise help to reduce or prevent these forms of crime, and will mean that the Council will not be able to task the partnership team to tackle these forms of crime. The proposal can therefore be anticipated to have a negative impact. The Council will pursue alternative means of tackling violence against women and girls in all its forms, as set out in the Violence against Women and Girls strategy (2016) and the Community Safety Strategy (2019-23).

Positive		Negative	X	Neutral impact		Unknown Impact	

2. Gender reassignment

Individuals who share this protected characteristic are more likely than average to be victims of hate crime. We do not have data on transphobic hate crime and so it will not be possible to accurately measure the impact of the proposal. However, it is reasonable to anticipate that withdrawal of policing resources is likely to reduce the capacity of the partnership to tackle hate crime. The Council will pursue alternative means of tackling hate crime, in particular through delivery of the Prevent duty and through its public sector equality duty to foster good relations between communities.

Positive		Negative	X	Neutral impact		Unknown Impact	

3. Age

Our data analysis and engagement activity indicates that young people are disproportionately represented among victims and suspects of certain forms of crime, most notably violent crime. Our data analysis also indicates that fear of crime is disproportionately felt by older people.

The proposal will withdraw policing resources that may otherwise help to prevent these forms of crime and increase perceptions of community safety. It is therefore reasonable to anticipate that the proposal will have a negative impact in this respect. The Council and the wider partnership will pursue alternative means of reducing violent crime and increasing perceptions of community safety, most notably through a Young People at Risk strategy and through activity under the auspices of the Community Safety Strategy 2019-23 to increase public confidence.

Positive		Negative	X	Neutral impact		Unknown Impact	

4. Disability

Individuals with disabilities are known to be victims of hate crime at a higher rate than the borough average and are less likely to feel safe in their local area. Individuals with disabilities are also known to have less confidence in the police service in their local area.

Withdrawal of policing resources is likely to reduce the capacity of the partnership to tackle hate crime. The Council and the wider partnership will pursue alternative means of tackling hate crime, in particular through delivery of the Prevent duty and through its public sector equality duty to foster good relations between communities.

The proposal is also likely to negatively impact public perceptions of safety, which is likely to be disproportionately felt by individuals who share this protected characteristic. The Council and the wider partnership will pursue alternative means of increasing perceptions of safety through activity under the auspices of the Community Safety Strategy 2019-23 to increase public confidence.

Positive		Negative	X	Neutral impact		Unknown Impact	

5. Race and ethnicity

Our data analysis indicates that BAME individuals are over-represented among victims of crime in Haringey as well as the residents of communities most affected by crime and anti-social behaviour. Young black people are also known to be particularly over-represented among victims of violent crime and exploitation.

The proposal will withdraw policing resources that may otherwise help to reduce or prevent these forms of crime, and will mean that the Council will not be able to task the partnership team to tackle these forms of crime. The proposal can therefore be anticipated to have a negative impact. The Council will pursue alternative means of tackling these forms of crime through activity under the auspices of the Community Safety Strategy (2019-23).

BAME individuals and groups are also more likely than the borough average to be victims of hate crime. Withdrawal of policing resources is likely to reduce the capacity of the partnership to tackle hate crime. The Council and the wider partnership will pursue alternative means of tackling hate crime, in particular through delivery of the Prevent duty and through its public sector equality duty to foster good relations between communities.

BAME individuals are also known to have lower perceptions of safety in their local area and lower levels of confidence in the police service. The proposal is also likely to negatively impact public perceptions of safety, which is likely to be disproportionately felt by individuals who share this protected characteristic. The Council and the wider partnership will pursue alternative means of increasing perceptions of safety through activity under the auspices of the Community Safety Strategy 2019-23 to increase public confidence.

Positive		Negative	X	Neutral impact		Unknown Impact	

6. Sexual orientation

Individuals who identify as LGBT are known to be victims of hate crime at a higher rate than the borough average. These individuals are also known to have less confidence in the police service in their local area.

Withdrawal of policing resources is likely to reduce the capacity of the partnership to tackle hate crime. The Council and the wider partnership will pursue alternative means of tackling hate crime, in particular through delivery of the Prevent duty and through its public sector equality duty to foster good relations between communities.

The proposal is also likely to negatively impact public perceptions of safety, which is likely to be disproportionately felt by individuals who share this protected characteristic. The Council and the wider partnership will pursue alternative means of increasing perceptions of safety through activity under the auspices of the Community Safety Strategy 2019-23 to increase public confidence.

Positive		Negative	X	Neutral impact		Unknown Impact	

7. Religion or belief (or no belief)

Individuals from minority religious groups are known to be victims of hate crime at a higher rate than the borough average and are less likely to feel safe in their local area..

Withdrawal of policing resources is likely to reduce the capacity of the partnership to tackle hate crime. The Council and the wider partnership will pursue alternative means of tackling hate crime, in particular through delivery of the Prevent duty and through its public sector equality duty to foster good relations between communities.

The proposal is also likely to negatively impact public perceptions of safety, which is likely to be disproportionately felt by individuals who share this protected characteristic. The Council and the wider partnership will pursue alternative means of increasing perceptions of safety through activity under the auspices of the Community Safety Strategy 2019-23 to increase public confidence.

Positive		Negative	X	Neutral impact		Unknown Impact	

8. Pregnancy and maternity

As set out in the section on Sex above, women and girls are over-represented among victims of certain forms of crime and are disproportionately affected by fear of crime. It is notable that pregnancy and maternity increase women's risk of being victims of violence.

The proposal will withdraw policing resources that may otherwise help to reduce or prevent the various forms of violence against women and girls, and will mean that the Council will not be able to task the partnership team to tackle these forms of crime. The proposal can therefore be anticipated to have a negative impact. The Council will pursue alternative means of tackling violence against women and girls in all its forms, as set out in the Violence against Women and Girls strategy (2016) and the Community Safety Strategy (2019-23).

Positive		Negative	X	Neutral impact		Unknown Impact	

9. Marriage and Civil Partnership *(Consideration is only needed to ensure there is no discrimination between people in a marriage and people in a civil partnership)*

People who are in a civil partnership will be treated the same as people who are married.

Positive		Negative		Neutral impact	X	Unknown Impact	

10. Groups that cross two or more equality strands e.g. young black women

Particular groups who have been identified as being more vulnerable to becoming victims of crime include:

- Young black men (violent crime)
- Young women (CSE, FGM, sexual offences, and other forms of exploitation)
- BAME individuals from minority religious communities (hate crime)

Particular groups who have been identified as having a disproportionately high fear of crime include:

- Older women
- BAME women

- Women with disabilities
- BAME individuals from minority religious communities
- Women from minority religious communities
- Older people from minority religious communities
- Older people with disabilities
- BAME individuals with disabilities

Outline the overall impact of the policy for the Public Sector Equality Duty:

- **Could the proposal result in any direct/indirect discrimination for any group that shares the relevant protected characteristics?**
- **Will the proposal help to advance equality of opportunity between groups who share a relevant protected characteristic and those who do not?**

  This includes:

  m) **Remove or minimise disadvantage suffered by persons protected under the Equality Act**

  n) **Take steps to meet the needs of persons protected under the Equality Act that are different from the needs of other groups**

  o) **Encourage persons protected under the Equality Act to participate in public life or in any other activity in which participation by such persons is disproportionately low**

- **Will the proposal help to foster good relations between groups who share a relevant protected characteristic and those who do not?**

- It is possible that the proposal will result in indirect discrimination for groups that share the relevant protected characteristics of age, sex, disability, race/ethnicity, religion/belief, sexual orientation, and/or pregnancy and maternity. These groups are all either overrepresented among victims of crime or more likely to have low perceptions of safety in their local area. The proposal may increase these disproportionalities. In order to mitigate this potential the Council and the wider partnership will undertake activity through the Community Safety Strategy 2019-23 to reduce victimisation and increase public confidence.
- The proposal does not take steps to advance equality of opportunity or to foster good relations between groups.

6. a) What changes if any do you plan to make to your proposal as a result of the Equality Impact Assessment?

Further information on responding to identified impacts is contained within accompanying EqIA guidance

Outcome	Y/N
No major change to the proposal: the EqIA demonstrates the proposal is robust and there is no potential for discrimination or adverse impact. All opportunities to promote equality have been taken. If you have found any inequalities or negative impacts that you are unable to mitigate, please provide a compelling reason below why you are unable to mitigate them.	Y

Adjust the proposal: the EqIA identifies potential problems or missed opportunities. Adjust the proposal to remove barriers or better promote equality. Clearly set out below the key adjustments you plan to make to the policy. If there are any adverse impacts you cannot mitigate, please provide a compelling reason below	*N*
Stop and remove the proposal: the proposal shows actual or potential avoidable adverse impacts on different protected characteristics. The decision maker must not make this decision.	N

6 b) Summarise the specific actions you plan to take to remove or mitigate any actual or potential negative impact and to further the aims of the Equality Duty

Impact and which relevant protected characteristics are impacted?	Action	Lead officer	Timescale
Fair of crime	Community Safety strategy	Eubert Malcolm	4 years
Prevent duty	Community Safety strategy	Eubert Malcolm	4 years
Radicalisation & Hate Crime	Community Safety strategy	Eubert Malcolm	4 years
Serious youth Violence	Youth at risk strategy	Eubert Malcolm	10 years

Please outline any areas you have identified where negative impacts will happen as a result of the proposal but it is not possible to mitigate them. Please provide a complete and honest justification on why it is not possible to mitigate them.

The authority will rely on general policing resources, to have an impact on placed based fair of crime and serious youth violence.

6 c) Summarise the measures you intend to put in place to monitor the equalities impact of the proposal as it is implemented:

We will monitor the impact of the proposal through our annual strategic assessment and resident consultation, including surveys and public engagement activity.

7. Authorisation

EqIA approved by Stephen McDonnell (Assistant Director/ Director)	Date .....

8. Publication

Please ensure the completed EqIA is published in accordance with the Council's policy.

Please contact the Policy & Strategy Team for any feedback on the EqIA process.

PC2 - Reduce operational costs

EQUALITY IMPACT ASSESSMENT

The **Equality Act 2010** places a '**General Duty'** on all public bodies to have '**due regard'** to the need to:

- Eliminating discrimination, harassment and victimisation and any other conduct prohibited under the Act
- Advancing equality of opportunity for those with 'protected characteristics' and those without them
- Fostering good relations between those with 'protected characteristics' and those without them.

In addition the Council complies with the Marriage (same sex couples) Act 2013.

Stage 1 – Screening

Please complete the equalities screening form. If screening identifies that your proposal is likely to impact on protect characteristics, please proceed to stage 2 and complete a full Equality Impact Assessment (EqIA).

Stage 2 – Full Equality Impact Assessment

An EqIA provides evidence for meeting the Council's commitment to equality and the responsibilities under the Public Sector Equality Duty.

When an EqIA has been undertaken, it should be submitted as an attachment/appendix to the final decision making report. This is so the decision maker (e.g. Cabinet, Committee, senior leader) can use the EqIA to help inform their final decision. The EqIA once submitted will become a public document, published alongside the minutes and record of the decision.

Please read the Council's Equality Impact Assessment Guidance before beginning the EqIA process.

1. Responsibility for the Equality Impact Assessment	
Name of proposal	Commission gypsy and traveller support and reduce operational costs
Service area	Children and Young People's Service
Officer completing assessment	Jennifer Sergeant

Equalities/ HR Advisor	
Cabinet meeting date (if applicable)	February 2019
Director/Assistant Director	AD Early Help and Prevention, Youth Justice and SEND

2. Summary of the proposal

Please outline in no more than 3 paragraphs

- *The proposal which is being assessed*
- *The key stakeholders who may be affected by the policy or proposal*
- *The decision-making route being taken*

The creation of a dedicated resource of a Gypsy, Roma and Traveller GRT specialist practitioner post in CYPS, located in the Targeted Response Team.

The focus of work for this role and resource for GRT families specifically to provide:

- culturally appropriate interventions support GRT families achieve good outcomes for children and young people
- provide ,advice, and guidance to SW's in their work with GRT families
- advice and guidance and signposting of GRT families to appropriate services for support
- Facilitate GRT families and young people access to hard to reach services including education and health provision.
- Training and support to practitioners on best practice in working with the GRT community and families

Commissioning of a GRT advocacy Service contract of a GRT advocacy service, for access and use by any GRT individuals or families in contact with wider council department

3. What data will you use to inform your assessment of the impact of the proposal on protected groups of service users and/or staff?

Identify the main sources of evidence, both quantitative and qualitative, that supports your analysis. Please include any gaps and how you will address these

This could include, for example, data on the Council's workforce, equalities profile of service users, recent surveys, research, results of relevant consultations, Haringey Borough Profile, Haringey Joint Strategic Needs Assessment and any other sources of relevant information, local, regional or national. For restructures, please complete the restructure EqIA which is available on the HR pages.

Protected group	Service users	Staff
Sex	2011 census JSNA ONS Haringey Child Health Profile 2017	N/A
Gender Reassignment	EHRC	N/A
Age	2011 census JSNA ONS Haringey Child Health Profile 2017	N/A

Disability	2011 census JSNA ONS Haringey Child Health Profile 2017	N/A
Race & Ethnicity	2011 census JSNA ONS Haringey Child Health Profile 2017 MOPAC & ONS March 2015 Crime Survey 2013 LBOH Gypsy, Roma and Traveller Communities Needs Assessment https://www.equalityhumanrights.com/sites/default/files/research_report_12inequalities_experienced_by_gypsy_and_traveller_communities_a_review.pdf	N/A
Sexual Orientation	ONS 2016 House of Commons Library	N/A
Religion or Belief (or No Belief)	ONS IMD	N/A
Pregnancy & Maternity	Census 2011 ONS	N/A
Marriage and Civil Partnership	ONS IMD	N/A

Outline the key findings of your data analysis. Which groups are disproportionately affected by the proposal? How does this compare with the impact on wider service users and/or the borough's demographic profile? Have any inequalities been identified?

Explain how you will overcome this within the proposal.

Further information on how to do data analysis can be found in the guidance.

National and borough level statistics on ethnicity were published in December 2012. The total number of 'White: Gypsy or Irish Travellers' in England and Wales is recorded as 57,680, for Haringey the figure is just 370. The chart below shows our position (6th highest) in relation to the other London boroughs.

Haringey's Child Poverty Needs Assessment[xiv] published in 2010 also identified key issues affecting Roma and Irish Traveller communities including;

Potentially higher levels of mental health difficulties caused by psychological and cultural aversion to living in housing
Prejudice and racism from housed neighbours, the mainstream job market and at school
Overcrowded households Youth offending
High prevalence of Hepatitis B
Teenage pregnancy
Communication difficulties

Low educational attainment
Low levels of school attendance
Early marriage culture

Key gaps in data:

- Housing
- Health and Mental Heath

- Substance abuse
- Youth Offending and Prison
- Child benefits & benefit take up
- Employment, unemployment and job training
- Connexions

Age - Young People

The Borough has an increasingly young demographic: Children and Young People under the age of 20 make up 24.4% of the population of Haringey. Currently this sector of the population in the GRT community is relatively smallier in compariosn

Health: 37.8% of children in Year 6 in Haringey are overweight or obese, above the England average of 33.2%. Of particular concern is the variation between different areas of Haringey: children in the most deprived parts of the borough are two and a half times more likely to be overweight or obese compared to those in the most affluent parts.

Socio-Economic Deprivation: The level of child poverty in Haringey is worse than the England average with 26.1% of children aged under 16 years living in poverty.

Sex, Girls and Young Women:
49% of the 8-19 year old population of Haringey are female; 50.5% of Haringey residents are female.

Young People undergoing Gender Reassignment:
A surveillance study examining the incidence and clinical presentation of Gender Dysphoria in children and adolescents aged 4 to 15 years suggests an incidence of 1.6 per 100,000 in the UK. A significant limitation of this surveillance study is that it only captured data for those presenting between their 4th and 16th birthdays - meaning that it is not possible to comment on the incidence of gender dysphoria among 16 and 17 year olds, which referral trends to the service suggest have significantly increased the overall incidence rate. This figure only reflects those who presented to NHS paediatric or psychological services and not those who have chosen not to, or who have been unable to access this care. The figure does not reflect the total number who may have accessed their GP regarding their gender dysphoria, or include those who have elected to seek private support.

Disabilities
Census 2011 data indicates that 14% of the population of Haringey have their day-to-day activities limited a little or a lot due to a disability or long-term health condition

Young People with Disabilities:
Census 2011 data indicates that 4% of the under-24 population in Haringey have their day-to-day activities limited a little or a lot due to a disability or long-term health condition.

Black and Minority Ethnic Communities:
Census 2011 data indicates that 65% of the population of Haringey are from BME communities which includes the GRT community

Young People who identify as Black and Minority Ethnic:
Census 2011 data indicates that BME communities form 80.3% of Haringey's school children.

LGBT Parents

A House of Commons Library briefing paper on Common Law Marriage estimates that in the UK in 2013 there were around 20,000 dependent children living in same-sex couple families. As of 14 December 2017, there had been 2,807 reported adoptions by LGBT people in Great Britain.

Lesbian, Gay and bisexual young people:
Office for National Statistics data indicates that at a national level young people are more likely to identify as LGB than the population as a whole. Within the 16 to 24 year old category 3.3% identify as LGB, compared to 1.7% of the general population. The data also indicates that London has a higher proportion of residents identifying as LGB than the national population.

Religion and Belief
The Census 2011 show 45% of Haringey residents were Christian, slightly less than 48.4% in London overall. Second most common religion stated was Muslim (14.2%) followed by Jewish (3%) and Hindu (1.8%).

Minority Religions and Beliefs:
Census 2011 data indicates that 42% of 8-19 year-olds in Haringey are Christian, 23% are Muslim, 4% are Jewish, 1% are Buddhist, 1% are Hindu, fewer than 1% are Sikh, and 19% have no religion.

Young women who are pregnant or have recently given birth:
ONS data on under 18 conception rates in the year to September show an under-18 conception rate in Haringey 2016 of 20.3 per 1000 compared to the rate for London (17.9 per 1000) and for England and Wales (19.3 per 1000).

Lone Parents
In 2011 there were 10,647 lone parent households with dependent children. 92.7% of these were led by women. 7.7% of women in Haringey were lone parents in 2011.

4. a) How will consultation and/or engagement inform your assessment of the impact of the proposal on protected groups of residents, service users and/or staff?

Please outline which groups you may target and how you will have targeted them

Further information on consultation is contained within accompanying EqIA guidance

In order to ensure the communities involved and participation for understanding of the proposed provision, the Council will consult formally with residents, including families and young people, on the option of the advocacy contract as additional provision of services offered in the borough.

The council will work with the National Traveller organisations for their collaboration and participation in consultation with the community. The council is in process of establishing a partnership forum with key national GRT organisations as key stakeholders for ongoing engagement and feedback of provision for Haringey Council awareness of the needs and wishes of the community, and how we continue to shape our offer to the community to meet their identified needs and ensure that in addressing there needs that they are culturally appropriate..

4. b) Outline the key findings of your consultation / engagement activities once completed, particularly in terms of how this relates to groups that share the protected characteristics

Explain how will the consultation's findings will shape and inform your proposal and the decision making process, and any modifications made?

5. What is the likely impact of the proposal on groups of service users and/or staff that share the protected characteristics?

Please explain the likely differential impact on each of the 9 equality strands, whether positive or negative. Where it is anticipated there will be no impact from the proposal, please outline the evidence that supports this conclusion.

Further information on assessing impact on different groups is contained within accompanying EqIA guidance

1. **Sex** *(Please outline a summary of the impact the proposal will have on this protected characteristic and cross the box below on your assessment of the overall impact of this proposal on this protected characteristic)*

The Council is committed to addressing the wide ranging needs of all young people in the community and ensuring there is an offer to meet these, in addition to signposting and supporting engagement with other facilities and services in the communities.
.

Positive	x	Negative		Neutral impact		Unknown Impact	

2. Gender reassignment *(Please outline a summary of the impact the proposal will have on this protected characteristic and cross the box below on your assessment of the overall impact of this proposal on this protected characteristic)*

We do not have local data regarding this children and young people with gender dysphoria in the GRT community. We do not think there will be specific impacts for this protected group: Haringey provision will ensure that this group will not be subjected to discrimination, harassment and victimisation due to their protected characteristic. If any inequity in treatment is identified,LBOH will take steps to rectify this and meet their needs.

Positive		Negative		Neutral impact	x	Unknown Impact	

2. Age *(Please outline a summary of the impact the proposal will have on this protected characteristic and cross the box below on your assessment of the overall impact of this proposal on this protected characteristic)*

There will be an opportunity for local young people and their families to engage in services that are hard for their engagement through the proposed provision of dedicated worker and availability of advocacy. However, the Council is committed to addressing the wide ranging needs of young people at risk and ensuring there is a comprehensive offer to meet these.

Positive	x	Negative		Neutral impact		Unknown Impact	

4. Disability *(Please outline a summary of the impact the proposal will have on this protected characteristic and cross the box below on your assessment of the overall impact of this proposal on this protected characteristic)*

There will be an opportunity in going ahead with the project reducing some negative impacts for local young people and their families. However, the Council is committed to addressing the wide ranging needs of children, young people and families in need of support and ensuring there is a provision available as an offer to meet these.

Positive	x	Negative		Neutral impact		Unknown Impact	

5. Race and ethnicity *(Please outline a summary of the impact the proposal will have on this protected characteristic and cross the box below on your assessment of the overall impact of this proposal on this protected characteristic)*

There will be an opportunity in going ahead with the project to challenge and overcome some of the barriers for the community access to services .However, the Council is committed to addressing the wide ranging needs of young people at risk and ensuring there is a comprehensive offer to meet these.

Positive	x	Negative		Neutral impact		Unknown Impact	

6. Sexual orientation *(Please outline a summary of the impact the proposal will have on this protected characteristic and cross the box below on your assessment of the overall impact of this proposal on this protected characteristic)*

We do not have local data regarding this protected characteristic.

Positive	x	Negative		Neutral impact		Unknown Impact	

7. Religion or belief (or no belief) *(Please outline a summary of the impact the proposal will have on this protected characteristic and cross the box below on your assessment of the overall impact of this proposal on this protected characteristic)*

Positive	x	Negative		Neutral impact		Unknown Impact	

8. Pregnancy and maternity *(Please outline a summary of the impact the proposal will have on this protected characteristic and cross the box below on your assessment of the overall impact of this proposal on this protected characteristic)*

The proposal will have a positive impact on parents through supporting families to engage with provision of health and wellbeing support services, including for young people sexual health advice and guidance, subject to the outcomes of engagement and co-production with the community and an assessment of local need and demand.

There is a risk that pregnant young women may not engage with Health services if the activities and services are not sufficiently accessible. LBOH will work with stakeholders to co-produce an offer that will take into account the needs of pregnant young women as well as young women with newborn babies and children.

Positive	x	Negative		Neutral impact		Unknown Impact	

9. Marriage and Civil Partnership *(Consideration is only needed to ensure there is no discrimination between people in a marriage and people in a civil partnership)*

People who are in a civil partnership will be treated the same as people who are married.

Positive		Negative		Neutral impact	x	Unknown Impact	

10. Groups that cross two or more equality strands

Traveller Roma and Gypsy
The proposal will benefit BME young people by providing culturally appropriate, affordable, and accessible activities and delivering associated positive health and wellbeing and educational outcomes.

Minority Religions and Beliefs

Minority Religions and Beliefs are over-represented among young people in Haringey. The proposal will positively impact these young people by providing culturally appropriate, affordable and accessible activities and delivering associated positive health and wellbeing and educational outcomes.

Disabled Young People
The proposal will positively impact young people with disabilities by providing support and signposting to accessible activities and delivering associated positive health and wellbeing and educational outcomes.

An action plan to ensure that these protected groups are engaged and benefit is enclosed in section 6b of this EqIA.

Outline the overall impact of the policy for the Public Sector Equality Duty:

- **Could the proposal result in any direct/indirect discrimination for any group that shares the protected characteristics?**
- **Will the proposal help to advance equality of opportunity between groups who share a protected characteristic and those who do not?**
  This includes:
  - **p) Remove or minimise disadvantage suffered by persons protected under the Equality Act**
  - **q) Take steps to meet the needs of persons protected under the Equality Act that are different from the needs of other groups**
  - **r) Encourage persons protected under the Equality Act to participate in public life or in any other activity in which participation by such persons is disproportionately low**
- **Will the proposal help to foster good relations between groups who share a protected characteristic and those who do not?**

The proposal will not result in any direct or indirect discrimination for any group that shares the protected characteristics.

The proposal will help to advance equality of opportunity between groups who share a protected characteristic and those who do not, by enabling young people's needs for safe places to go, a range of affordable and accessible activities, and health and wellbeing support to be met. BME communities and minority religions and faith groups are over-represented among this age group and so will be over-represented among those whose needs will be met.

The proposal will help foster good relations between communities by ensuring available and easily accessible provision for children, young people and their families, including those with disabilities.

6. a) What changes if any do you plan to make to your proposal as a result of the Equality Impact Assessment?

Further information on responding to identified impacts is contained within accompanying EqIA guidance	
Outcome	Y/N
No major change to the proposal: the EqIA demonstrates the proposal is robust and there is no potential for discrimination or adverse impact. All opportunities to promote equality have been taken. If you have found any inequalities or negative impacts that you are unable to mitigate, please provide a compelling reason below why you are unable to mitigate them.	Y
Adjust the proposal: the EqIA identifies potential problems or missed opportunities. Adjust the proposal to remove barriers or better promote equality. Clearly set out below the key adjustments you plan to make to the policy. If there are any adverse impacts you cannot mitigate, please provide a compelling reason below	N
Stop and remove the proposal: the proposal shows actual or potential avoidable adverse impacts on different protected characteristics. The decision maker must not make this decision.	N

6 b) Summarise the specific actions you plan to take to remove or mitigate any actual or potential negative impact and to further the aims of the Equality Duty

Impact and which protected characteristics are impacted?	Action	Lead officer	Timescale
There is a risk that insufficient engagement and consultation with the Gypsy Roma and Traveller communities across Haringey could mean the offer have a potential negative impact on those with protected characteristics Age; Disability; Race; Religion or belief; Sex; Sexual orientation; Pregnancy and maternity	Large-scale, collaborative consultation and co-production activity together with National Traveller organisations with the GRT community from areas across the borough, to include protected groups by targeting: - disabled children and young people and carers; - community groups for LGB children and young people; - Girls and young women - Adolescent pregnant women and mothers Pay due regard to consultation responses in the design of the provision of the	Director for Children's Services & Assistant Director for Early Help and Prevention	Commence March/April 2019

	advocacy contract and the provision for the specialist worker proposed for support to GRT children and families.		
There is a risk that insufficient engagement with existing service users and wider organisations representative of the community including within the voluntary and community sector, that could result in services not being sufficiently responsive to the needs of the GRT families, children and young people. This would mean a lesser and less meaningful offer for GRT Families, children and young people – particularly those with identify with more than one protected characteristic who have most to gain from an enhanced offer. It would also potentially enhance existing relationships between the communities and other services locally, which may be more likely to be run by GRT communities due to the nature of the voluntary community sector in Haringey Age; Disability; Race; Religion or Belief; Sex; Sexual Orientation; Pregnancy and Maternity	Meaningful engagement with providers of services for young people across the borough, to ensure that the provision forms part of an integrated, complementary, cross-borough offer for the GRT community	Director for Children's Services & Assistant Director for Early Help and Prevention	Commence Mach/April 2019
Insufficient take up of provision by the community , among whom young people with protected characteristics	We will deploy dedicated worker to ensure that protected groups, particularly from the community have readily available access to information, support advice and guidance.	Director for Children's Services & Assistant Director for Early Help	From April 2019

are likely to be overrepresented. Age; Disability; Race; Religion or Belief; Sex; Sexual Orientation; Pregnancy and Maternity	Action will be taken to address barriers to hard to engage service – for example, where travel is identified as a barrier for a protected group. The provision will cover arrangements to overcome this.	and Prevention	

Please outline any areas you have identified where negative impacts will happen as a result of the proposal but it is not possible to mitigate them. Please provide a complete and honest justification on why it is not possible to mitigate them.

6 c) Summarise the measures you intend to put in place to monitor the equalities impact of the proposal as it is implemented:

The Assistant Director for Early Help and Prevention will have ultimate responsibility for ensuring all consultation and engagement activities set out in section 6b are undertaken.

CYPS will have responsibility for monitoring the membership of the provision to ensure that children and young people with other protected characteristics benefit as much as children and young people without other protected characteristics. The Assistant Director for Early Help and Prevention will ensure that the provision address this through routine reporting and monitoring of locally collected statistics including: memberships; attendance; use of facilities and outcomes, reporting to the Children's Improvement Board. An monthly l report will provide detailed breakdown of all aspects of outcomes, and related demographic information and equalities data.

7. Authorisation

EqIA approved by ..... (Assistant Director/ Director)	

8. Publication

Please ensure the completed EqIA is published in accordance with the Council's policy.

Please contact the Policy & Strategy Team for any feedback on the EqIA process.

Equality Impact Assessment

Name of Project	SEND Travel Service Review	**Cabinet meeting date** ***If applicable***	
Service area responsible	Children and Young People Service		
Name of completing officer	Vikki Monk-Meyer	**Date EqIA created**	January 2019
Approved by Director / Assistant Director		**Date of approval**	

The Equality Act 2010 places a '**General Duty'** on all public bodies to have '**due regard'** to:

- **Eliminating discrimination, harassment and victimisation and any other conduct prohibited under the Act**
- **Advancing equality of opportunity between those with relevant 'protected characteristics' and those without them** - **Fostering good relations between those with relevant 'protected characteristics' and those without them.** In addition the Council complies with the Marriage (Same Sex Couples) Act 2013.

Haringey Council also has a '**Specific Duty'** to publish information about people affected by our policies and practices.

All assessments must be published on the Haringey equalities web pages. All Cabinet papers MUST include a link to the web page where this assessment will be published.

This Equality Impact Assessment provides evidence for meeting the Council's commitment to equality and the responsibilities outlined above, for more information about the Council's commitment to equality please visit the Council's website.

Stage 1 – Names of those involved in preparing the EqIA	
1. Project Lead - Vikki Monk-Meyer	
2. Equalities / HR - Ben Ritchie	
3. Legal Adviser (where necessary) Ed Jankowski	

Stage 2 - Description of proposal including the relevance of the proposal to the general equality duties and protected groups. Also carry out your preliminary screening (Use the questions in the Step by Step Guide (The screening process) and document your reasoning for deciding whether or not a full EqIA is required. If a full EqIA is required move on to Stage 3.
The Council currently funds supported travel arrangements for over 500 children and young people needing assistance to travel to their educational establishment. The Council also currently provides supported travel to around 150 adults who need assistance in travelling to adult care services. Supported travel arrangements can include (i) Haringey's in-house transport service, (ii) commissioned transport services from external providers, (iii) provision of an escort, and (iv) support with travel arrangements on public transport. The Council has a statutory requirement to have a Sustainable Modes of Travel Strategy and a Transport Policy Statement in place. Nationally safe and efficient school transport and travel is a primary need for families of children with SEND. Locally we offer transport for children in line with our travel policy which includes the aspirations to promote independence as far as possible, whist ensuring children can attend to school in a timely way. The transport service has worked hard to implement new initiatives to support these aspirations, including travel buddies and independent travel training. As with many boroughs, the transport service is high cost for the number of children being transported. Currently 525 children and young people receive the service. The demand on the service are increasing in line with our new statutory duties to transport young people if they remain in education, which means a new cohort are being transported who are between the ages of 19 and 25 years. The combination of the above has placed additional strain on the current service provision and budget, resulting in both an overspend and also increased parental dissatisfaction.

We propose to review the transport service in terms of application of the policy, ways of communicating with parents, route planning and use of support staff (escorts) with a view to increasing the efficiency and increasing satisfaction whilst addressing the overspend. Work needs to be done in collaboration with parents and also other boroughs, in order to see if routes can be merged across borough boundaries. We have approached a provider of software and transport planning who is working with neighbouring boroughs who could help us review our local services.

The Policy is intended to provide clarity for service users and their parents and carers as to the circumstances when access to supported travel will be considered, and to ensure that those with particular and significant needs are appropriately supported.

The Travel Policy outlines how the Council will move towards a more consistent and equitable way of supporting people in the provision of Council funded travel. It is set out in two main sections: Children and Young people (0 to 18 years) (including continuing learners who started their programme of learning before their 19th birthday) and Adults with Learning Disabilities and Disabilities (with the exception of adults aged 18 to 24 with a special educational need and/or disability who are in education or training (18 and older +).

We have looked at an EQIA and found that the review will have no negative impacts on the families and children, and any recommendations for changes will be taken to the appropriate decision making bodies, including multi agency groups such as the SEND reforms group where parents are represented who can seek feedback from users of the service to help successful shape any proposed changes.

References in this document to “parents” is to parents, carers or legal guardians

Key Stakeholders

- Those who have a special educational need and/or disability (SEND) and require travel assistance to access school or other educational services Users of adult social care that require supported transport to access care settings
- Parents of those children and young people with SEND or carers of those eligible for adult social care
- Residential homes/supported living

The Travel Policy and Transport Service Review intends to advance equality of opportunity by promoting independence and ensuring that all those who have a need for travel assistance are able to access the educational establishment or care service that meets their needs.

Stage 4 – Scoping Exercise - Service data used in this Equality Impact Assessment This section to be completed where there is a change to the service provided	
Data Source	**What does this data include?**

List of those currently using supported travel services in Haringey	Age break down of children and young people accessing supported travel: • 5- 9 year olds 19% • 10- 14 year olds 36% • 15 – 18 year olds 30% • 19 -25 year olds 15% List of those using SEND transport • Learning disabilities /Autistic 31% • Wheel chair user 13% • Cerebral palsy 7% • Down Syndrome 4% • Blind/visually impaired 4% • Various other disabilities 41%

	List of those using Transport accessing adult social Care • Learning disabilities 71.5% • Dementia 28.5%
Haringey Joint Strategic Needs Assessment	http://www.haringey.gov.uk/social-care-and-health/health/joint-strategic-needs-assessment/health-mothers-children-and-youngpeople/disabled-children-and-young-people http://www.haringey.gov.uk/social-care-and-health/health/joint-strategic-needs-assessment/adults-and-older-people/dementia http://www.haringey.gov.uk/social-care-and-health/health/joint-strategic-needs-assessment/adults-and-older-people/jsna-learningdisabilities

Stage 5a – Considering the above information, what impact will this proposal have on the following groups in terms of impact on residents and service delivery: **Positive and negative impacts identified will need to form part of your action plan.**				
	Positive	**Negative**	**Details**	**None – why?**

Sex			The Transport Service Review is deemed to have no adverse impact on gender, as the policy is needs based and applies equally irrespective of sex.	X
Gender Reassignment			The Transport Service Review is deemed to have no adverse impact for residents who have undertaken gender reassignment, as the policy is based on needs and applies equally irrespective of gender characteristics. There is no indication that residents who have undertaken gender reassignment are treated differently under the terms of this policy or are disadvantaged compared to other groups by this policy, although we will continue to keep this under review.	X
Age	X		The Travel Policy and Transport Service applies differently to children and young people who are in education from adults aged 18 or above eligible for Adult Social Care. This is because of the statutory duty on the Council to ensure that all children and young people can access education locally, and to ensure that complex disabilities or other factors do not present a barrier to this. For adults, the Council's Travel Policy is there to assist those adults who cannot independently travel to adult care services.	

Disability	X		The Transport Service Review is deemed to have a positive impact upon residents with disabilities as it ensures that they are able to access schools/services which meet their needs and are not discriminated against by being unable to access them due to not being able to get there.	
Race & Ethnicity			The Transport Service Review is deemed to have no impact on residents of different races and ethnicity as the policy is based on needs and applies equally irrespective of ethnicity. There is no indication that residents of different races and ethnicity are treated differently under the terms of this policy or are disadvantaged compared to other groups by this policy, although we will continue to keep this under review.	X
Sexual Orientation			The Transport Service Review is deemed to have no impact on residents of different sexual orientations, as the policy is based on needs and applies equally irrespective of sexual orientation. There is no indication that residents of different sexual orientation are treated differently under the terms of this policy or are disadvantaged compared to other groups by this policy, although we will continue to keep this under review.	X

Religion or Belief (or No Belief)	X		The Transport Service Review takes into consideration children, young people and parent's choice to apply for admission to a particular faith school, even if this is not the closest school to them by travel distance. This will ensure that those children and young people who want to attend a faith school because of their religion/beliefs are not indirectly prevented from doing so because of proximity restrictions on travel support.	
Pregnancy & Maternity			The Transport Service Review is deemed to have no impact on residents who are pregnant or on maternity, as the policy is based on needs and applies equally irrespective of pregnancy/maternity. There is no indication that residents who are pregnant are treated differently under the terms of this policy or are disadvantaged compared to other groups by this policy, although we will continue to keep this under review.	X
Marriage and Civil Partnership (note this only applies in relation to eliminating unlawful discrimination (limb 1))			The Transport Service Review is deemed to have no impact on residents who are married or in civil partnerships, as the policy is based on needs and applies equally irrespective of marital status. There is no indication that residents who are married or in civil partnerships are treated differently under the terms of this policy or are disadvantaged compared to	X

			other groups by this policy, although we will continue to keep this under review.	

Stage 6 - Initial Impact analysis	Actions to mitigate, advance equality or fill gaps in information
The service review will not result in any direct or indirect discrimination to any of the protected groups. In particular, the review will help to advance equality of opportunity between those with disabilities and those without by continuing to ensure that those with disabilities are able to access services that they would otherwise be unable to access without travel assistance.	**Managing any future transition to alternative travel options** There may be a risk of disruption if alternative travel options are not fully established before potential future changes to in-house travel services**.** We will therefore ensure alternative travel options are identified and fully phased in **before** changing any of the current in-house supported travel services. We are actively engaging with the market around identifying broader range of transport options **1) Factoring in the individual circumstances of carers and families** We will ensure that carers and families' situations will be an active part of the assessment around travel assistance We will also take into account families' financial situation when making future travel decisions. We will ensure that we do not charge groups who can't afford but require travel assistance **2) Appeals process** The new Travel Policy also introduces an objective **appeals process** for both children and young people and adults so that a travel decision can be challenged if service users or their carers believe it has been wrongly made. **3) Information, advice and guidance (IAG) around travel options.** The IAG service will be able to signpost to travel options. This will be through: • IAG Drop in • IAG Pop ups • IAG Outreach **4) Safeguarding duties and ensuring risk assessment process is adequate** **5)** We will ensure there are high standards governing travel risk assessments. We will ensure that those carrying out the assessments have the rights skills and experience. We will also monitor the consistency of the assessment approach taken **6) Monitoring and evaluation** Travel assistance will be monitored to ensure that there is enough capacity in the market to meet the demand. This will be done by the service as a matter of course and will also be monitored annually to

	ensure that all protected group where eligible are receiving travel assistance and that there is no inconsistency in who receives this support.

Stage 7 - Consultation and follow up data from actions set above

Data Source (include link where published)	What does this data include?
Consultation with key stakeholders will be part of the review.	

Stage 8 - Final impact analysis

A final analysis of the impact of the review and recommendations will be completed.

Stage 9 - Equality Impact Assessment Review Log

Review approved by Director / Assistant Director	Gill Gibson	Date of review	25/01/2019
Review approved by Director / Assistant Director		Date of review	

Stage 10 – Publication

Ensure the completed EqIA is published in accordance with the Council's policy.

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Annex 2

Cash Limit Projection by Priority Area

	2019/20
	£'000
Priority 1 - Children Services	58,310
Priority 2 - Adults Services	82,312
Priority 3 - Environment & Neighbourhoods	26,652
Priority 4 - Regeneration & Growth	1,173
Priority 5 - Housing Services	18,888
Priority X - Corporate Services	35,805
Total Priority Cash Limit	**223,140**
Council Wide	18,041
Council Cash Limit	**241,182**

Annex 3a

Haringey Council – Reserves Policy

Background

1. Sections 32 and 43 of the Local Government Finance Act 1992 require local authorities to consider the level of reserves when setting a budget requirement. Section 25 of the Local Government Act 2003 requires the Chief Financial Officer (Section 151 Officer) to report formally on the adequacy of proposed reserves when setting a budget requirement. The accounting treatment for reserves is set out in the Code of Practice on Local Authority Accounting.

2. CIPFA has issued Local Authority Accounting Panel (LAAP) Bulletin No.55, Guidance Note on Local Authority Reserves and Balances and LAAP Bulletin 99 (Local Authority Reserves and Provisions). Compliance with the guidance is recommended in CIPFA's Statement on the Role of the Chief Financial Officer in Local Government.

3. This note sets out the Council's policy for compliance with the statutory regime and relevant non-statutory guidance.

Overview

4. The Council's overall approach to reserves will be defined by the system of internal control. The system of internal control is set out, and its effectiveness reviewed, in the Annual Governance Statement. Key elements of the internal control environment are objective setting and monitoring, policy and decision-making, compliance with statute and procedure rules, risk management, achieving value for money, financial management and performance management.

5. The Council will maintain:

   - a general fund general reserve;
   - a housing revenue account (HRA) general reserve; and
   - a number of earmarked reserves.

6. Additionally the Council is required to maintain ***unusable*** reserves to comply with accounting requirements although, as the term suggests, these reserves are not available to fund expenditure.

General fund general reserve

7. The purpose of the general reserve is to manage the impact of emergencies or unexpected events. Without such a reserve, the financial impact of such events could cause a potential financial deficit in the general fund, which would be severely disruptive to the effective operation of the authority. The reserve should mitigate against immediate service reductions if there were any unforeseen financial impacts.

8. The level of the general reserve is a matter for the Council to determine having had regard to the advice of the S151 Officer. The level of the reserve will be a matter of judgement which will take account of the specific risks identified

through the various corporate processes. It will also take account of the extent to which specific risks are supported through earmarked reserves. The level will be expressed as a cash sum over the period of the general fund medium-term financial strategy. The level will also be expressed as a percentage of the general funding requirement (to provide an indication of financial context).

HRA general reserve

9. The purpose of the HRA general reserve is similar to the general fund general reserve above except applied to the ring-fenced HRA.

Earmarked reserves

10. The purpose of earmarked reserves is to enable sums to be set aside for specific purposes or in respect of potential or contingent liabilities where the creation of a provision is not required or permitted.

11. The Council will maintain the following earmarked reserves:

i. **Services Reserve**: includes the net unspent balance of service and other budgets where the Cabinet has agreed that such sums could be carried-forward for use in subsequent years. This reserve also includes the Public Health reserve which will be used to manage any over or underspends against this grant which is restricted to Public health expenditure.

ii. **Insurance Reserve**: funds set aside to meet internally-insured liabilities where the creation of a provision is not required or permitted;

iii. **PFI Lifecycle Reserve**: funds set aside from specific PFI grant given by the government to meet payments to be made to service the debt relating to the Council's secondary schools PFI project; this reserve will be required as part of the funding for the schools estate;

iv. **Council Infrastructure Reserve** (formerly infrastructure reserve): specific funds set aside for the planned maintenance and renewal of the Council's infrastructure including for IT and Property programmes;

v. **Transformation Reserve**: will be used to fund investment needs identified through the Medium Term Financial Planning process. It will also be used to fund redundancy and decommissioning costs and the investment necessary to deliver longer term efficiencies and change;

vi. **Capital Financing Reserve**: a reserve to enable multiple-year medium-term financial strategies in the context of the annual budgeting and accounting cycle;

vii. **Debt Repayment / Capital Reserve**: this reserve is used to set aside money that the Council has for repaying outstanding debt in the future and/or for the purposes of setting aside money earmarked for capital investment;

viii. **Schools' Reserve**: the net unspent balance of delegated funds managed by schools;

ix. **Community Infrastructure and Growth Reserve** – the council will need to grow its revenue base as government funding reduces, this will be achieved by increasing the Council Tax and Business Rate base. Resources are likely to be needed to support the community, infrastructure and growth in housing and business;

x. **Urban Renewal Reserve**: it would be beneficial for the council to support local businesses so they can share the benefits of the growth, this could include supporting town centres and business investment districts, and maintaining retail business.

xi. **Labour Market Growth and Resilience Reserve**: this will be used to support initiatives which assist people with returning to and remaining in work.

xii. **Unspent Grants Reserve**: where revenue grants have no conditions or where the conditions are met and expenditure has yet to take place it is recommended practice to hold these sums in an earmarked reserve to meet the future expenditure.

xiii. **Smoothing Reserve (HRA):** this is used to accumulate changes in asset values within the HRA that must, under accounting rules, be charged against the revenue costs of the HRA. The reserve will assist the impact of volatile movements from one year to another.

xiv. **Budget Resilience Reserve**: this reserve will be used to manage in-year budget risks due to service budget overspends and non delivery/delay of planned savings.

Management and control

12. The schools reserve and the insurance reserve are clearly defined and require no further authority for the financing of relevant expenditure.

13. The use of all other reserves requires budgetary approval in the normal way.

14. All reserves are reviewed as part of the budget preparation, financial management and closing processes.

Reporting and review

15. The Council will consider a report from the S151 Officer on the adequacy of the reserves in the annual budget-setting process. The report will contain estimates of reserves where necessary. The Corporate Committee will consider actual reserves when approving the statement of accounts each year.

16. The Council will review the reserves policy on an annual basis.

Annex 3b

RESERVES AND THEIR ADEQUACY

1. General Fund General Reserve

1.1. The judgement on the adequacy of the general fund general reserve needs to reflect the risk management and financial control processes that are in place, and the residual risk of emergencies or unexpected events. For this purpose identification of the key risks is done in three ways:

- identification of risks during the financial planning and budget setting process as set out in the main report;
- risk assessment of the agreed investment and savings proposals in the agreed budget package, and;
- key risks identified, monitored and managed through the Council's risk management strategy and framework.

1.2. The calculation of the potential financial impact of these assessed risks has been undertaken and in the light of this, it is considered that the level of the General Fund un-earmarked balance which is maintained at £15m during 2019/20 is appropriate.

1.3. The risks set out in Annex 3c assess a potential financial impact at £20m for 2019/20; the Chief Finance Officer (CFO) regards the range set out above as being sufficient to cover the potential risks. It is, however, clear that resources for managing potential risk are not significantly greater than the level of risk identified, so the CFO is specifically highlighting the need for robust budget management in 2019/20 including the efficient delivery of agreed savings.

1.4. The 2019/20 figure for general balances (£15.5m) represents 6.4% of the Council's budget requirement for 2019/20.

1.5. The estimates of the reserves position at period 10 2018/19, including earmarked and un-earmarked reserves for the General Fund, Schools and the HRA are detailed in the following table. It should be noted however, that by the nature of these reserves, the timing of when draw down may be required is uncertain and thus unless specific timeframes have been identified no draw down is assumed.

Projected Reserves Position (At Period 10 - 2018/19)

Description (£'000)	Balance at 31/03/18	Transfer In 2018/19	Transfer Out 2018/19	Balance at 31/03/19
General Fund Reserve	**(15,493)**	**0**	**0**	**(15,493)**
General Fund earmarked reserves:				
Schools reserve	**(7,707)**			(7,707)
Transformation reserve	**(8,075)**	(448)	4,220	(4,303)
Services reserve	**(6,420)**		1,500	(4,920)
PFI lifecycle reserve	**(9,764)**			(9,764)
Debt repayment reserve	**(5,413)**		367	(5,046)
Insurance reserve	**(5,161)**			(5,161)
Unspent grants reserve	**(8,491)**		886	(7,605)
Community infrastructure reserve	**(3,000)**			(3,000)
Labour market growth resilience reserve	**(1,255)**		474	(781)
Financing reserve	**(6,291)**		254	(6,037)
IT infrastructure reserve	**(838)**			(838)
Budget resilience reserve	**(5,074)**			(5,074)
Other reserves	**(726)**			(726)
GF earmarked reserves:	**(68,215)**	**(448)**	**7,702**	**(60,961)**
Total General Fund Usable Reserves	**(83,708)**	**(448)**	**7,702**	**(76,454)**
Housing Revenue Account	**(29,954)**	**(21,065)**	**19,708**	**(31,311)**
Housing Revenue Account earmarked Reserves:				
HRA Smoothing reserve	**(6,953)**			(6,953)
Homes for Haringey	**(1,301)**			**(1,301)**
HRA earmarked reserves	**(8,254)**	**0**	**0**	**(8,254)**
Total HRA Usable Reserves	**(38,208)**	**(21,065)**	**19,708**	**(39,565)**

Annex 3c

Adequacy of Reserves - Risk Assessment 2018/19

Three key assessment areas:

1. Identification of risks during the financial planning and budget setting process as set out in the main report;
2. Risk assessment of the agreed investment and budget reductions proposals in the proposed budget package, and;
3. key risks identified, monitored and managed through the Council's risk management strategy in the corporate risk register.

	Net Budget Exposure	Risk	Residual Impact
	£m	%	£m
1. Budget Process			
Priority 1 - Children's	58	A High level risk assessment	
Priority 2 - Adults	82	(10%) has been applied to the	
Priority 5 - Temp. Accomm.	11	budget amount potentially at risk	15.1
2. Budget Reduction Proposals			
- Delivery Programme	13	High risk (33%) on savings proposals for 2019/20	4.4
3.Corporate Risk Register	5	Low risk (2.5%) assessment on variety of risks within the corporate risk register	0.1
4. Unidentified Risks		Estimated	0.5
Total Risks			20.1
Less Budget Resilience Reserve			7.2
Less un-earmarked (General) reserves for the above			15.5
Available after risks			2.6

CIPFA\ Financial Resilience Index

Tier Group: ☑ UPPER ☐ LOWER

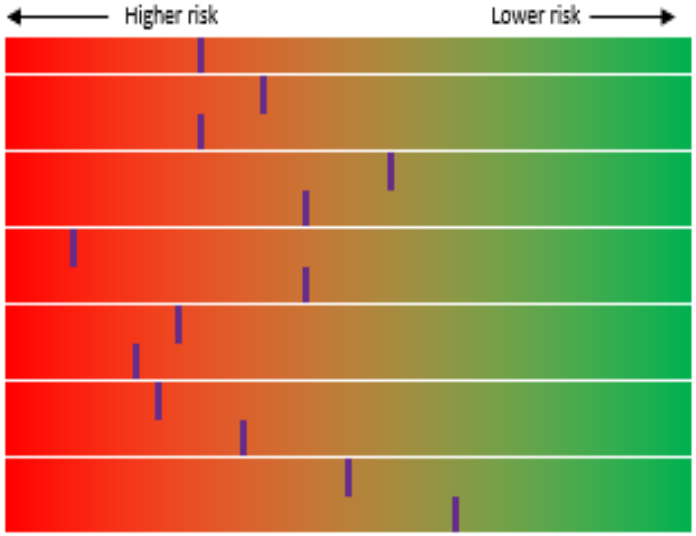
Authority: Haringey | Methodology: Ranked

Comparator Group: London Boroughs | Year: 2017-18

EXPORT

Results Breakdown

Indicators of Financial Stress



	Min	Haringey	Max
Reserves Depletion Time	2.44	11.67	100.00
Level of Reserves	6.2%	40.0%	206.3%
Change in Reserves	-55.2%	-20.4%	47.7%
Unallocated Reserves	3.9%	8.0%	62.4%
Earmarked Reserves	2.3%	32.0%	146.7%
Change in Unallocated Reserves	-53.5%	-39.9%	67.8%
Change in Earmarked Reserves	-76.8%	-13.5%	52.3%
Council Budget Flexibility	8.0%	79.4%	123.6%
Children's Social Care Ratio	2.6%	30.7%	36.9%
Adult Social Care Ratio	5.3%	40.7%	72.2%
Grants to Expenditure Ratio	2.3%	19.8%	46.8%
Council Tax Requirement / Net Revenue Expenditure	5.7%	48.2%	81.5%
Retained Income from Rate Retention / Net Expenditure	13.9%	39.2%	89.6%

Children's Social Care Judgement	Requires Improvement
Auditors VfM Assessment	Unqualified

Indicator	Description	Relationship to risk and interpretation
Reserves Depletion Time	This indicator is the ratio between the current level of reserves and the average change in reserves in each of the past three years. Schools and public health reserves are not included.	The indicator provides a measure of how long (in years) it will take for a council to completely denude its reserves, if they continue to use reserves at the same rate as in the previous three years. A low value suggests that there is a risk that the authority will run out of reserves. A high value says, that on current trends, they are unlikely to deplete their reserves
Level of Reserves	This is the ratio of the current level of reserves (total useable excluding public health & schools) to the council's net revenue expenditure. The figures has been set at 300% for a small number of district councils to remove the impact of extreme outliers.	A low level of reserves may indicate that a council has low capacity to cope with financial shocks. It will also face a risk should expenditure exceed income.
Change I Reserves	This indicator shows the average percentage change in reserves (total useable excluding public health and schools) over the past three years.	A council that is using up its reserves may be at risk if they do not move to a more balanced budget.
Unallocated Reserves	This indicator is calculated as the ratio of unallocated reserves to net revenue expenditure. The figure has been set at 300% for a small number of district councils to remove the impact of extreme outliers.	This indicator provides some further information on the reserves indicator. A low level of unallocated reserves may be a sign that a council will struggle with financial shocks.
Earmarked Reeserves	This indicator is calculated as the ratio of earmarked (excluding public health and schools) reserves to net revenue expenditure. The figures has been set at 300% for a small number of district councils to remove the impact of extreme outliers.	This indicator provides some further information on the reserves indicator. A low level of unallocated reserves may be a sign that a council will struggle with financial shocks or that they have not planned effectively for their use of reserves.
Change in Unallocated Reserves	This indicator is the average percentage change in unallocated reserves over the past three years.	This indicator provides some further information on the reserves indicator. A council that is using up its reserves may be at risk if they do not move to a more balalnced budget.
Change in Earmarked Reserves	This indicator is the avearge percentage change in earmarked reserves over the past three years.	This indicator provides some further information on the reserves indicator. A council that is using up its reserves may be at risk if they do not move to a more balalnced budget.
Council Budget Flexibility	This indicator is the ratio of total spending on adults' social care, children's social care and debt interest to net revenue expenditure.	This indicator provides a measure of the degree of flexibility within a council's budget. Spending on these items is less likely to be reduced compared to other categories. A high ratio suggests that the council has little flexibility to make further savings, potentially leading to risk.
Children's Social Care Ratio	This indicator is the ratio of spending on children's social care to net revenue expenditure.	This indicator provides a breakdown of the total ratio to allow councils to understand their relative position for this component.
Adult Social Care Ratio	This indicator is the ratio of spending on adult social care to net revenue expenditure.	This indicator provides a breakdown of the total ratio to allow councils to understand their relative position for this component.
Grants to Expenditure Ratio	This indicator shows the proportion of net revenue expenditure funded by central government grants.	Grants are a diminshing source of funding. However, a relatively high level of grants may suggest that a council may experience financial difficulties in the future as grants continue to be a declining source of income.
Council Tax Requirement / Net Revenue Expenditure	This indicator shows the ratio of council tax to net revenue expenditure.	This indicator provides a measure of the relative importance of council tax and grants. A low ratio suggest higher dependency on grants which may suggest that a council may experience financial difficulties as grants diminish further.
Retained Income from Rate Retention / Net Revenue Expenditure	This indicator shows the ratio of retained income from business rates as a proportion of net expenditure.	As locally raised business rates become more important, a lower ratio may be associated with difficulties in raising the income necessary to support spending.
Children's Social Care Judgement	This indicator shows the latest OFSTED judgement on the quality of children's social care.	A rating of inadequate or requiremes improvement may be associated with future higher spending on children's social care adding to council funding pressures.
Auditors VfM Assessment	This indicator shows whether auditors have produced a non-standard conclusion on a council's accounts.	A non-standard judgement may indicate some concern over the financial management and decisions within the council.

Annex 4

London Borough of Haringey
Treasury Management Strategy Statement 2019/20

1. Introduction

1.1. Treasury management is the management of the Authority's cash flows, borrowing and investments, and the associated risks. The Authority has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Authority's prudent financial management.

1.2. Treasury risk management at the Authority is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2017 Edition* (the CIPFA Code) which requires the Authority to approve a treasury management strategy before the start of each financial year. This report fulfils the Authority's legal obligation under the *Local Government Act 2003* to have regard to the CIPFA Code.

1.3. Investments held for service purposes or for commercial profit are considered in section 6 of this report.

1.4. The single largest external variable that frames the context of the Council's treasury strategy for 2019/20 is Brexit. This strategy has been reviewed and updated in light of this, and provides the Council with the means and flexibility to deal with a range of eventualities or outcomes as necessary.

2. External Context – provided by the Council's appointed treasury advisor, Arlingclose

2.1. **Economic background:** The UK's progress negotiating its exit from the European Union, together with its future trading arrangements, will continue to be a major influence on the Authority's treasury management strategy for 2019/20.

2.2. UK Consumer Price Inflation (CPI) for October was up 2.4% year/year, slightly below the consensus forecast and broadly in line with the Bank of England's November Inflation Report. The most recent labour market data for October 2018 showed the unemployment rate edged up slightly to 4.1% while the employment rate of 75.7% was the joint highest on record. The 3-month average annual growth rate for pay excluding bonuses was 3.3% as wages continue to rise steadily and provide some pull on general inflation. Adjusted for inflation, real wages grew by 1.0%, a level still likely to have little effect on consumer spending.

2.3. The rise in quarterly GDP growth to 0.6% in Q3 from 0.4% in the previous quarter was due to weather-related factors boosting overall household consumption and construction activity over the summer following the weather-related weakness in Q1. At 1.5%, annual GDP growth continues to remain below trend. Looking ahead, the BoE, in its November Inflation Report, expects GDP growth to average around 1.75% over the forecast horizon, providing the UK's exit from the EU is relatively smooth.

2.4. Following the Bank of England's decision to increase Bank Rate to 0.75% in August, no changes to monetary policy has been made since. However, the Bank expects that should the economy continue to evolve in line with its November forecast, further increases in Bank Rate will be required to return inflation to the 2% target. The Monetary Policy Committee continues to reiterate that any further increases will be at a gradual pace and limited in extent.

2.5. While US growth has slowed over 2018, the economy continues to perform robustly. The US Federal Reserve continued its tightening bias throughout 2018, pushing rates to the current 2%-2.25% in September. Markets continue to expect one more rate rise in December, but expectations are fading that the further hikes previously expected in 2019 will materialise as concerns over trade wars drag on economic activity.

2.6. **Credit outlook:** The big four UK banking groups have now divided their retail and investment banking divisions into separate legal entities under ringfencing legislation. Bank of Scotland, Barclays Bank UK, HSBC UK Bank, Lloyds Bank, National Westminster Bank, Royal Bank of Scotland and Ulster Bank are the ringfenced banks that now only conduct lower risk retail banking activities. Barclays Bank, HSBC Bank, Lloyds Bank Corporate Markets and NatWest Markets are the investment banks. Credit rating agencies have adjusted the ratings of some of these banks with the ringfenced banks generally being better rated than their non-ringfenced counterparts.

2.7. The Bank of England released its latest report on bank stress testing, illustrating that all entities included in the analysis were deemed to have passed the test once the levels of capital and potential mitigating actions presumed to be taken by management were factored in. The BoE did not require any bank to raise additional capital.

2.8. European banks are considering their approach to Brexit, with some looking to create new UK subsidiaries to ensure they can continue trading here. The credit strength of these new banks remains unknown, although the chance of parental support is assumed to be very high if ever needed. The uncertainty caused by protracted negotiations between the UK and EU is weighing on the creditworthiness of both UK and European banks with substantial operations in both jurisdictions.

2.9. **Interest rate forecast:** Following the increase in Bank Rate to 0.75% in August 2018, the Authority's treasury management adviser Arlingclose is forecasting two more 0.25% hikes during 2019 to take official UK interest rates to 1.25%. The Bank of England's MPC has maintained expectations for slow and steady rate rises over the forecast horizon. The MPC continues to have a bias towards tighter monetary policy but is reluctant to push interest rate expectations too strongly. Arlingclose believes that MPC members consider both that ultra-low interest rates result in other economic problems, and that higher Bank Rate will be a more effective policy weapon should downside Brexit risks crystallise when rate cuts will be required.

2.10. The UK economic environment remains relatively soft, despite seemingly strong labour market data. Arlingclose's view is that the economy still faces a challenging outlook as it exits the European Union and Eurozone growth softens. While assumptions are that a Brexit deal is struck and some agreement reached on transition and future trading arrangements before the UK leaves the EU, the possibility of a "no deal" Brexit still hangs over economic activity *(at the time of writing this commentary in mid-December)*. As such, the risks to the interest rate forecast are considered firmly to the downside.

2.11. Gilt yields and hence long-term borrowing rates have remained at low levels but some upward movement from current levels is expected based on Arlingclose's interest rate projections, due to the strength of the US economy and the ECB's forward guidance on higher rates. 10-year and 20-year gilt yields are forecast to remain around 1.7% and 2.2% respectively over the interest rate forecast horizon, however volatility arising from both economic and political events are likely to continue to offer borrowing opportunities.

2.12. A more detailed economic and interest rate forecast provided by Arlingclose is attached at Appendix A.

2.13. For the purpose of setting the budget, it has been assumed that new investments will be made at an average rate of 1.0%, and that new long-term loans will be borrowed at an average rate of 3.0%.

3. **Local Context**

3.1. On 31st December 2018, the Authority held £384.2m of borrowing and £56.9m of investments. Forecast changes to borrowing balances are shown in the balance sheet analysis in table 1 below.

3.2. Table 1: Balance sheet summary and forecast

	31.3.18 Actual £m	31.3.19 Estimate £m	31.3.20 Forecast £m	31.3.21 Forecast £m	31.3.22 Forecast £m
General Fund CFR	343.3	437.1	562.3	660.4	726.1
HRA CFR	248.7	248.9	260.1	310.7	485.0
Total CFR	**591.9**	**686.0**	**822.4**	**971.0**	**1,211.1**
Less: Other debt liabilities *	-34.0	-30.3	-26.5	-22.8	-19.0
Loans CFR	**557.9**	**655.7**	**795.9**	**948.3**	**1,192.1**
Less: External borrowing **	-365.4	-383.8	-357.7	-350.4	-340.4
Less: Internal borrowing	-192.6	-192.6	-182.1	-182.1	-182.1
New Borrowing Required (cumulative)	**-**	**79.4**	**256.1**	**415.8**	**669.6**

*finance leases and PFI liabilities and transferred debt form part of the Authority's total debt

** shows only loans to which the Authority is committed and excludes optional refinancing

3.3. The capital plans which underpin the borrowing requirement above are dealt with in the council's main budget report (in particular the Capital Strategy section). All of the Council's capital programme is robustly scrutinised and tested to ensure that the capital plans are affordable and prudent. The above shows the three year effects of the Council's capital programme, however all capital plans are assessed in their entirety (i.e. some schemes are for a greater than 3 year time frame).

3.4. The Council's HRA business plan is still developing in light of the debt cap removal, and as such, the HRA borrowing element is still under active review. The figures above represent the most up to date figures at the time of publication of this report, however, given the timing of other reports that form part of the Council's budget process, it may be the case that the HRA figures differ slightly from those published within the Council's main budget report, which will be the final figures.

3.5. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. The Authority's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing.

3.6. The Authority has an increasing CFR due to the capital programme, but minimal investments and will therefore be required to borrow up to £670m over the forecast period.

3.7. CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Authority's total debt should be lower than its highest forecast CFR over the next three years. Table 1 shows that the Authority expects to comply with this recommendation during 2019/20.

4. **Borrowing Strategy**

4.1. The Authority currently holds £384 million of loans, as part of its strategy for funding previous years' capital programmes. The balance sheet forecast in table 1 shows that the Authority expects to borrow up to £256m by the end of 2019/20. The Authority may also borrow additional sums to externalise the extent of its existing internal borrowing to satisfy future years' borrowing requirements, providing this does not exceed the authorised limit for borrowing as set out in table 2 of this report.

4.2. **Objectives:** The Authority's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the Authority's long-term plans change is a secondary objective.

4.3. **Strategy:** Given the significant cuts to public expenditure and in particular to local government funding, the Authority's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short-term to either use internal resources, or to borrow short-term loans instead. However, given the size of the Council's capital programme, and the need to diversify the Council's debt portfolio, long term borrowing will also be required during 2019/20, so the strategy will be to fulfil the Council's borrowing requirement with a mixture of long and short term borrowing.

4.4. By taking short term borrowing, the Authority is able to reduce net borrowing costs. The benefits of short term borrowing will be monitored regularly against the potential for incurring additional costs by deferring longer term borrowing into future years when long-term borrowing rates are forecast to rise modestly. Arlingclose will assist the Authority with this 'cost of carry' and breakeven analysis. Its output may determine to what extent the Authority borrows additional sums at long-term fixed rates in 2019/20 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.

4.5. Alternatively, the Authority may arrange forward starting loans during 2019/20, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.

4.6. In addition, the Authority may borrow short-term loans to cover unplanned cash flow shortages.

4.7. Sources of borrowing**:** The approved sources of long-term and short-term borrowing are:

- Public Works Loan Board (PWLB) and any successor body
- any institution approved for investments (see below)
- any other bank or building society authorised to operate in the UK
- any other UK public sector body
- UK public and private sector pension funds (except Haringey Pension Fund, and the London Collective Investment Vehicle)
- capital market bond investors
- UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues

4.8. **Other sources of debt finance:** In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- leasing
- hire purchase
- Private Finance Initiative
- sale and leaseback

4.9. The Authority has previously raised the majority of its long-term borrowing from the PWLB but it continues to investigate other sources of finance, such as local authority loans and bank loans, that may be available at more favourable rates.

4.10. **LOBOs:** The Authority holds £125m of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Authority has the option to either accept the new rate or to repay the loan at no additional cost. £75m of these LOBOs have options during 2019/20, and although the Authority understands that lenders are unlikely to exercise their options in the current low interest rate environment, there remains an element of refinancing risk. The Council will repay LOBO loans with no penalty if it can, however, it recognises that lenders are highly unlikely to offer this while the interest rates on existing loans remain above prevailing rates.

4.11. Some LOBO lenders are now open to negotiating premature exit terms from LOBO loans via payment of a premium to the lender. Haringey Council's policy will be to exit LOBO agreements if the costs of replacing the loans, including all premium, transaction and funding costs, generate a material net revenue saving for the Council over the life of the loan in net present value terms, and all costs are consistent with Haringey's approved medium term financial strategy. Whether to repay a LOBO loan will be determined by the S151 Officer, in line with Haringey's constitution.

4.12. When loans are prematurely repaid, there is usually a premium payable to the lender, to compensate them for interest forgone at the contractual rate, where prevailing interest rates are lower. Haringey would need to refinance LOBOs by raising borrowing for both the original sum borrowed, and the premium payable to the lender. However, this type of arrangement can prove beneficial where interest savings exceed premium costs. Replacing LOBOs, that contain an option for lenders to increase the rate, with fixed rate debt will reduce refinancing and interest rate risk.

4.13. **Short-term and variable rate loans**: These loans leave the Authority exposed to the risk of short-term interest rate rises and are therefore subject to the interest rate exposure limits in the treasury management indicators below.

4.14. **Debt rescheduling:** The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature redemption terms. The Authority may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk.

4.15. **Borrowing Limits:** The council's total borrowing limits are set out in the table below. The Authorised Limit sets the maximum level of external borrowing on a gross basis (i.e. not net of investments) and is the statutory limit determined under Section 3(1) of the Local Government Act 2003 (referred to in the legislation as the Affordable Limit). The Indicator separately identifies borrowing from other long term liabilities such as finance leases. The Authorised Limit has been set on the estimate of the most likely, prudent but not worst case scenario with sufficient headroom over and above this to allow for unusual cash movements.

4.16. The Operational Boundary links directly to the Council's estimates of the CFR and estimates of other cashflow requirements. This indicator is based on the same estimates as the Authorised Limit reflecting the most likely, prudent but not worst case scenario but without the additional headroom included within the Authorised Limit. The Operational Boundary and Authorised Limit apply at the total level.

4.17. The Chief Finance Officer has delegated authority, within the total limit for any individual year, to effect movement between the separately agreed limits for borrowing and other long-term liabilities. Decisions will be based on the outcome of financial option appraisals and best value considerations. Any movement between these separate limits will be reported to the next meeting of the Corporate Committee.

4.18. Table 2 Borrowing Limits

	2018/19 limit	2019/20 limit	2020/21 limit	2021/22 limit
	£m	£m	£m	£m
Authorised limit – borrowing	618.4	752.4	901.0	1,141.1
Authorised limit – PFI & leases	43.3	39.9	35.0	30.1
Authorised limit – total external debt	**661.6**	**792.3**	**936.0**	**1,171.2**
Operational boundary - borrowing	568.4	702.4	851.0	1,091.1
Operational boundary – PFI & leases	39.9	36.3	31.8	27.3
Operational boundary – total external debt	**608.3**	**738.7**	**882.9**	**1,118.4**

5. **Investment Strategy – Treasury Investments**

5.1. The Authority holds invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Authority's investment balance has generally ranged between £10 and £50 million, and similar levels are expected to be maintained in the forthcoming year. It is a requirement of the Markets in Financial Instruments Directive II that the Council maintains an average investment balance of at least £10m, in order to remain professional client status (see also par 11.6)

5.2. **Objectives:** The CIPFA Code requires the Authority to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. Were balances to be invested for more than one year, the Authority would aim to achieve a total return that is equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested.

5.3. **Negative interest rates:** If the UK enters into a recession in 2019/20, there is a small chance that the Bank of England could set its Bank Rate at or below zero, which is likely to feed through to negative interest rates on all low risk, short-term investment options. This situation already exists in many other European countries. In this event, security will be measured as receiving the contractually agreed amount at maturity, even though this may be less than the amount originally invested.

5.4. **Strategy:** Given the increasing risk and very low returns from short-term unsecured bank investments, the Authority aims to maintain its policy of utilising highly creditworthy and highly liquid investments such as loans to other local authorities, AAA rated money market funds and the Debt Management Office (part of HM treasury).

5.5. **Business models:** Under the new IFRS 9 standard, the accounting for certain investments depends on the Authority's "business model" for managing them. The Authority aims to achieve value from its internally managed treasury investments by a business model of collecting the contractual cash flows and therefore, where other criteria are also met, these investments will continue to be accounted for at amortised cost.

5.6. **Approved counterparties:** The Authority may invest its surplus funds with any of the counterparty types in table 3 below, subject to the cash limits (per counterparty) and the time limits shown.

5.7. Table 3: Approved investment counterparties and limits

Instrument	Country/ Domicile	Counterparty	Maximum Counterparty Limits £m	Maximum period of investment
Term Deposits	UK	Debt Management Account Deposit Facility (DMADF), Debt Management Office (DMO)	No limit	364 days
Gilts	UK	Debt Management Office (DMO)	No limit	364 days
Treasury Bills	UK	Debt Management Office (DMO)	No limit	364 days
Term Deposits/ Call Accounts	UK	Other UK Local Authorities	£5m per local authority	364 days
Term Deposits/ Call Accounts/ Certificates of Deposit/Covered Bonds	UK or AA+ Rated Country	Counterparties rated at least A- Long Term (or equivalent)	£5m per bank or banking group	364 days
Constant Net Asset Value Money Market Funds (MMFs)	UK/Ireland/ Luxembourg domiciled	AAA-rated Money Market Funds	£10m per MMF; Group limit £50m*	Instant Access

*These limits apply for both Haringey Council and Haringey pension Fund, so in practice, the limit is £5m per MMF and £25m group limit for the Council, and £25m for the fund.

5.8. **Credit rating:** Investment limits are set by reference to the lowest published long-term credit rating from a selection of external rating agencies. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.

5.9. **Banks unsecured:** Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator

determine that the bank is failing or likely to fail. See below for arrangements relating to operational bank accounts.

5.10. **Banks secured:** Covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.

5.11. **Government:** Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk. Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.

5.12. **Operational bank accounts:** The Authority may incur operational exposures, for example though current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments, but are still subject to the risk of a bank bail-in, and balances will therefore be kept below £10m per bank. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Authority maintaining operational continuity.

5.13. **Risk assessment and credit ratings**: Credit ratings are obtained and monitored by the Authority's treasury advisers, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

5.14. Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "rating watch negative" or "credit watch negative") so that it may fall below the approved rating criteria, then only investments that can be withdrawn will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

5.15. **Other information on the security of investments**: The Authority understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support, reports in the quality financial press and analysis and advice from the Authority's treasury management adviser. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may otherwise meet the above criteria.

5.16. When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2011, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Authority will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Authority's cash balances, then the surplus will be deposited with the UK Government via the Debt Management Office or invested in government treasury bills for example, or with other local authorities. This will cause a reduction in the level of investment income earned, but will protect the principal sum invested.

5.17. **Investment limits**: The Authority's revenue reserves expressly available to cover investment losses are forecast to be £5 million on 31st March 2019. In order that no more than 100% of available reserves will be put at risk in the case of a single default, the maximum that will be lent to any one organisation (other than the UK Government) will be £5 million. A group of banks under the same ownership will be treated as a single organisation for limit purposes.

5.18. **Liquidity management**: The Authority uses purpose-built cash flow forecasting software to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Authority being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Authority's medium-term financial plan and cash flow forecast.

6. Investment Strategy – Non-Treasury Management Investments

6.1. The Authority invests its money for three broad purposes:

- because it has surplus cash as a result of its day-to-day activities, for example when income is received in advance of expenditure (known as **treasury management investments** – see section 5 of this report),
- to support local public services by lending to or buying shares in other organisations (**service investments**), and
- to earn investment income (known as **commercial investments** where this is the main purpose).

6.2. This section (section 6) is a new part of this report for 2019/20, meeting the requirements of statutory guidance issued by the government in January 2018, and focuses on the second and third of the above categories.

6.3. Treasury Management Investments

6.3.1. The Authority typically receives its income in cash (e.g. from taxes and grants) before it pays for its expenditure in cash (e.g. through payroll and invoices). It also holds reserves for future expenditure. These activities, plus the timing of borrowing decisions, lead to a cash surplus which is invested in accordance with guidance from the Chartered Institute of Public Finance and Accountancy. The balance of treasury management investments is expected to fluctuate between £10m and £50m during the 2019/20 financial year.

6.3.2. **Contribution:** The contribution that these investments make to the objectives of the Authority is to support effective treasury management activities.

6.3.3. **Further details:** Full details of the Authority's policies and its plan for 2019/20 for treasury management investments are covered in the previous section, section 5 of this report

6.4. **Service Investments:**

6.4.1. **Contribution:** The Council lends money to third parties such as its subsidiaries, local businesses, local charities, local residents and its employees to support local public services and stimulate local economic growth. These are often treated as capital expenditure and included within the Council's capital programme

6.4.2. **Security:** The main risk when making service loans is that the borrower will be unable to repay the principal lent and/or the interest due. In order to limit this risk, it will be ensured that any new loans made will remain proportionate to the size of the Authority. Balances as at 31.3.18 were as follows:

6.4.3. *Table 4: Loans for service purposes in £ millions*

Category of borrower	31.3.2018 actual		
	Balance owing	Loss allowance	Net figure in accounts
Subsidiaries	0.3	-0.3	0.0
Local businesses	4.5	0.0	4.5
Local charities	47.8	-43.5	4.3
Local residents	0.1	0.0	0.1
Employees	0.1	0.0	0.1
TOTAL	52.8	-43.8	9.0

6.4.4. The largest balance above relates to Alexandra Palace debts (shown under local charities). There is a large amount of historic debt that a provision was created for, however this has not been written off. The loans to local business include the opportunity investment fund, and a loan to a business who operates some of Haringey's leisure facilities.

6.4.5. Accounting standards require the Authority to set aside loss allowance for loans, reflecting the likelihood of non-payment. The figures for loans in the Authority's statement of accounts from 2018/19 onwards will be shown net of this loss allowance. However, the Authority makes every reasonable effort to collect the full sum lent and has appropriate credit control arrangements in place to recover overdue repayments.

6.4.6. **Risk assessment:** The Authority assesses the risk of loss before entering into and whilst holding service loans by weighing up the service outcomes any such loan could provide against the creditworthiness of the recipient. This is done on a case by case basis, given the low number of such arrangements. This forms part of the Council's capital programme, further details of which are in the Council's annual medium term financial strategy.

6.5. **Commercial Investments: Property**

6.5.1. **Contribution:** The Council holds properties which are classified as 'investment properties' in the Council's statement of accounts. These properties are all within the local area, and the revenue stream associated with these (net of the costs of maintaining the properties) forms part of the Council's annual budget, therefore contributing to the resources available to the Council to spend on local public services.

6.5.2. The value of investment properties disclosed in the 2017/18 statement of accounts was £66.9m.

7. **Capacity, Skills, Culture and Advice**

7.1. CIPFA's Treasury Management Code of Practice requires the Chief Financial Officer to ensure that all members tasked with treasury management responsibilities, including scrutiny of the treasury management function, receive appropriate training relevant to their needs and understand fully their roles and responsibilities.

7.2. Given the significant amounts of money involved, it is crucial members have the necessary knowledge to take treasury management decisions. Training sessions are arranged for members to keep their knowledge up to date.

7.3. The needs of the Council's treasury management staff for training in investment management are assessed as part of the staff appraisal process, and additionally when the responsibilities of individual members of staff change. Staff regularly attend training courses, seminars and conferences provided by Arlingclose and CIPFA. Relevant staff are also encouraged to study professional qualifications from CIPFA, the Association of Corporate Treasurers and other appropriate organisations.

7.4. The Council has appointed Arlingclose Limited as treasury management advisers and receives specific advice on investment, debt and capital finance issues. The quality of this service is reviewed by the Council's treasury management staff.

7.5. Appropriately skilled and experienced finance and legal staff members work with service departments to ensure that the risks associated with any projects they undertake, and compliance with regulation and statutory guidance are properly understood, and form a key consideration in any decision making process.

7.6. The Council's constitution has clearly defined roles and responsibilities for treasury management responsibilities, both for members, committees, and officers.

8. **Investment Indicators**

8.1. The Authority has set the following quantitative indicators to allow elected members and the public to assess the Authority's total risk exposure as a result of its investment decisions.

8.2. **Total risk exposure:** The first indicator shows the Authority's total exposure to potential investment losses.

8.3. *Table 5: Total investment exposure in £ millions*

Total investment exposure	31.03.2018 Actual	31.03.2019 Forecast	31.03.2020 Forecast
Treasury management investments	45.9	33.7	15.0
Service investments: Loans	9.0	8.6	8.3
Commercial investments: Property	66.9	66.9	66.9
TOTAL INVESTMENTS	121.8	109.2	90.2

8.4. **How investments are funded:** Government guidance is that these indicators should include how investments are funded. Since the Authority does not normally associate particular assets with particular liabilities, this guidance is difficult to comply with. However, the following investments could be described as being funded by borrowing. The remainder of the Authority's investments are funded by usable reserves and income received in advance of expenditure.

8.5. *Table 6: Investments funded by borrowing in £ millions*

Investments funded by borrowing	31.03.2018 Actual	31.03.2019 Forecast	31.03.2020 Forecast
Treasury management investments	0.0	0.0	0.0
Service investments:	5.9	6.1	6.4
Commercial investments: Property	43.8	47.3	51.6
TOTAL FUNDED BY BORROWING	49.7	53.4	58.0

8.6. **Rate of return received:** This indicator shows the investment income received less the associated costs, including the cost of borrowing where appropriate, as a proportion of the sum initially invested. Note that due to the complex local government accounting framework, not all recorded gains and losses affect the revenue account in the year they are incurred.

8.7. *Table 7: Investment rate of return (net of all costs)*

Investments net rate of return	2017/18 Actual	2018/19 Forecast	2019/20 Forecast
Treasury management investments	0.25%	0.70%	1.00%
Service investments:	4.17%	4.17%	4.17%
Commercial investments: Property	0.72%	4.00%	4.00%
ALL INVESTMENTS	0.80%	3.00%	3.52%

9. Treasury Management Indicators

9.1. The Authority measures and manages its exposures to treasury management risks using the following indicators.

9.2. **Security:** The Authority has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

Credit risk indicator	Target
Portfolio average credit rating	*Above A-, score of 7 or lower*

9.3. **Liquidity:** The Authority has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling 3 month period, without additional borrowing.

Liquidity risk indicator	Target
Total cash available within 3 months	£10m

9.4. **Interest rate exposures**: This indicator is set to control the Authority's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interest rates will be:

Interest rate risk indicator	Limit
Upper limit on one-year revenue impact of a 1% rise in interest rates	£1m
Upper limit on one-year revenue impact of a 1% fall in interest rates	£1m

9.5. The impact of a change in interest rates is calculated on the assumption that maturing loans and investments will be replaced at current rates.

9.6. **Maturity structure of borrowing:** This indicator is set to control the Authority's exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing will be:

Refinancing rate risk indicator	Upper limit	Lower limit
Under 12 months	50%*	0%
12 months and within 24 months	40%	0%
24 months and within 5 years	40%	0%
5 years and within 10 years	40%	0%
10 years and within 20 years	40%	0%
20 years and within 30 years	40%	0%
30 years and within 40 years	50%	0%
40 years and within 50 years	50%	0%
50 years an above	40%	0%

*this has been revised from the previous year when the corresponding figure was 60%

9.7. Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

9.8. **Total short term borrowing:** the Council has used short term borrowing (under 1 year in duration) from other local authorities extensively in recent years, as an alternative to longer term borrowing from PWLB, due to the lower interest rates, and corresponding revenue savings. Short term borrowing exposes the Council to refinancing risk: the risk that interest rates rise quickly over a short period of time, and are at significantly higher rates when loans mature and new borrowing has to be raised. With this in mind, the Authority will set a limit on the total amount of short term local authority borrowing, as a proportion of all borrowing.

Short term borrowing	Limit
Upper limit on short term borrowing from other local authorities as a percentage of total borrowing	30%

9.9. **Principal sums invested for periods longer than a year:** The purpose of this indicator is to control the Authority's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end will be:

Price risk indicator	2019/20	2020/21	2021/22
Limit on principal invested beyond year end	£10m	£10m	£10m

10. **Minimum Revenue Provision Policy Statement**

10.1. The Council's MRP policy has been reviewed and revised to better reflect the rules set out in the prudential code and government guidance around prudent provision for repayment of borrowed capital. The revised policy, which took effect from 1 April 2016, ensures that provision for capital repayment is made over a period that is commensurate with the period in which the asset purchased provides benefits.

General Fund MRP policy: borrowing before 2007/08

10.2. The Council will calculate MRP on historic debt based on the Capital Financing Requirement (CFR) as at 1 April 2007.

10.3. The Council will calculate the MRP charge based on 2% of that CFR, fixed at the same cash value so that the whole debt is repaid after 50 years in total.

10.4. The historic MRP policy for borrowing incurred before 2007/08 led to MRP charges that exceeded what prudence required during the period from 1 April 2007 to 31 March 2016. This resulted in a cumulative charge at 31 March 2016 that was in excess of what is considered prudent and appropriate under the current policy. To reflect the historic over-provision the Council will undertake an annual review to determine whether to make a realignment of MRP charged to the General Fund, using the policy set out above, to recognise the excess sum charged to that point.

10.5. The following conditions will apply to the annual review:
- Total MRP after applying realignment will not be less than zero in any financial year.
- The cumulative total of the MRP realignment will never exceed the amount of historical over-provision calculated to 31 March 2016.

General Fund MRP policy: prudential borrowing from 2007/08

10.6. For borrowing incurred on schemes described by the Government as Prudential Borrowing or Unsupported Borrowing, MRP will be calculated over the estimated remaining useful life applicable to the expenditure (usually the useful life of the asset it is financing) using the Annuity repayment method in accordance with Option 3 of the guidance.

10.7. This means that MRP will be calculated on an annuity basis (like many domestic mortgages) over the estimated life of the asset. Estimated life periods will be determined by the Section 151 Officer under delegated powers.

10.8. In accordance with the provisions in the guidance, MRP will be first charged in the financial year following the one in which the entire asset to which the charge relates, becomes fully operational.

10.9. Financial agreements such as loans, investments or where assets are to be acquired for future development (including where capital receipts are part of the business case), will not, at the discretion of the CFO, attract MRP. This discretion will be applied where it is reasonable to assume that the initial capital investment will be returned to the Council in full at maturity or over a defined period.

Concession Agreements

10.10. MRP in relation to concession agreements (e.g. PFI contracts) and finance leases are calculated on an asset life method using an annuity repayment profile, consistent with the method for all prudential borrowing since 2007/08. Estimated life periods will be determined under delegated powers.

10.11. The Section 151 Officer may approve that such debt repayment provision may be made from capital receipts or from revenue provision.

Finance Leases

10.12. For assets acquired by finance leases, including leases brought on Balance Sheet under the International Financial Reporting Standards (IFRS) based Accounting Code of Practice, MRP will be determined as being equal to the element of the rent or charge that goes to write down the balance sheet liability.

Statutory capitalisations

10.13. For expenditure which does not create a fixed asset, but is statutorily capitalised and subject to estimated life periods that are referred to in the guidance, these estimated periods will generally be adopted by the Council. However, the Council reserves the right to determine useful life periods and prudent MRP in exceptional circumstances where the recommendations of the guidance would not be appropriate.

10.14. Other methods to provide for debt repayment may occasionally be used in individual cases where this is consistent with the statutory duty to be prudent, at the discretion of the Section 151 Officer.

11. Related Matters

11.1. The CIPFA Code requires the Authority to include the following in its treasury management strategy.

11.2. **Financial Derivatives:** Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in Section 1 of the *Localism Act 2011* removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment).

11.3. The Authority will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Authority is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

11.4. Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria. The current value of any amount due from a derivative counterparty will count against the counterparty credit limit and the relevant foreign country limit.

11.5. **Housing Revenue Account:** On 1st April 2012, the Authority notionally split each of its existing long-term loans into General Fund and HRA pools. From 2012 going forwards, new long-term loans borrowed have been, and will be assigned in their entirety to one pool or the other. Interest payable and other costs/income arising from long-term loans (e.g. premiums and discounts on early redemption) will be charged/ credited to the respective revenue account. Differences between the value of the HRA loans pool and the HRA's underlying need to borrow (adjusted for HRA balance sheet resources available for investment) will result in a notional cash balance which may be positive or negative. This balance will be measured each month and interest transferred between the General Fund and HRA at the Authority's average interest rate on investments.

11.6. **Markets in Financial Instruments Directive**: The Authority has opted up to professional client status with its providers of financial services, including advisers, banks, brokers and fund managers, allowing it access to a greater range of services but without the greater regulatory protections afforded to individuals and small companies. Given the size and range of the Authority's treasury management activities, this is the most appropriate status.

12. Financial Implications

12.1. The budget for investment income in 2019/20 is £0.25 million, based on an average investment portfolio of £25 million at an interest rate of 1.0%. The budget for debt interest paid in 2019/20 is £17.4 million (£6.8 General Fund, £10.6m HRA), based on an average debt portfolio of £538.5 million at an average interest rate of 3.23%. If actual levels of investments and borrowing, or actual interest rates, differ from those forecast, performance against budget will be correspondingly different.

13. Other Options Considered

13.1. The CIPFA Code does not prescribe any particular treasury management strategy for local authorities to adopt. The Director of Finance (S151 Officer) having consulted the Cabinet Member for Finance, believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

Alternative	Impact on income and expenditure	Impact on risk management
Invest in a narrower range of counterparties and/or for shorter times	Interest income will be lower	Lower chance of losses from credit related defaults, but any such losses may be greater
Invest in a wider range of counterparties and/or for longer times	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses may be smaller
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income	Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs may be more certain
Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long-term costs may be less certain
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs may be less certain

Appendix A – Arlingclose Economic & Interest Rate Forecast December 2018

Underlying assumptions:

- Our central interest rate forecasts are predicated on there being a transitionary period following the UK's official exit from the EU.

- The MPC has a bias towards tighter monetary policy but is reluctant to push interest rate expectations too strongly. We believe that MPC members consider that: 1) tight labour markets will prompt inflationary pressure in the future, 2) ultra-low interest rates result in other economic problems, and 3) higher Bank Rate will be a more effective policy weapon if downside risks to growth crystallise.

- Both our projected outlook and the increase in the magnitude of political and economic risks facing the UK economy means we maintain the significant downside risks to our forecasts, despite the potential for slightly stronger growth next year as business investment rebounds should the EU Withdrawal Agreement be approved. The potential for severe economic outcomes has increased following the poor reception of the Withdrawal Agreement by MPs. We expect the Bank of England to hold at or reduce interest rates from current levels if Brexit risks materialise.

- The UK economic environment is relatively soft, despite seemingly strong labour market data. GDP growth recovered somewhat in the middle quarters of 2018, but more recent data suggests the economy slowed markedly in Q4. Our view is that the UK economy still faces a challenging outlook as the country exits the European Union and Eurozone economic growth softens.

- Cost pressures are easing but inflation is forecast to remain above the Bank's 2% target through most of the forecast period. Lower oil prices have reduced inflationary pressure, but the tight labour market and decline in the value of sterling means inflation may remain above target for longer than expected.

- Global economic growth is slowing. Despite slower growth, the European Central Bank is conditioning markets for the end of QE, the timing of the first rate hike (2019) and their path thereafter. More recent US data has placed pressure on the Federal Reserve to reduce the pace of monetary tightening – previous hikes and heightened expectations will, however, slow economic growth.

- Central bank actions and geopolitical risks have and will continue to produce significant volatility in financial markets, including bond markets.

Forecast:

- The MPC has maintained expectations of a slow rise in interest rates over the forecast horizon, but recent events around Brexit have dampened interest rate expectations. Our central case is for Bank Rate to rise twice in 2019, after the UK exits the EU. The risks are weighted to the downside.

- Gilt yields have remained at low levels. We expect some upward movement from current levels based on our central case that the UK will enter a transitionary period following its EU exit in March 2019. However, our projected weak economic outlook and volatility arising from both economic and political events will continue to offer borrowing opportunities.

	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Average
Official Bank Rate														
Upside risk	0.00	0.00	0.00	0.00	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	**0.17**
Arlingclose Central Case	**0.75**	**0.75**	**1.00**	**1.00**	**1.25**	**1.25**	**1.25**	**1.25**	**1.25**	**1.25**	**1.25**	**1.25**	**1.25**	**1.13**
Downside risk	0.00	-0.50	-0.75	-0.75	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	**-0.85**
3-mth money market rate														
Upside risk	0.10	0.10	0.10	0.10	0.15	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	**0.17**
Arlingclose Central Case	**0.90**	**0.95**	**1.10**	**1.30**	**1.40**	**1.40**	**1.40**	**1.35**	**1.35**	**1.35**	**1.35**	**1.35**	**1.35**	**1.27**
Downside risk	-0.20	-0.45	-0.60	-0.80	-0.90	-0.90	-0.90	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	**-0.76**
1-yr money market rate														
Upside risk	0.20	0.30	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	**0.33**
Arlingclose Central Case	**1.15**	**1.25**	**1.35**	**1.50**	**1.70**	**1.60**	**1.50**	**1.40**	**1.35**	**1.35**	**1.35**	**1.35**	**1.35**	**1.40**
Downside risk	-0.35	-0.50	-0.60	-0.80	-0.90	-0.90	-0.90	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	**-0.77**
5-yr gilt yield														
Upside risk	0.25	0.30	0.30	0.35	0.35	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	**0.37**
Arlingclose Central Case	**1.15**	**1.25**	**1.35**	**1.50**	**1.50**	**1.40**	**1.35**	**1.35**	**1.30**	**1.30**	**1.30**	**1.30**	**1.30**	**1.33**
Downside risk	-0.50	-0.60	-0.65	-0.80	-0.80	-0.70	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	**-0.66**
10-yr gilt yield														
Upside risk	0.25	0.30	0.30	0.35	0.35	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	**0.37**
Arlingclose Central Case	**1.50**	**1.65**	**1.70**	**1.80**	**1.80**	**1.75**	**1.75**	**1.70**	**1.70**	**1.70**	**1.70**	**1.70**	**1.70**	**1.70**
Downside risk	-0.55	-0.70	-0.70	-0.80	-0.80	-0.75	-0.75	-0.70	-0.70	-0.70	-0.70	-0.70	-0.70	**-0.71**
20-yr gilt yield														
Upside risk	0.25	0.30	0.30	0.35	0.35	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	**0.37**
Arlingclose Central Case	**2.00**	**2.10**	**2.20**	**2.20**	**2.20**	**2.20**	**2.20**	**2.20**	**2.20**	**2.20**	**2.20**	**2.20**	**2.20**	**2.18**
Downside risk	-0.60	-0.70	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	**-0.73**
50-yr gilt yield														
Upside risk	0.25	0.30	0.30	0.35	0.35	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	**0.37**
Arlingclose Central Case	**1.90**	**1.95**	**2.00**	**2.00**	**2.00**	**2.00**	**2.00**	**2.00**	**2.00**	**2.00**	**2.00**	**2.00**	**2.00**	**1.99**
Downside risk	-0.60	-0.70	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	**-0.73**

PWLB Certainty Rate (Maturity Loans) = Gilt yield + 0.80%
PWLB Infrastructure Rate (Maturity Loans) = Gilt yield + 0.60%

Annex 5

The Formal Budget Resolution

The Council is recommended to resolve, in accordance with the Local Government Finance Act 1992 (the 'Act'), as amended by the Localism Act 2011, as follows:

1. It is noted that on 31st January 2019 the Director of Finance and Section 151 Officer, after consultation with the Cabinet Member for Finance, calculated the 2019/20 Council Tax Base for the whole Council area as **77,265**.

2. The Council Tax Requirement for the Council's own purposes for 2019/20 is calculated as **£101,981,301**.

3. That the following amounts be calculated for the year 2019/20 in accordance with Sections 31 to 36 of the Act:

   a) **£964,297,517.00**

      being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) (a) to (f) of the Act;

   b) **£862,316,216.00**

      being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) (a) to (d) of the Act;

   c) **£101,981,301**

      being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax Requirement for the year;

   d) **£1,319.89**

      being the Council Tax Requirement at 3(c) above, divided by the Council Tax Base at 1, above, calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year;

4. To note that the Greater London Authority has issued a precept to the Council in accordance with Section 40 of the Act for each category of dwellings in the Council's area as indicated in the table below.

5. That the Council, in accordance with Sections 30 and 36 of the Act, hereby sets the aggregate amounts shown in the table below as the amounts of Council Tax for 2019/20 for each part of its area and for each of the categories of dwellings.

Valuation Bands

LONDON BOROUGH OF HARINGEY

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
879.93	1,026.58	1,173.23	1,319.89	1,613.20	1,906.51	2,199.81	2,639.78

GREATER LONDON AUTHORITY

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
213.67	249.29	284.90	320.51	391.73	462.96	534.18	641.02

AGGREGATE OF COUNCIL TAX REQUIREMENTS

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
1,093.60	1,275.87	1,458.13	1,640.40	2,004.93	2,369.47	2,733.99	3,280.80

6. Pursuant to Section 52ZB of the Act and the principles determined by the Secretary of State to apply to local authorities in England in 2019/20 as set out in The Referendums Relating to Council Tax Increases (Principles) (England) Report 2019/20, it is determined that the Council's relevant basic amount of Council Tax for the year is not excessive.