

## NOTICE OF MEETING

# CABINET

**Tuesday, 14th August, 2018, 6.30 pm - Civic Centre, High Road,  
Wood Green, N22 8LE**

**Members:** Councillors Joseph Ejiofor (Chair), Emine Ibrahim (Vice-Chair), Charles Adje, Peray Ahmet, Patrick Berryman, Mark Blake, Zena Brabazon, Kirsten Hearn, Noah Tucker and Elin Weston

Quorum: 4

### **1. FILMING AT MEETINGS**

Please note that 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. APOLOGIES**

To receive any apologies for absence.

### **3. URGENT BUSINESS**

The Chair will consider the admission of any late items of Urgent Business. (Late items of Urgent Business will be considered under the agenda item where they appear. New items of Urgent Business will be dealt with under Item 16 below. New items of exempt business will be dealt with at Item 22 below).

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

On occasions part of the Cabinet meeting will be held in private and will not be open to the public if an item is being considered that is likely to lead to the disclosure of exempt or confidential information. In accordance with the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 (the "Regulations"), members of the public can make representations about why that part of the meeting should be open to the public.

This agenda contains exempt items as set out at **Item [17]: Exclusion of the Press and Public**. No representations with regard to these have been received.

This is the formal 5 clear day notice under the Regulations to confirm that this Cabinet meeting will be partly held in private for the reasons set out in this Agenda.

**6. MINUTES (PAGES 1 - 34)**

To confirm and sign the minutes of the meeting held on 17<sup>th</sup> July 2018 as a correct record.

**7. MATTERS REFERRED TO CABINET BY THE OVERVIEW AND SCRUTINY COMMITTEE**

There are no matters to report from Overview and Scrutiny Committee.

**8. DEPUTATIONS/PETITIONS/QUESTIONS**

To consider any requests received in accordance with Standing Orders.

**9. COUNCIL TAX REDUCTION SCHEME (PAGES 35 - 90)**

[Report of the Interim Director of Finance. To be introduced by the Cabinet Member for Finance.] To agree the approach for a potential revised Council Tax Reduction Scheme and required consultation.

**10. AWARD OF CONTRACT FOR BROADWATER FARM ESTATE DISTRICT HEATING SYSTEM (PAGES 91 - 104)**

[Report of the Director for Housing and Growth. To be introduced by the Cabinet Member for Housing and Estate Renewal.]

This decision is to award a contract to install a new permanent district heating system and works to provide temporary heating system until the permanent system is operational.

**11. AUTHORITY TO DELEGATE AWARD OF CONTRACT FOR PROVISION OF A SINGLE WIDE AREA NETWORK SERVICE (PAGES 105 - 110)**

[Report of the Director for Customers, Transformation and Resources. To be introduced by the Cabinet Member for Corporate Resources and Insourcing.]

The Shared Digital Joint Committee approved a strategy to consolidate the council's wide area networks in October 2018. This would provide the councils with a single high performing network provided by a single supplier. This report seeks authority to delegate the award of the contract for this service to the Executive officer.

**12. AWARD OF CONTRACT FOR ADULTS ADVOCACY SERVICE (PAGES 111 - 118)**

[Report of the Assistant Director for Commissioning. To be introduced by the Cabinet Member for Adults and Health.]

Report seeking approval to award contracts for adults advocacy services following the conclusion of Haringey-led Barnet, Enfield and Haringey tender exercise.

**13. OUT OF HOME 'STREET FURNITURE' ADVERTISING (PAGES 119 - 124)**

[Report of the Assistant Director for Strategy and Communications. To be introduced by the Leader of the Council.]

Report seeking approval of the street furniture contract. Following a tender exercise the Council would like to award the contract to the winning contractor, a sign on fee and annual return of revenue for the term of the contract has been agreed. This is for the 'on street advertising'.

**14. UNOCCUPIED AND UNFURNISHED PROPERTY DISCOUNTS (PAGES 125 - 132)**

[Report of the Interim Director for Finance. To be introduced by the Cabinet Member for Finance.]

To agree the approach for revised Unoccupied and Unfurnished Property Discounts.

**15. SIGNIFICANT AND DELEGATED ACTIONS (PAGES 133 - 140)**

To note the significant and delegated actions taken by directors in July.

**16. NEW ITEMS OF URGENT BUSINESS**

To consider any items admitted at Item 3 above.

**17. EXCLUSION OF THE PRESS AND PUBLIC**

Note from the Acting Democratic Services &Scrutiny Manager

Item 18, 19, 20 and 21 allow for the consideration of exempt information in relation to items 10, 12,13 & 3 respectively.

**TO RESOLVE**

That the press and public be excluded from the remainder of the meeting as the items below contain exempt information, as defined under paragraph, 3 and 5, Part 1, schedule 12A of the Local Government Act 1972.

**18. AWARD OF CONTRACT FOR BROADWATER FARM ESTATE DISTRICT HEATING SYSTEM (PAGES 141 - 144)**

As per item 10

**19. AWARD OF CONTRACT FOR ADULTS ADVOCACY SERVICE (PAGES 145 - 148)**

As per item 12.

**20. OUT OF HOME 'STREET FURNITURE' ADVERTISING (PAGES 149 - 152)**

As per item 13.

**21. EXEMPT MINUTES (PAGES 153 - 154)**

To agree the exempt minutes of the Cabinet meeting held on 17<sup>th</sup> of July 2018.

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

To consider any items admitted at Item 3 above.

Ayshe Simsek, Acting Democratic Services & Scrutiny Manager

Tel – 020 8489 2929

Fax – 020 8881 5218

Email: [ayshe.simsek@haringey.gov.uk](mailto:ayshe.simsek@haringey.gov.uk)

Bernie Ryan

Assistant Director – Corporate Governance and Monitoring Officer

River Park House, 225 High Road, Wood Green, N22 8HQ

Monday, 06 August 2018

This page is intentionally left blank

**MINUTES OF THE MEETING OF THE CABINET HELD ON TUESDAY,  
17TH JULY, 2018, 6.30pm**

**PRESENT:**

**Councillors: Joseph Ejiofor (Chair), Emine Ibrahim (Vice-Chair), Charles Adje, Peray Ahmet, Patrick Berryman, Mark Blake, Zena Brabazon, Kirsten Hearn, Noah Tucker and Elin Weston.**

**Also in attendance: Councillors – White, das Neves, Barnes, Hare, Culverwell, Bull, Chiriyankandath**

**22. FILMING AT MEETINGS**

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

**23. APOLOGIES**

There were no apologies for absence.

**24. URGENT BUSINESS**

There were no items of urgent business.

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

There were no representations received at the agenda publication stage in relation to the exempt items on the agenda.

**26. DECLARATIONS OF INTEREST**

Councillors: Mark Blake, Zena Brabazon, Emine Ibrahim, and Kirsten Hearn declared personal interests in items 14a, 14b, 14c, and 14d. They had either participated or chaired the scrutiny reviews which were for noting and responses to the recommendations put forward for agreement.

**27. MINUTES**

The minutes of the Cabinet meeting held on the 26<sup>th</sup> of June 2018 were agreed as a correct record of the meeting.

## 28. DEPUTATIONS/PETITIONS/QUESTIONS

The Leader had received requests for three representations at the meeting.

- Dan Labbad of Lendlease put forward the first representation in relation to the HDV report at item 8.
- The second deputation was from Ms Mirca Morera in relation to item 9 on the agenda, the Fairness Commission launch.
- The third representation was put forward by Unison in relation to Shared Digital Service implementation report at item 12.

The Leader started the meeting by considering the representation from Dan Labbad.

### Dan Labbad – Lendlease

Mr Labbad thanked the Council for the opportunity to speak at the meeting. He outlined that Lendlease had been working to support housing ambitions in the borough for three years. However, Lendlease accepted that the new administration did not want to continue with the model developed by the previous administration. Mr Labbad instead focused on the issues that could be agreed upon. These were, in his view, as follows:

- 10,000 households on the housing waiting list in Haringey
- Urgent need for new homes
- Capability to deliver these homes at pace and scale.
- Need for the Council to keep public assets and minimise exposure to risk
- Council setting the agenda on affordable and social housing including adhering to Council policies such as right to return.

Mr Labbad emphasised that the Council cannot deliver on meeting housing need by itself nor can the private sector also deliver this solely. Mr Labbad contended that the Council needed capable and willing partners to deliver on its Housing agenda. Mr Labbad re-iterated that the partnership offered by the HDV was flexible enough to still offer these opportunities. Mr Labbad highlighted the clear advice provided from a QC expert in public procurement which also verified this.

Mr Labbad referred to the report which highlighted that the Council had invested time and money over 4 years in the HDV. Mr Labbad asked the Cabinet to take a little longer to explore opportunities and options with Lendlease, which was keen to continue working with the Council to meet the community's needs.

Mr Labbad explained that the public procurement process, followed for the HDV did not allow engagement with the local community. Dissimilarly, in the High Road West regeneration project, for which the contract had been signed in December, there had been extensive community activities and local people were benefiting from regeneration. Mr Labbad invited the Cabinet to visit Lendlease's other London regeneration projects, in particular Elephant Park in Southwark where the Council had worked with Lendlease for over 8 years. Mr Labbad encouraged Cabinet Members to



speak with community representatives in Elephant Park to understand more fully the nature of the partnership working completed. Lendlease had a number of projects in London and was proud of their work for delivering regeneration.

Mr Labbad, on behalf of Lendlease, acknowledged the right of the local authorities to lead and direct on what is needed in communities, in particular level of affordable homes. It was also important for Lendlease to keep its word and deliver on what it had promised to the community.

Mr Labbad understood the assumption that Lendlease was a business and therefore existed to make profit for shareholders. However, this was not at any cost. Indeed the business model was predicated on successfully serving communities, partners, and stakeholders. This was reflected in the successful working of Lendlease across the world with governments in partnership. The company was only able to obtain more work through meeting the needs of governments and communities.

Lendlease had made a significant investment, over three years, in Haringey and did not want this to be discarded in a matter of weeks especially when need for partnership had not changed.

Mr Labbad, personally, also did not want the opportunity to change people's live chances and deliver opportunities for young people in Tottenham abandoned.

Although Lendlease did not need to work in the borough, the partnership was still a good fit in terms of capability and meeting the Council needs. Lendlease were ready and prepared to work with the Council according to the manifesto, and by keeping the Council in control. This further included taking forward a wholly owned Council vehicle which Lendlease could support.

Mr Labbad asked Cabinet to reconsider the proposed decision. Lendlease were ready to deploy capability and investment to achieve the Council's objectives across the borough and with Council control, ensuring no development occurs without community approval. Mr Labbad concluded by asking Cabinet to defer the proposed decision, in order to have a proper conversation and to explore possibilities of what can be achieved through working together.

### The Chair invited questions to be put forward from Cabinet Members to Mr Labbad

In response to a Cabinet Member question on the level of asset transfer, Mr Labbad confirmed that the options considered so far did involve a 100 % transfer of commercial assets to Lendlease, but other options could be further explored with the new administration.

In response to a question on the social economic investments, starting straight away, there would be the employment and skilling vehicle. Lendlease would use their portfolio to employ local people in Tottenham until development in Haringey reached full productivity. The social investment vehicle would involve the investment of £20m over 20 years and leverage other funding to become a bigger source of employment

support. This was one initiative amongst others included in the proposed suite of social economic activities going forward.

## **29. HARINGEY DEVELOPMENT VEHICLE**

The Assistant Director for Corporate Governance and Monitoring Officer reminded the Cabinet of their duty to approach the decision with an open mind. He advised Cabinet to take into account all relevant considerations before coming to a decision. This included giving sufficient attention to the points raised, both in the officer's report as well as in any representations made at the meeting at item 7 and any representations received from Lendlease including any correspondence.

The Leader confirmed that the Cabinet had received three letters from Lendlease with regards to the report and the Council had responded to the third letter received. The Cabinet had these representations and would consider them when considering the report and recommendations.

The Leader continued to introduce the report and set out that this administration was elected on a promise to build Council homes on Council owned land. There was also a commitment to house Haringey's people, creating a diverse mixture of housing options for Haringey's residents. There was a commitment from the administration for doing the best for Haringey and delivering the best for Haringey's residents.

The Leader expressed that there can be little disagreement about the importance of tackling poverty and deprivation, providing access to housing and jobs, and securing a sustainable future for the public services we provide. However, the proposed HDV had shown how strongly opinions differ, both inside and outside the Council, about the best way to address these important issues.

Building on the commitments made during the recent elections, the new administration were taking decisive action to set a new direction for the Council, by taking this final decision on the HDV.

It was recognised that this decision should not be taken lightly. As set out in this report, this was an informed decision. Furthermore, the work completed to develop the HDV proposals by the bidders, including by Lendlease was recognised. The decision proposed was neither a reflection on the quality of that work nor of their desirability as a partner. Indeed, the Council remained grateful to Lendlease for the interest that they had shown in Haringey and its future, and for their commitment to the Council in its other partnerships.

The Leader expressed that a decision of this significance must be taken having weighed the risks and demerits against the benefits. He continued to advise that this administration had taken a different view on that balance from the previous one.

The Leader understood that the residents and businesses of Haringey would expect the Council to offer a clear alternative vision for how to tackle the challenges faced. The work on the alternatives had already begun and was not only to be described but

being put it into action, as could be seen from the other reports being considered by Cabinet alongside this one.

In response to questions from Cllr Adje and Cllr Barnes:

- In relation to continuing engagement in the Northumberland Park estate renewal, paragraph 6.45.3 was referred to and outlined the engagement with residents in Northumberland Park. This encompassed community development related activities as well as engagement actions aimed at instigating discussion about the wishes and aspirations of residents for the estate.
- The Director for Housing and Growth clarified that section 4.1.3b advised specifically on the bidder's responsibility for the cost of bidding in a procurement process. Distinctly, the agreed costs set out at section 6.2.6, were the costs that were incurred on behalf of the future HDV. These costs were accrued by Lendlease in relation to the work completed for the benefit of the HDV, after Lendlease was appointed as preferred bidder. These costs were due to be reimbursed to Lendlease if the HDV had been established, with an agreement they would be shared between the Council and Lendlease if the HDV were not established for any reason.
- In relation to the potential cost of contract mediation, the Chief Executive reiterated that no contract had been entered into.

Further to considering the exempt information, the Leader asked Cabinet to consider the information contained in the public report, representations received from Lendlease, including the presentation at the meeting. He referred to the recommendations of the public report set out at section 3.1 page 29 of the public report and also referred to the exempt recommendation and asked Cabinet to consider these with an open mind, referring to the Monitoring officer's advice above.

### **Cabinet unanimously RESOLVED**

1. To agree that the Council should withdraw from the Competitive Dialogue procedure with immediate effect for the reasons set out in section 4 of this report and therefore not award a contract in relation to the Haringey Development Vehicle (OJEU reference 2016/S 008-010032);
2. To agree to delegate authority to the Director for Housing, Regeneration and Planning, to approve payment to Lendlease of the Council's share of 'Agreed Costs' as described in para 6.34; and
3. To agree to delegate authority to the Director for Housing, Regeneration and Planning, following consultation with the Leader, to address any other matters arising from the decision, including writing to all bidders and other matters

referenced in the exempt report. **(this paragraph includes information in the exempt report)**

### **Reasons for decision**

The selection of a preferred bidder for HDV was undertaken in accordance with the Public Contracts Regulations 2015 ("PCR 2015") from three compliant and high quality bids in response to the Competitive Dialogue Procedure documents. In line with those regulations, the Council had issued various procurement documents to tenderers. Provisions contained in these documents, as listed below in relation to stages of the procurement process:

The PQQ makes clear that:

- (a) The Council reserves the right not to make any appointment following the procurement process; and
- (b) That all Bidders are responsible for their own costs and the Council will not fund the costs of any Bidder in applying for this opportunity;

In the ITPD and ISDS the Council reserves the right:-

- (a) not to award a contract;
- (b) to cancel or withdraw from the Competitive Dialogue Procedure at any stage;

In the ISFT the Council reserves the right:-

- (a) not to make any appointment following the procurement process;
- (b) all bidders are responsible for their own costs and the Council will not fund the costs of any bidder in applying for this opportunity not to award a contract;
- (c) to cancel or withdraw from the Competitive Dialogue Procedure at any stage.

There are two distinct reasons for the recommendations set out in this report, each of which inform and explain the new administration's manifesto statement that it did not believe the HDV provides the answer to the challenges faced by the Council. Each reason, being distinct, is of itself sufficient to found the recommendation.

The first reason is related to the approach taken to public assets within the HDV. The new administration does not agree with the proposed transfer of public assets out of 100% public ownership at the scale envisaged by the HDV proposals. The proposed project agreements would commit the Council to transferring the Commercial Portfolio and (subject to conditions being met) the Wood Green development sites to the HDV, which is in itself a large scale, multi-site transfer of assets out of sole Council control. In particular, the new administration believes on principle that the Council's Commercial Portfolio should remain in Council ownership and subject to Council management, and should not transfer as a whole portfolio out of solely public ownership. Further, although it is correct that setting up the HDV would not – of itself - commit the Council to transfer any further sites into the HDV, the HDV proposals envisage that if it was ultimately to develop any further sites, these too would be on the basis of transfer of legal title to the HDV. A transfer on this scale is not an acceptable approach for the new Council administration.

The second reason relates to risk. In line with provisions in the Cabinet reports in November 2015 and July 2017, the Council has throughout the development of the HDV proposals, recognised that to proceed with the HDV came with a degree of risk, including those related to committing its commercial portfolio and, subject to satisfaction of conditions, land for development. These risks combined those to which the Council would have been directly exposed, and those to which it would have been indirectly exposed through its 50% stake in the HDV.

The Council's acknowledgement of these risks, and plans for mitigating them, are illustrated both in the Business Plans approved by Cabinet in July 2017, and by the Cabinet responses to scrutiny reviews of the HDV proposals as they were emerging during 2017 (see para 6.14), as well as in its HDV risk register which has been published online, with regular updates.

The previous administration considered that these risks were acceptable when weighed against the potential benefits of proceeding with the HDV. The new administration does not object to outcomes anticipated by the HDV programme, nor does it object to the principle of partnerships with the private sector. But it takes a different view on the acceptability of the risks.

In particular, the new administration is not prepared to accept the scale and nature of risk implied by the aggregated volume of the proposed HDV programme. Even accepting that the Northumberland Park, Cranwood and Category 2 sites would not be formally committed to the HDV under the terms of the proposed HDV agreements, the Commercial Portfolio and Wood Green Business Plans alone present a degree of risk that the Council is not now prepared to accept. As with any development project, the proposed HDV development plans for the Wood Green sites would have significantly exposed the HDV (and by extension the Council) to fluctuations in the residential and commercial property markets and a range of other development risks; given the treatment of the Council's Wood Green and Commercial Portfolio property interests as an equity stake in the HDV, the nature and extent of the exposure of those assets to those risks is not considered acceptable. While the Council (on its own, and in the development of the HDV proposals alongside Lendlease) had done a great deal of work to map and mitigate a range of risks associated with the HDV – as set out in section 6 below – these risks, about which the new Council administration is principally concerned, are fundamental to the nature of the HDV proposal and cannot be mitigated to an extent that would change the view expressed here.

In anticipation of the Cabinet decision on 17 July 2018, Lendlease wrote to the Council Chief Executive on 4 July 2018, urging the Council to consider taking forward the HDV, on the basis that the HDV's flexibility could allow a reconfiguration to meet the new administration's priorities. Lendlease also asked that its letter be put before Cabinet members as they considered their decision. The letter is attached as Appendix 1a to this report.

Lendlease wrote again on 9 July 2018 (Appendix 1b), which reiterated Lendlease's continued commitment to working with the Council, but notes that if "Cabinet decides to attempt to reverse our appointment as the successful bidder, we will have no choice but to seek to protect Lendlease's interests given our very significant investment over the last two and a half years". Lendlease propose that the Cabinet "considers all

relevant factors, objectively and rationally”, or else, “assumes the Council will have no option but to defer any Cabinet decision.” The Council Chief Executive has replied to the letters from Lendlease, to acknowledge receipt and to confirm that their contents will be made available to Cabinet Members ahead of the decision recommended in this report.

The HDV represents a unique programme, the nature and potential scale of which makes the consequences of any risks being realised especially serious. Since coming into office in May 2018, the current administration has considered the options available to the Council, including the recommended option and alternative options as referred to in section 5. On balance, and building on the view set out in its manifesto at the May 2018 elections, the Council’s new administration does not believe that proceeding with the HDV, or alternative option(s) as described in section 5, is in the Council’s interests. It is not a judgement that is specific to the bid from Lendlease or the arrangements discussed and agreed between the Council and Lendlease during the Competitive Dialogue process, but rather one, which relates to the fundamental structure of the proposed deal as defined by the Council from the start of that process. It is a judgement, which also takes into account, and accepts, that the Council has already expended a considerable sum of money on setting-up of the HDV.

This report therefore seeks authority to withdraw from the Competitive Dialogue Procedure and therefore not proceed with the setting up of the HDV. It also recommends delegations to officers to resolve the outstanding issues that directly arise from a decision not to proceed.

As with all decisions, the recommendations in this report carry a number of risks and implications. Section 6 of this report highlights these risks and implications. These include (a) legal risks, **(this information is partly included in the exempt report)**; (b) financial risks and implications, **(this information is partly included in the exempt report)**, costs for due diligence work done to date (known as ‘Agreed Costs’) and costs which would be written off for work undertaken to date; (c) strategic risks, covering the capacity of the Council to meet its objectives and statutory requirements, including additional costs and loss of potential future investment; and (d) reputational and political risks.

### **Alternative options considered**

The option of establishing the HDV is described by the decision made by Cabinet in July 2017. If progressed, this would commit the Council to pursuing the transfer of the Commercial Portfolio to the HDV, and the Wood Green sites subject to certain conditions being met. Further, it would mean that the Cabinet had the option, at its complete discretion, following section 105 consultation and the satisfaction of further necessary conditions, to transfer the Cranwood and the Northumberland Park sites to the HDV for redevelopment.

Alongside the option of establishing the HDV as currently configured, Cabinet has also considered reconfiguring the HDV, for example by investing the Commercial Portfolio but with a reduced scope of delivering only the Category 1A Properties (i.e. the Wood Green sites). However, this option, as with other variations, which exclude significant parts of the offer originally envisaged, would require a modification to the project

agreements and could be regarded as a substantial modification to the procurement contemplated by the Procurement Documents. This option would therefore lead to a risk of the Council breaching the PCR 2015 with a real risk of challenge from any of the bidders. This is a risk the Council does not consider it would be prudent to take.

Even in the absence of the real risk of challenge for breach of the PCR 2015, none of these alternative options – in any of their respective variants – would address the concerns of the political leadership about the fundamental approach underpinning the HDV, as set out in section 4 above. These alternatives have therefore been rejected, in favour of the recommendations set out in section 3 of the report.

Lendlease contacted the Council on 4 July 2018 as referred to above in paragraph 4.8. The potential approach described in the Lendlease letter does not differ in its key characteristics from the range of reconfiguration options described in paragraph 5.2. Rather, like those options, it remains based on the fundamental deal structure as defined by the Council from the start of procurement (and could be subject to the same risk of challenge for breach of the PCR 2015, depending on the nature and scale of departure from the original procurement proposition). The approach proposed by Lendlease is therefore rejected for the same reasons as all other possible variants of the deal.

In relation to recommendation 1, in the private session, the Assistant Director for Corporate Governance referred to a legal QC opinion which was received, dated 12<sup>th</sup> of July 2018, which considered three potential options for restructuring the HDV relating to affordable housing which in the QC's view fall within the scope of this procurement. He stated that options 2 and 3 involved some change but did not in his view involve such a change as is sufficiently substantial to require a fresh procurement.

This opinion was also considered by Cabinet. However, these variants were rejected by Cabinet in any event as they did not address the concerns of the political leadership about the fundamental approach underpinning the HDV as set out in section 4 of the report.

### **30. FAIRNESS COMMISSION LAUNCH**

A deputation had been received from Ms Mirca Morera, representing Save Latin Village and Wards Corner campaign, in relation to item 9 of the Agenda.

Ms Morera spoke as the representative of Save Latin Village and Wards Corner and firstly welcomed the creation of the Fairness Commission as it had the potential to signify necessary change to ensure fairness for all.

Ms Morera further stated that such a body was significant in creating a dialogue for the future with its number one regeneration resource, its people. Ms Morera spoke about the Fairness Commissions set up in other Boroughs which served as a valuable blueprint for the Haringey Fairness Commission to follow.

Ms Morera went on to highlight the following:

- The good community work that takes place at the Latin Village, such as, providing access to childcare, health and supporting users with disability.
- The alternative community plan that Save the Latin Village campaign has produced for Wards Corner which, in the view of the deputation, was a viable and affordable plan that would involve a full renovation to provide a diverse and genuinely unique landmark.
- In the deputation's view, the developer had not complied with section 106 of the agreement to support existing traders.
- The Save Latin Village and Wards Corner campaign has had three failed judicial reviews but had now filed a race discrimination claim against the developer agent following several disputes with local traders.
- The deputation felt that the diversity of Latin village should be valued and questioned the lack of affordable housing on the site.
- The Save Latin Village and Wards Corner campaign was seeking Haringey Council to withdraw and annul its co-operation the developer at Wards Corner and referred to the recent behaviour of the developer agent at a meeting.

The Cabinet Members asked the deputation questions and the following was noted:

- That the race discrimination case, mentioned above, was filed in November 2017 but, as of yet, there was no update regarding the progression of this case.
- The deputation welcomed the opportunity to take part in the evidence gathering stage and asked for Cabinet to look at the Wards Corner development with fresh eyes and review the case of Latin Village, judging this on its merits.

The Cabinet Member for Civic Services thanked the deputation for their presentation, which covered a range of areas, wider than the remit of the Fairness Commission. The Commission would be gathering information from across the borough and would welcome hearing from the group. They were invited to submit evidence in writing to understand implications for policymaking. The Cabinet Member was interested in deputation's comments about childcare as this was an area of particular concern in the borough. Also how the Council shapes its policies in relation to this will be important going forward.

The Leader invited the Cabinet Member for Civic Services to introduce the report on the Fairness commission.

The Cabinet Member for Civic Services introduced the report which sought agreement to the establishment of the Fairness Commission, in line with the current Council's Leadership pledge during the recent electoral campaign, and the early actions to be



undertaken. The Council's overarching aim was to improve the quality of life in Haringey. This work was especially important given the impact of the last 8 years of austerity and cuts in local government funding which had a substantial impact on communities.

Through listening and collecting information from community stakeholders, the Commission would make proposals on how to make Haringey a fairer borough for all. The commissioners would be drawn from as many different sections of the community as possible to represent the voices of all those within the borough of Haringey.

The Cabinet Member emphasised the importance of Councillors hearing and listening to local residents, discussing issues related to fairness. Key activities would involve backbench members to further allow them to participate in shaping the Council's decision making to achieve the aim of becoming a fairer borough.

In response to questions, the following information was noted:

- In relation to the key priorities of the Fairness Commission, it was highlighted that the issues presented in the report for coverage was not an exhaustive list and that the process was an organic one by which issues may present themselves for discussion through the course of the evidence gathering. Amongst the key issues to be addressed, by the Fairness Commission, were : housing; the supply of housing; issue of private sector housing; debt, access to credit; rising household costs; the impact of welfare reform; safety and security; projects that seek to tackle loneliness via social media; access to information; health and wellbeing; and issues of mental health. It was noted that the likely question for the Commission will be how it narrows the scope of its report.
- In addressing how the Fairness Commission will go about getting the viewpoints of those who do not actively choose to participate in such formal meetings, it was noted that the intention of the Commission was to travel throughout the Borough to extend its reach and to invite all communities to give evidence. For individuals who were not be able to access meetings or not comfortable speaking in meetings, the Commission may look at providing alternative means by which these individuals can give evidence. This could be by providing evidence via a tape recording for these to be played at the public hearings. It was further noted that the Council was taking all of these sensitivities into account and that there was a dedicated team of officers thinking about all of these issues regarding how best to collate and present evidence before the Commission.
- With regards to how often the Fairness Commission findings will be reviewed and considered, it was highlighted that other London boroughs, that have set up similar Commissions, have produced reports on an annual basis to ensure that the Commission is still working effectively.
- The success of the Fairness Commission report will be measured against the improvement it achieves in creating policies that are workable and mitigate

poverty or any other problems that affect people. The commissioners, including members of Overview and Scrutiny, will be invited to sit on the Fairness Commission and will have a full range of varying experiences and are people who come from all different walks of life. The idea was to balance individuals sitting on the Commission with different experiences and different skills.

## **RESOLVED**

1. To agree that the Haringey Fairness Commission is established;
2. To agree the appointment of Cllr Brabazon, Cabinet Member for Civic Services, and Dr Paul Watt, Professor of Urban Studies at Birkbeck, University of London, as Co-Chairs of the Commission;
3. To note the range of partners and stakeholders who have been approached to join as Commissioners;
4. To note that the Commission will conduct a range of evidence and public engagement sessions between October 2018 – March 2019, with a view to publishing a final report and set of recommendations in summer 2019.

### **Reasons for decision**

This report and recommendations seek to establish the Haringey Fairness Commission. The Commission will aim to hear from a wide range of residents, stakeholders, partners and experts with a view to publishing a final report setting out their findings and recommendations in summer 2019.

The recommendations are intended to be practical, setting out how the Council and its partners can tackle issues of inequality and fairness that are highlighted through the evidence sessions and public engagement that is planned to take place.

## **31. SETTING UP A WHOLLY OWNED COMPANY FOR HOUSING DEVELOPMENT**

The Cabinet Member for Housing, and Estate Renewal introduced the report which sought permission to set up a wholly owned company (WOC) to deliver new build Council-owned homes.

The Cabinet Member expressed that current Labour leadership was elected on a manifesto that placed housing at its heart and was committed to delivering 1,000 new Council homes at Council rent by 2022, to meet the needs of those on the waiting list. The creation of a wholly owned company represented a clear change in direction of housing in Haringey and the Council owns a number of sites in the borough which can be used to develop new housing.

The Cabinet Member referred to the last two bullet points at recommendation 3.6 and advised that the inclusion of these two housing sites was subject to approval of agenda item 19.

- In response to a question regarding the allocation of up to £500,000 funding from the Government's Flexible Homelessness Support Grant to address the

initial set up of WOC, it was noted that no current projects were losing funding as a result. This was a three year funding programme that was entirely flexible and so the money could be moved around, between projects and over different years, and it was expected to be repaid once the costs of WOC become capitalised. Furthermore, although the cost allowed for the setup of the WOC is up to a maximum of £500,000, it was expected to be far less than this.

- In response to a question regarding the potential of the WOC to be able to deliver on larger schemes, it was noted that other local authorities whose WOCs had taken on large schemes in the first instance, had taken considerable time to enable procurement of land and get development underway. The proposed WOC was in a better position because the Council was already in possession of the land for the type of schemes proposed in the report. In time, the WOC may be able to take on much larger and more complex schemes, but expertise would need to be built up first.

## **RESOLVED**

1. To agree to set up a Wholly Owned Company (WOC), as set out in paras 6.5 to 6.30, with the primary purpose of maximising the delivery of new Council owned homes on the condition that the WOC shall not be incorporated until Cabinet has considered the further report set out in paragraph 3.6;
2. To note that the Director of Housing, Regeneration and Planning, in consultation with the Director of Finance and Deputy Leader of the Council and Cabinet Member for Housing and Estate Renewal, will take all necessary steps towards setting up the WOC, including but not limited to drawing up the Articles of Association of the WOC, the Shareholder's Agreement between the Council and the WOC, any other necessary agreements and legal documentation required, including, if necessary, registration of the WOC as a Registered Provider; subject to recommendation 3.6;
3. To agree that the WOC may undertake commercial activities, that is to develop market housing for sale and rent, subject to approved business cases and subject to recommendation 3.6;
4. To allocate up to £500,000 funding from the Government's Flexible Homelessness Support Grant for 2018/19 to cash flow initial set up and development costs of the Wholly Owned Company;
5. To note that where possible any costs incurred in the establishment of the WOC will be capitalised and the funding returned to the FHSG;
6. To note that decisions will need to be made on the following issues by Cabinet later in 2018:
  - The appointment of the initial Company Directors of the WOC
  - The appointment of members of the Shareholder Board for the WOC

- The Objects Clause and Articles of Association of the WOC, the Shareholders Agreement between the Council and the WOC and any other necessary agreements required between the Council and the WOC.
- All further legal documentation necessary to the set up of the WOC.
- The capital and revenue budgets to be made available to the WOC.
- Further delegations to agree and sign off the business cases for future WOC development sites.
- The financial limits for future delegated decisions and where Cabinet decisions will still be necessary.
- The first site business case for the WOC, ie housing development at Cranwood.
- Disposal of land at Cranwood to the WOC.

### **Reasons for decision**

A wholly owned company (WOC) will enable the Council to scale up its delivery of new Council-owned homes to help deliver the Housing Strategy aims to increase housing supply in the borough, and in particular the supply of affordable homes.

To increase significantly the supply of housing in the borough that the Council itself owns and that it can use to house those on its housing register and homeless households, it will need to do this through number of different mechanisms. In addition to this WOC, this includes acquiring new homes on estate renewal schemes and municipalising existing market housing and purchasing s106 affordable housing from developers. Over time, the WOC could expand its role into these other areas, if necessary by developing subsidiaries or a wider family of WOCs.

The WOC could also expand, as has happened in other local authorities, to deliver a wider range of services or to repatriate surpluses to the Council to support the General Fund. It could also, to facilitate any such expansion, or if necessary, to facilitate the granting of Registered Provider status, be given more independence, for example having an independent chair, board members or its own staff. But to ensure a rapid start on the programme of new Council house building, a simpler more focused approach that will move as swiftly as possible to delivery has been recommended. At all times, the WOC will remain a separate entity and the board must always act in the best interest of the company.

Over the period 2014 to 2018, the Council built its first new Council owned homes for decades - 32 new homes, a combination of Affordable Rent and shared ownership. The lessons learned from this experience has informed the establishment of the WOC. As a result, it will, in the first instance, aim to develop mid-size sites, on Council owned land, in mixed tenure developments. Its primary purpose, at this stage, is to maximise the delivery of Council owned housing at Council rents on these sites. The WOC will sell any market housing it develops to cross-subsidise the Council owned housing, ensuring all surpluses are reinvested to maximise the supply of Council owned housing.

A number of sites in the borough are being considered for development through the WOC, with the first site identified being the Cranwood site in Muswell Hill. As future sites are identified, each will come to Cabinet for approval.

### **Alternative options considered**

There were a number of other options considered, and as with the preferred WOC option, a number of Councils are operating these alternative options. The options considered below may be deemed more appropriate to pursue on future housing developments, and if the legislative and policy agenda changes. But for the purposes of the types of development identified in section 6, the WOC set out here is, at this point, the preferred option.

**For the Council not to seek to deliver any affordable housing itself:** That is, the Council could continue to rely wholly on Registered Providers to deliver affordable housing in the borough, helping the Council meet its housing need through nominations agreements to these homes.

This has not been pursued because, while Registered Partners are likely to still deliver the majority of new affordable homes in the short to medium term, relying wholly on Registered Partners eschews the ability of the Council to provide additional supply using its own resources. Any surpluses from Council led housebuilding will be reinvested in housing in Haringey or paid as dividends to the General Fund at a later stage, if other Council investment purposes are deemed a greater priority. In contrast, Registered Partners can utilise surpluses from their new build stock in Haringey to invest in other Boroughs or even outside London. In addition Council nominations are rarely 100% in perpetuity on Registered Partner homes, rents will typically be higher than Council rents and tenants and prospective tenants have expressed a preference for Council owned housing. Finally, this would miss the opportunity to bring new stock into the HRA, of good quality and with little or no debt, and providing additional rental income, which will enhance the financial viability of the HRA and support the improvement of existing Council stock.

**For the Council to deliver affordable housing itself, but not through this form of wholly owned company:** That is, for the Council to deliver affordable housing through other methods such as:

- a) The Council building directly itself, rather than through a WOC.
- b) Homes for Haringey, an already established WOC, building the new housing.
- c) The Council establishing a joint venture with a housing developer or Registered Provider.

Although Option (a) has not been pursued further at this point, this does not mean that the Council cannot consider at a future point whether there are developments that could be better undertaken directly by the Council itself or by Homes for Haringey, rather than through the WOC. However, for some sites, having the WOC option is beneficial because it is able to operate in a more commercial manner than the Council itself can. The WOC could also more easily build for market sale and market rent to cross subsidise affordable housing, and could make a return to the General Fund,

activities that would not normally fit so easily within the Council's, or Homes for Haringey's, social purposes.

It is important for Members to note that homes owned by a WOC would not have the statutory Right to Buy, which they would, were they owned by the Council directly. However, homes owned by a WOC cannot have a secure tenancy, which they would have, were they were owned by the Council directly; although if owned by the WOC they can have a lifetime assured tenancy, as most Housing Association tenants do. Depending on the Council's view on these and other relevant issues, as new homes are developed by the WOC, the Council can choose to hold them within the WOC itself, or for the WOC to sell them to the HRA.

If the Council were to develop within the HRA, then this capital investment would be constrained by the HRA debt cap. With the new pressures on the HRA on Broadwater Farm, this headroom is likely to be extremely restricted in the short to medium term. And HRA investment in new build would need to be balanced against other existing stock investment pressures, such as decent homes, fire safety and environmental improvements. The HRA is a ringfenced Account so offers less flexibility over use of surpluses than a WOC and does not as easily support trading for profit.

Option (b), utilising Homes for Haringey (HfH) as the WOC, has not been pursued, to enable the greatest flexibility going forward. It is noted that this decision is about where the legal entity of the WOC is based. The WOC will employ no staff itself and all the actual work of delivery will be undertaken by Council and HfH staff as appropriate. Basing the WOC itself within HfH, or using HfH itself as the WOC, would both distance it to some extent from direct Council control and mean that the actual delivery capacity could only sensibly be entirely within HfH. But as noted above, this decision does not preclude using HfH to deliver some or all of the programme, and, wherever the delivery of the new homes is based, the management and maintenance of the homes would be undertaken by HfH.

Option (c), a joint venture (JV) has not been pursued at this point for the types of development that the WOC is seeking to undertake. Although such a JV would bring immediate benefits in that it would be with a partner that has the delivery capacity and experience the Council lacks, this may have less long term benefits as the Council is seeking to develop that capacity itself. It typically takes much longer to procure, negotiate and enter into a joint venture agreement, whereas a WOC can be set up relatively quickly. Due to the cost and time involved in setting up a JV, this option is more suitable for larger or multi-phased developments where these costs can be justified over the lifetime of a higher value, longer term strategic development partnership, rather than the type of developments identified for the WOC in section 6.

## **32. SETTING UP A COMMUNITY BENEFIT SOCIETY TO DELIVER IMPROVED HOUSING OPTIONS FOR HOUSEHOLDS PRESENTING AS HOMELESS**

The Cabinet Member for Housing and Estate Renewal introduced the report which proposed two schemes to increase housing options. These options were A

Community Benefit Society (CBS), and a Purchase, Repair and Management Joint Venture Partnership (PR&M).

This would allow an increase in the number of properties available to the Council to use as temporary accommodation, or provide more affordable and better quality private rented housing into which homelessness duty can be discharged.

The Cabinet Member outlined that the manifesto upon which the Labour Council Leadership was elected is clear on the need to act decisively to address homelessness in the borough and to help the 3,000 households in temporary accommodation, and sometimes in homes that are in poor condition. The administration promised to deliver housing differently, alongside the position of the wholly owned company.

In response to questions, the following was noted:

- It was highlighted that the decision on the Community Benefit Society was more of a safety mechanism as it was anticipated that the wholly owned company (WOC) may be able to achieve what the CBS seeks to achieve in terms of provision of homes.
- It was noted that the caps on acquiring 100 properties and spending £25m did not mean an expected £250,000 cost per home. Instead these two figures represented a double lock on spending and acquisitions by officers, before the proposal comes back to Cabinet for review and to agree further spending and acquisitions. For information, the modelling for the CBS had assumed an average cost of properties acquired as £360k per home.
- With regard to what discussions there had been with potential partners in PR&M, it was noted that there was a formal procurement process, started late last year, which in January 2018 identified three bidders as potentially meeting the requirements needed. Although there has been initial meetings with them, this process has been paused in order to explore the proposal with the newly elected Council before further progressing negotiations. The bidders would be named once the procurement had been finalised, if Cabinet decided to proceed with the proposal at that stage.
- It was noted that, where possible, the Council was aiming to house residents in temporary accommodation within the borough but may use properties in neighbouring boroughs such as Enfield, Waltham Forest or Barnet.
- All homes acquired through CBS would be managed by Homes for Haringey. It was further clarified that there may be bidders for the Purchase, Repair and Management Joint Venture Partnership (PR&M) in the form of a consortium, including a registered provider.

## **RESOLVED**

1. To agree to set up a Community Benefit Society, as set out at paras 6.8 to 6.18.

2. To agree to the acquisition of the first 100 residential units for the purposes as set out in paras 6.8 to 6.18.
3. To approve the first funding tranche of capital of up to £25m in 2018/19 for the purchase of properties set out in recommendation 3.2 to be funded by £17.5m of borrowing and £7.5m of retained right to buy capital receipts as agreed by Council at its budget setting meeting of 26 February 2018.
4. To approve the first tranche of Right to Buy receipts of up to £7.5m in the financial years 2018/19 to fund the purchase of properties set out in recommendation 3.2.
5. To approve the establishment of a CBS “smoothing reserve” as described in paragraph 8.20 to smooth any increases in capital finance costs during the life of the CBS or successor body or bodies.
6. To delegate the following decisions:
  - a) Delegate responsibility to finalise the necessary legal arrangements for the setting up of the CBS and to recruit the three independent board members for the CBS to the Director for Housing, Regeneration and Planning, after consultation with the Director of Finance and the Deputy Leader and Cabinet Member for Housing and Estate Renewal.
  - b) Delegate the purchase up to 100 individual residential units to be acquired under recommendation 3.2 and to be leased to the CBS to the Director for Housing, Regeneration and Planning in conjunction with the Director of Finance up to a maximum amount of £25m in total.
  - c) Delegate the agreement on property covenants and loan agreements to the Head of Legal Services and Director of Finance, as appropriate.
  - d) To note the progress made on the establishment of a Purchase, Repair and Management Joint Venture, with the purposes as set out in paragraphs 6.19 to 6.30, with any final decision on its establishment to be taken at a future Cabinet meeting alongside consideration of other options to achieve the aims of this proposal.
  - e) To Allocate up to £200,000 funding from the Government’s Flexible Homelessness Support Grant for 2018/19 to fund initial set up costs of the CBS and PR&M.

### **Reasons for decision**

Haringey has experienced a significant increase in the number of households who are either homeless or at risk of becoming homeless. Where possible, the Council works with households to prevent homelessness, as set out in the Homelessness Strategy 2017-2022, but where prevention is not possible, the Council has a statutory duty to provide TA to eligible households until a more permanent offer of accommodation can be found.



A significant proportion of the TA used by the Council is sourced from the PRS. This TA is unsuitable in terms of its low quality, insecurity and high rents. This TA is also expensive to the Council, with over £8m spent on TA in 2017/18.

This report describes two schemes, a CBS and a PR&M, which will increase the number of properties available to the Council to either use as temporary accommodation, or to provide more affordable and better quality private rented housing into which homelessness duty can be discharged.

A Community Benefit Society (CBS) which is a capital-based model, in which the Council will use its capital resources, including retained RTB receipts, to acquire residential properties. These properties will then be leased to the CBS.

A Purchase, Repair and Management (PR&M) Joint Venture Partnership, which is a revenue-based model, in which the PR&M partner acquires the residential properties, while the Council guarantee nominations to the properties. The Council will take ownership of the properties at the end of the partnership.

The properties acquired through both schemes will be used as TA and for the discharge of homelessness duty into private sector tenancies. The homes acquired will be better quality and better managed (either by a Registered Provider or Homes for Haringey) than existing stock used as TA, the residents will have greater security and the costs of these homes to the resident and Council will be lower. In addition, the homes acquired by the Council and leased to the CBS and the homes owned by the PR&M will all ultimately be fully municipalised.

### **Alternative options considered**

The Council is already taking action to address the high cost of temporary accommodation, for example by strategically evaluating demand to ensure the best use of resources. However, no serious dent can be made in the TA spend without addressing the cause of this cost: the high rents that are charged on TA leased from private sector landlords. Additionally, issues of poor quality will be best addressed by having close control of the homes used for temporary accommodation.

There are alternative options for acquiring properties to use for TA and discharge of homelessness duty. The Council commissioned an options appraisal, which considered a range of options, summarised below, against the key requirements of being able to use RTB receipts to support any capital costs and being able to charge Local Housing Allowance (LHA) level rents.

### **The Housing Revenue Account option**

This would entail purchasing properties and owning them within the HRA for use as TA. However, this option would not allow sufficient rent levels to be charged to make the property purchases viable or to make savings in the TA budget.

### **The General Fund option**

This would entail purchasing properties and owning them within the General Fund for use as TA. This option would also not allow sufficient rent levels to be charged to make the property purchases viable.

**The Arms-Length Management Organisation option**

This would entail Homes for Haringey purchasing properties, then owning and letting them directly. Homes for Haringey is unable to use RTB receipts provided by the Council, and could not charge LHA rents on the properties.

**A Limited Liability Partnership (LLP) option**

This would entail setting up an LLP between the Council and a charity to purchase properties, with the Council holding a minority interest in the LLP. It is not clear whether it is possible to use RTB receipts in this model, given the level of control and concern about the efficacy of LLPs as a model for Council delivery. However, an LLP could be a viable model in the future, if the partner was the CBS once it is fully and properly constituted. However, Council control of such a body would be diluted further than with a CBS.

**33. SHARED DIGITAL SERVICE IMPLEMENTATION**

**Deputation from Gerard McGrath and Kevin Prior.**

The deputation outlined experienced issues with the management of Shared digital service and included problems with the communication about the direction of the service with staff, causing a state of confusion. The deputation continued to outline their concerns in relation to the proposals contained in the report, which were as follows:

- There was a short allocated time line on TUPE –and employees were concerned that they would end up working for Camden rather than working for Haringey, which was the borough they chose to work for.
- Welcomed the reduced scope of the shared service but this lacked clarity and needed further work, particularly in terms of posts.
- If the Unions and Management cannot reach a decision on a delegated decision then Unison proposed this decision should be and signed off by Cabinet instead.
- Option of alternatives to TUPE not being considered properly, further options need to be explored - staff faced with TUPE want to leave. One of the proposals is to TUPE 50 members from each borough and if this happened at Haringey there would be no staff left in Haringey as it is the smallest IT service of the three boroughs. This also reflected the proportionality issues that Unison had concerns about.

- There was a worrying lack of control for Haringey if this model was adopted as Camden will dictate the term and conditions and Haringey staff terms and conditions are compromised.
- The proposed model for the shared service may not be the best value option as the costs were divided equally and Haringey are smaller IT unit than other partners.
- The detail of the proposals needs to be considered. If the proposal to TUPE members goes ahead then the members need to understand the deal and whom they will work for. For the record, Unison members wanted to work for Haringey and not Camden.

In response to Cabinet Member questions the deputation responded as follows:

- There had been a form of consultation when the idea for the TUPE plan was launched. Staff have had discussions and attended huddles in response to proposal. There has been a mix of trade union members and non -union members. However the key message was that staff preferred working for Haringey to Camden. There was also concern about the lack of clarity on who stays and who goes.
- In relation to alternatives to TUPE, these were secondments in line with section 113 of the Local Government Act. Members were given an assurance to discuss this option in detail but as the report came to Cabinet it was prudent to formally register representations.

The Cabinet Member for Corporate Resources and Insourcing thanked the deputation and the entire workforce and provided assurance of his continued involvement in this process. These issues had been raised with management and the Cabinet Member wanted to assure the workforce that both management and Cabinet notes and respects the points being raised and want to make sure the workforce was fully on board with proposals.

There was a target date for completion of the implementation but this was not regarded as a fixed hard deadline as it was important to work towards this in full agreement with members. Firstly, there would be official discussion between management and trade unions and proceeding this, the Cabinet Member would meet separately with the unions.

With regards to the power of delegation, the Cabinet Member was in close contact with this decision. This decision would be taken in consultation with the Cabinet Member and discussed with Cabinet colleagues.

The Leader thanked the deputation and Cabinet proceeded to consider item 12.

The Cabinet Member for Corporate Resources and Insourcing introduced the report, which followed the consideration of governance options for the shared service with Camden and Islington by Cabinet on 16 January 2018. The report recommended that

the previous “lean” Joint Committee model was no longer proceeded with and that a revised governance model be approved (Shared Digital ‘Lite’) that dispenses with the need for a Joint Committee and focuses on specific shared functions where there is strategic alignment.

The Cabinet Member noted that the reason this matter was before the Cabinet was due to it representing a change of approach in that:

- A smaller proportion of the IT service being run jointly by the 3 by the boroughs; and
- The revised governance model would retain more of the IT support staff within the Council, meaning that staff would remain directly employed and under the control of Haringey Council.

The Cabinet Member emphasised that there was an existing commitment towards a partly shared service and that this was expected to result in expected savings of £2.4 million from procurement due to jointly purchasing equipment.

In response to a question regarding the involvement of staff in designing the details of the model, it was noted that staff were involved in two ways. Firstly, there are regular meeting with management and trade unions. Secondly, the Cabinet Member has separate meetings with trade unions to discuss all aspects of the programme.

That having considered the contents of this report, in particular the results of the consultation set out in Section 6.22 and feedback from Trade Unions, staff and other stakeholders, and having given due regard to the equalities implications as summarised in section 8.4 the Cabinet :

### **RESOLVED**

1. To note the achievements of the shared service (including c. £2.4m of savings in the delivery of commodity Digital and ICT services, to be shared equally by the three Councils) and also the challenges in achieving strategic alignment with Camden and Islington.
2. To agree that the recommendations set out in the report to Cabinet on 16 January 2018 in respect of a ‘lean’ Joint committee model are no longer proceeded with and that a revised governance model for Shared Digital be adopted as set out in paragraph 6.5, specifically that the Joint Committee cease to exist as from the date of this decision and to agree that Camden host the shared Digital and ICT functions set out in paragraph 6.5.2 (‘the Shared Functions’) to be transferred from Haringey and Islington Councils (as detailed in paragraph 8.3). Haringey and Islington will have lead officers in place to oversee their sovereign Digital and ICT services and the Shared Functions delivered by Camden (including their performance against service level agreements (‘SLAs’)).

3. To approve Camden as the host Council in respect of the Shared Functions and note the staffing impact of the proposals as set out in paragraph 6.8 of this report.
4. To agree the dissolution of the Shared Digital Joint Committee as from the date of this decision and to note that Cabinet will make any decisions previously delegated to the Joint Committee which are required in the period from now until the entering in the service agreement and TUPE transfer (which is planned for 1 October 2018) in respect of the current Shared Digital Service subject to those matters previously delegated to and discharged by the Chief Digital Information Officer (CDIO) under those terms of reference being delegated directly to the CDIO or, any successor role designated by Haringey as set out in paragraph 6.21.4.
5. To note that the transfer of service and staff is currently planned for 1 October 2018, and to agree that as a result Camden will be responsible for employing staff engaged to deliver the Shared Functions.
6. To note that the Cabinet of Camden are considering a recommendation to be the primary host authority for Shared Functions in the Shared Service, and to accept the delegation from Haringey and Islington. The Executive of Islington are also considering a recommendation to delegate to Camden (as the host authority in the shared service) the delivery of the Shared Functions in like terms and that the recommendations set out in this report, if agreed, will only be implemented if the Camden Cabinet and Islington Executive agree the equivalent and related recommendations that they are considering.
7. To delegate authority to the Director of Customers, Transformation and Resources to take all necessary steps to put arrangements for the new governance model into effect as set out in this report, including but not limited to finalising the detailed specifications and resource implications of the Shared Functions, the terms of a revised inter-authority agreement for the operation of the 3 way Shared Digital service and a commencement date for the new model including the date for the TUPE transfer.

### **Reasons for decision**

In March 2018, following extensive dialogue and consultation feedback from Unions, and input from staff and other stakeholders, the transfer planned for 1 April 2018 was paused to allow the Councils to reflect on the approach and implementation of the shared service.

Taking account of the consultation and dialogue feedback and considering the achievements and challenges of the shared service, we are clear that we share aspirations around Digital transformation, and the key role that Digital will play in transforming the services that we deliver to our citizens and the way that we work.

Pushing for deeper alignment and integration independently of local priorities and constraints runs the risk of becoming an end in itself and may not position us to most effectively realise our local outcomes and aspirations in Haringey.

The recommendation maintains efficient and effective operational services that will improve services to citizens and staff while reducing unit costs. The proposal will allow the Council to develop and progress our ambitions with a local Haringey-focused Chief Information Officer. (Camden and Islington will similarly be able to focus on their local priorities.)

### **Alternative options considered**

The review of options considered the scale and extent of sharing from wholly sovereign to wholly shared services.

Noting the Councils' shared ambitions and the significant achievements of the shared service, 'stopping' the shared service was not a preferred option.

Considering the challenges of strategic alignment, and of balancing integration and local priorities, constraints and pace, it is not considered an option to progress the previously agreed model and a Shared Digital 'Lite' option is being proposed.

This option is mindful that integration should not be an end in itself and allows the Councils to maintain and strengthen working together. It will consolidate on-target savings of c. £2.4m per year across the three Councils; to be shared equally, i.e. £800,000 each.

This will retain a number of Shared Functions, and mechanisms to encourage and build on opportunities to work together, aligned with both shared strategic priorities and new ways of working to support Medium Term Financial Savings.

Further savings may be achieved over time with this option, for example if more application consolidation is achieved.

### **34. LAPTOP AND DESKTOP REFRESH**

The Cabinet Member for Corporate Services and Insourcing introduced the report which sought Cabinet approval to the allocation of funding of up to £4.1m to enable the delivery of phase 2 of the Council's Laptop and Desktop Refresh Project (part of the End User Compute Programme) by Shared Digital Service.

The Cabinet Member went on to state that this project was about capital investment to ensure that staff of Haringey Council could continue to work effectively. Currently, the Council was still using Windows 7 which would soon become obsolete and cease to be supported by Microsoft. Furthermore, the project would allow the Council to utilise Office 365 to its fullest extent.

The Cabinet Member emphasised that the project was required to ensure that the necessary equipment is supplied to staff and that it would be funded by Capital Funding and not revenue allocation.

In response to a question, it was noted that an Equalities Impact Assessment screening tool had been carried out and that the utmost attention has been given to access issues and ensuring that all disabled members of staff have full access to the equipment. Furthermore, it was noted that, due to the rollout of newer and better systems across the Council, it was anticipated that efficiency savings would be released as a result.

## **RESOLVED**

To approve the allocation of funding up to £4.1m to enable the delivery of phase 2 of the Council's Laptop and Desktop Refresh Project (part of the End User Compute Programme) by Shared Digital Service.

### **Reasons for decision**

The Council has an ageing estate of laptops, desktops and monitors which were last refreshed in 2012/2013. The hardware is now failing at an increasing rate and the general level of dis-satisfaction and frustration with the existing estate from the user community is very high. The estate is also not suitable for running the latest software applications and is inadequate in supporting users with smart / mobile working. The ability to procure new or refurbished Windows 7 devices (the operating system currently installed on Council computers) is now proving almost impossible.

In addition to the critical usability issues, Windows 7 will no longer be supported by Microsoft from January 2020. No further security fixes will be released by Microsoft from that date. It is therefore critical that the Council move to the new Shared Digital recommended platform of Windows 10 before January 2020. Failure to do so may compromise the Council's security and potentially expose the Council to exploitation of known hacking attacks. The Council's access to Public Services Network (PSN) based systems e.g. NHS, may also be affected, as access to PSN is predicated upon the Council demonstrating that it is only running supportable and patchable hardware and software.

The move to Windows 10 is aligned to the Council's software strategy (office tools, server and end user device operating systems) and the Council is currently renewing its Microsoft Enterprise Subscription Licensing Agreement and have recently migrated to Office 365. This will allow the Council to make use of the latest versions of Windows and Office as well as maintaining its investment in Office 365.

To address the above issues, the Shared Digital Service initiated the End User Compute Programme with a view to addressing the needs of the Council and our partner boroughs: Camden and Islington, using a "shared" approach. This approach allows all boroughs to utilise designs, resources, experiences and deployment approaches, will maximise efficiency whilst ensuring individual Council nuances are recognised. The Laptop and Desktop Refresh Programme is part of the wider End User Compute Programme.

The Laptop and Desktop Refresh Programme aims to make the Council more flexible and joined up in conjunction with Office 365. Implementation of the new technology

will give users the capability to work from anywhere and facilitate more joined up and integrated working. Systems will be easier to use, secure, fit for purpose, forward looking and future proof. The Council will become 'digital by default' as users are able to access information from anywhere and maximise benefits by aligning the Council's service offer with the technology used by our residents, customers and partners.

Following a detailed specification phase to understand user and technical requirements across all three boroughs, the Shared Digital Service has undertaken a procurement exercise including the use of an eAuction conducted by Crown Commercial Services and benchmarking information to ensure the cost of the replacement hardware provided value for money for the Council.

The overall cost of the Laptop and Desktop Refresh Programme is up to £4.6m which includes £488,340 already funded for Phase 1. The total estimated cost of the programme is £3.6m based on the initial user specification and resource requirements as at March 2018.

The remaining funding request is to cover any contingencies that may arise as a result of changes during the deployment of phase 2 as follows:

- a) Price increases – the original costings were conducted in March 2018. There may be some variations in costs.
- b) Resource requirements – the resources required to implement phase 2 may change if the Council wishes to deploy the programme more quickly or unforeseen circumstances require additional resources.
  - a. Change in mix of hardware requirements – the hardware requirements (e.g. the number of devices) to be deployed is shown below in table 1. A number of assumptions have been made around the user estate. The proposed new estate adopts a "laptop first" policy and users of desktops will switch to laptops where possible, and the mix of laptop types has been estimated based on the initial user specification but the overall mix of estate may change during the implementation as user requirements are better understood.

Table 1:

	Number of Devices	
	Current Estate	Proposed Estate
Laptops	2224	3323
Desktops	818	0
Kiosks	67	67
<b>User Profile:</b>		
Handheld Devices		500
Roaming Devices		2723



Power Devices	100
Desktop	67
Connectivity (see note 1)	3000
Accessories (see note 2)	3323

Note 1: Connectivity includes 24 inch monitor, dock, 24 inch USB-C Monitor and dongle pack

Note 2: Accessories includes laptop riser, ruck sack, pen, Bluetooth mouse

The number of devices takes into account where there is currently a desktop device that is used by multiple staff members, if the desktop device is replaced, each member of staff would need an individual laptop. During the phase 2 deployment, where it makes business and financial sense to maintain a desktop device e.g. job share or where home or smart working is not a requirement, then the desktop device will be retained.

All costs associated with the programme will be monitored on a monthly basis and reported to Cabinet on a quarterly basis. Any unused contingency funds will be carried forward and used to fund other transformational work.

### **Alternative options considered**

Do Nothing:

The Laptop and Desktop Refresh Programme has been initiated to address two specific issues. The withdrawal by Microsoft of Windows 7 support from January 2020 and the ongoing procurement issues of purchasing the Council's existing estate of Dell laptops due to the requirement of using Windows 7 operating system. Failure to address these issues would not only be in breach of the Council's current commitments and expose the Council to security flaws (e.g. out of date software will not be patched / supported by Microsoft), but will also affect the Council's PSN submission. Coupled with high levels of frustration with the existing Dell laptops and their continued suitability as an enabling business tool, 'Do nothing' is not an option.

### **35. MATTERS REFERRED TO CABINET BY THE OVERVIEW AND SCRUTINY COMMITTEE**

In introducing this item, the Leader, referred to the distinct powers of Cabinet and Scrutiny, located in the Local Government Act 2000 & consolidated by the Localism Act 2011. Furthermore, taking account of the personal declarations of interest made at the start of the meeting, Cabinet would not be taking forward presentation of the scrutiny reviews. These had been agreed by Scrutiny Committee in March and Cabinet would proceed to consider the responses to the scrutiny recommendations in line with their responsibilities.

(a) **Cabinet Response to the Scrutiny Review on Social Housing**

The Leader introduced this item, and advised that the recommendations made in the attached scrutiny review report could be used to help guide the development of the policy agenda in housing, regeneration and planning for the new administration. While the report did not set out a detailed list of explicit objectives to be delivered to a given timescale, it did propose a clear direction of travel for policy in these areas. Many of the recommendations were positive and were either currently being incorporated into the Council's approach or could be incorporated going forward. Some recommendations presented challenges to implementation and have therefore been responded to cautiously, with partial agreement. Specific reasons for each recommendation response were given in Appendix 2.

The overall approach of the report, which was comprehensive and detailed, was a helpful framework to inform the future housing policy of the Council.

In response to what other measures were being re-examined, in light of the acceptance of recommendation 13 (the need for sprinklers), it was highlighted that there was a thorough review of all blocks being carried out and that this involved all mechanisms, not just fire doors and hand-held sprinklers, being re-examined.

**RESOLVED**

1. To consider the Overview and Scrutiny Report on social housing (attached at appendix 1).
2. To agree the responses to the Overview and Scrutiny report recommendations (attached as Appendix 2).

**Reasons for decision**

On 26 March 2018, Overview and Scrutiny Committee approved the report of the Housing and Regeneration Scrutiny Panel (HRSP) on social housing.

In developing its report, the HRSP held a number of evidence gathering sessions and took evidence from Council officers as well as a range of experts and local stakeholders. The HRSP then made a number of recommendations, which were adopted by Overview and Scrutiny Committee on 26 March 2018.

The recommendations made in the HRSP report can be used to help guide the development of the policy agenda in housing, regeneration and planning for the new administration. While the report does not set out a detailed list of explicit objectives to be delivered to a given timescale, it does propose a clear direction of travel for policy in these areas. Many of the recommendations are positive and are either currently being incorporated into the Council's approach or can be incorporated going forward. Some recommendations present challenges to implementation and have therefore been responded to cautiously, with partial agreement. Specific reasons for each recommendation response are given in Appendix 2, the draft responses to

recommendations. The overall approach of the report – which is comprehensive and detailed – is a helpful framework to inform the future housing policy of the Council.

**Alternative options considered**

None.

**(b) Cabinet Response to Scrutiny Review on Parks**

The Leader introduced this item and outlined that the Scrutiny recommendations were a positive contribution to improving the management and protection of Parks in the Borough.

Haringey parks were well used. Millions of visits were made to parks and open spaces each year and it was clear that parks are enjoyed and valued across the Council, partners and residents.

It was therefore encouraging to note that evidence received by the Committee reflected this and the recommendations would help to support and protect parks in the long term.

This was an important and timely review that will help shape the forthcoming Parks Strategy to be developed collaboratively over the next twelve months.

The Council recognised that there were always improvements to be made to enhance parks users' experience and the recommendations will support the Council and partners to raise standards in a sustainable way.

This has been a useful piece of work in ensuring that our parks are of a high standard. The Leader was particularly pleased that the 'Friends of the Parks' groups have been involved in this review. It is important that users groups are involved in the use and development of their parks.

Parks played an important part in promoting health and well-being.

In response to Councillor questions, the following was noted:

- The possibility of exploring a future partnership between Tottenham Hotspur Football Club and the Council in relation to building all weather pitches in the borough, mirroring the existing arrangement between Islington and Arsenal Football Club.
- In response to the proposal from Cllr Hare that the Council commit to a programme of putting all of the borough's designated parks and green open spaces under a Fields in Trust covenant which was a stronger protection than the MOL protection, it was noted that this was not cost effective. Placing all parks in the Fields in Trust would cost £150k and would also require an additional officer to manage this. The Council's response was based on the element of risk to the park and the protections that do exist and categorisations.

A more prudent approach would be to consider the 10 unprotected sites as a priority for protection under a Fields in Trust Covenant over the next two years and for further consideration be given to the remaining parks as part of the development of the Parks and Open Spaces Strategy.

- In response to representations regarding the response to recommendation 16, the Leader agreed that further financial detail is added to the proposed report to Overview and Scrutiny, including a breakdown of income with specific spending items park by park. The Leader further agreed that a timescale for Overview and Scrutiny considering this report is added to the response.

## **RESOLVED**

1. To consider the Overview and Scrutiny Report on Parks (attached as Appendix 1).
2. To agree the responses to the Overview and Scrutiny report recommendations (attached as Appendix 2).

## **Reasons for decision**

Haringey parks are safe places, enjoyed by many.

Over the autumn / winter of 2017/18 partners and stakeholders were invited by the Overview and Scrutiny Committee to present their evidence and opinions on the borough's parks.

The Overview and Scrutiny Committee has now made a number of recommendations focused on how the Council and its partners can improve the visitor experience when using the borough's parks and how parks can be protected and enhanced over time.

## **Alternative options considered**

The Overview and Scrutiny Committee explored a number of views and opinions from a range of partners and stakeholders to enable the collation of the report and subsequent recommendations.

The recommendations have been carefully considered. Responses to these have been drawn up to help the Council and its partners to improve the borough's parks.

## **(c) Cabinet Response to Scrutiny Review on Support to Children from Refugee families**

The Cabinet Member for Children, Education and Families introduced the report which reinforced the commitment of the Council to providing the right support, at the right time to children, young people and families in Haringey.

The report highlighted the many issues that affect NRPF families living in Haringey. It considered the current experience of children and families in light of the provision available, the support provided by the third sector and voluntary agencies in advocating for families and the interface with other government departments. In doing this, the report gives a clear account of the complexity and challenges involved in delivering services to families.

Haringey has been hit hard by the budget cuts imposed by central Government. The borough was home to some of the most vulnerable families in the country had lost over 40% of its funding since 2010. One in three children in Haringey lived in poverty, and NRPF families are disadvantaged further by being precluded from much of the welfare system and delays in Home Office decisions on their immigration status. In this context, the Council were keen to ensure that these children and families were supported, and would work with organisations like NELMA and Project 17 to achieve this.

## **RESOLVED**

To consider the Scrutiny Review Report in Appendix 1 and approve the responses to the Scrutiny recommendations as outlined in Appendix 2 of this report.

### **Reasons for decision**

The evidence supporting the Panels' recommendations on the enhancements that could be made to the support provided to children from refugee families is at (Appendix 1).

### **Alternative options considered**

The evidence supporting the Panels' recommendations is outlined in the main body of the report (Appendix 1). The Cabinet could choose not to accept the recommended response by officers to them as outlined in Appendix 3. The potential implications of alternative courses of action are referred to within this as appropriate.

#### **(d) Cabinet Response to Scrutiny Review on Restorative Justice**

The Cabinet Member for Children, Education and Families introduced the report which provided strong evidence of restorative justice providing benefits as an approach and application across a range of settings for organisations engaging with young people, encouraging desistance from offending, and whom are at risk of school exclusions.

The Cabinet Member outlined that restorative justice had the potential to offer clear and measurable benefits to reduce young people's involvement in crime whilst also reducing school exclusions. There was also evidence that restorative justice can provide value for money by reducing reoffending rates whilst at the same times providing tangible benefits to victims.

The Cabinet Member for Children, Education and Families looked forward to working with the Cabinet Member for Communities, Safety and Engagement in order to implement the recommendations of the review.

**RESOLVED**

To consider the Scrutiny Review Report in **Appendix 1** and approve the responses to the Scrutiny recommendations as outlined in **Appendix 2** of this report.

**Reasons for decision**

The evidence supporting the Panel's recommendations on the potential for promoting and extending the use of Restorative Justice and a Restorative Practice approach in Haringey is outlined in the main body of the Report (**Appendix 1**).

**Alternative options considered**

The evidence supporting the Panel's recommendations is outlined in the main body of the Report (**Appendix 1**). The Cabinet could choose not to accept the recommended response by officers to them, as outlined in Appendix 2. The potential implications of alternative courses of action are referred to within this, as appropriate.

**36. MINUTES OF OTHER BODIES**

**RESOLVED**

To note the minutes of the Corporate Parenting Advisory Committee on the 20<sup>th</sup> of March 2018.

**37. SIGNIFICANT AND DELEGATED ACTIONS**

**RESOLVED**

To note the significant and delegated actions taken by directors in June.

**38. NEW ITEMS OF URGENT BUSINESS**

None

**39. EXCLUSION OF THE PRESS AND PUBLIC**

**RESOLVED**

That the press and public be excluded from the remainder of the meeting as the items below contain exempt information, as defined under paragraph, 3 and 5, Part 1, schedule 12A of the Local Government Act 1972.

**40. HARINGEY DEVELOPMENT VEHICLE**

The minutes for this item were exempt.

**41. EXEMPT MINUTES**

**RESOLVED**

To agree the exempt minutes of the meeting held on the 26<sup>th</sup> of June 2018.

**42. NEW ITEMS OF EXEMPT URGENT BUSINESS**

None

CHAIR: Councillor Joseph Ejiofor

Signed by Chair .....

Date .....

This page is intentionally left blank



**Report for:** Cabinet, 14 August 2018

**Title:** Changes to 2019/20 Council Tax Reduction Scheme

**Report authorised by :** Jon Warlow, Director of Finance (interim)

**Lead Officer:** Luke Rigg, Policy & Equalities Officer

**Ward(s) affected:** All wards

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

### 1. Describe the issue under consideration

The report summarises the process and content of proposed potential changes to the 2019/20 Council Tax Reduction Scheme. The report sets out a series of options to amend the current scheme, with a preferred option at the beginning.

### 2. Cabinet Member Introduction – Cllr Berryman, Cabinet Member for Finance

- 2.1 The decision in 2013 by the then Conservative-Lib Dem coalition government to abolish Council Tax Benefit heaped a new hardship on many of the lowest income households in Haringey.
- 2.2 As a borough our 108,000 or so households have as wide a disparity in income as can be found anywhere in the UK. Yet since this decision in 2013 to abolish Council Tax Benefit, some of the least well off residents here have had to bear the cuts imposed by central government and pay a minimum 19.8% contribution towards Council Tax.
- 2.3 However, our manifesto was clear that we are committed to redistributing the burden of Council Tax and to reforming the Council Tax Reduction Scheme.
- 2.4 Our proposal provides more financial support to working age claimants with children. The Trust for London's *London Poverty Profile 2015* estimated that 34% of children in Haringey live in poverty. The Council's ability to provide services, including the provision of children's services, has been significantly affected as a result of government funding cuts to Haringey, amounting to £78m since 2013.
- 2.5 As councillors it is our duty not just to take account of the realities we as a council face but also the situation our residents find themselves in, offering support where we can and taking account of the social impact of our decisions. This policy update, re-instating extra support for over 6,000 families in Haringey on low income, marks the start of our commitment to make fairness the cornerstone of all we do.

- 2.6 We are also recognising the need to update the scheme with some national welfare changes that have taken place since Council Tax Benefit was abolished in 2013. The changes will ensure that the scheme better reflects today's cost of living for some of the borough's most vulnerable residents.
- 2.7 The scheme will continue to protect pensioners and those receiving certain disability benefits or premiums.
- 2.8 I believe that the proposals provide essential financial support to some of the most vulnerable residents in the borough and contribute to our stated ambition of making Haringey a fairer borough for all to live in.

### 3. Recommendations

- 3.1 Cabinet are asked to agree to go out to consultation on the following preferred option to replace the existing CTRS. This option is a combination of:
- a) Increasing the maximum level of Council Tax Reduction from 80.2% to 100% for working age claimants with children.
  - 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.

- 3.2 Cabinet are asked to note that, following consultation with the Greater London Authority ("GLA") and having considered the GLA's response:
- i) A draft CTRS will be published;
  - ii) A consultation on that draft CTRS will be carried out with persons likely to have an interest in its operation;
  - iii) An initial Equality Impact Assessment will be published, which will assess the proposals for consultation; and
  - iv) The findings of the consultation and an Equality Impact Assessment will inform the final CTRS, which will be put to Members to consider at full Council in January 2019.

### 4. Reasons for decision

- 4.1. The stated ambition of the current administration is to:
- a) 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; and
  - b) Extend the level of council tax relief for our least well-off residents to 100%.
- 4.2. 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.

- 4.3. 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.
- 4.4. 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.
- 4.5. 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.
- 4.6. 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.
- 4.7. 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.
- 4.8. Therefore, the proposal is made now to ensure that any additional financial support for residents can take effect as soon as possible, from 1 April 2019.

## 5. Alternative options considered

- 5.1 The number of possible changes to the CTRS are virtually infinite. Councils have a wide discretion to tailor support based on factors such as:
  - a) Income;

- b) Capital;
- c) Number of dependants;
- d) Whether the person has made an application for a reduction.

5.2 Bearing in mind the Council's draft policy position referred to above, the following other options in particular have been considered in detail, but are not being included in the consultation process:

- No change to the existing CTRS;
- Increasing the maximum level of Council Tax Reduction from 80.2% to 100% for all working age claimants;
- Limiting the amount of Council Tax Reduction received in higher value properties to the amount provided in a designated band; and
- Altering the capital savings limit.

5.3 It should be noted that the Council could also reduce the maximum level of Council Tax Reduction from the existing rate (80.2%). However, this would not be consistent with the Council's stated purpose to provide increased support to those residents most in need and so is not put forward as an option here.

#### 5.4 **No change to the existing CTRS**

This is not recommended because the Council has indicated a commitment to providing additional financial support to residents in receipt of Council Tax Reduction to alleviate the financial burden for the least well-off.

#### 5.5 **Increasing the maximum level of Council Tax Reduction from 80.2% to 100% for all working age claimants**

This is not recommended because it would mean a significant additional cost (£843,000) to the Council's budget, that would increase the additional cost of the scheme from an estimated £1.6m, of the preferred option, to £2.44m in 2019/20. The preferred option, which relates principally to a particular group of working age claimants considered to be in particular need, is thought to strike a balance between providing additional support to a group in need and the financial impact on the Council and its services.

#### 5.6 **Limiting the amount of Council Tax Reduction received in higher value properties to the amount provided in a designated band**

The Council could "cap" the level of support based on the Council Tax liability of a designated Band. For instance, if the limit was set at Band D, the maximum support a claimant could receive would be no more than they would get if they lived in a Band D property, even if they lived in a higher Band property.

This is not recommended because it would significantly increase Council Tax bills for residents who are affected by the cap (i.e. those in bands above the limit). It is recognised that claimants in receipt of Council Tax Reduction are financially burdened and need support.

## 5.7 Altering the capital savings limit

Currently, if a resident has more than £10,000 in capital they do not qualify for support under the CTRS.

Changing the capital savings limit is not recommended because it is considered that the £10,000 limit strikes the right balance between recognising residents have a need to save and develop sustainable long-term financial plans, and ensuring the scheme reaches the most vulnerable residents.

## 6. Background information

- 6.1. Haringey Council has a Council Tax Reduction Scheme to provide support to residents who need help to pay their Council Tax.
- 6.2. As part of the government's welfare reforms, responsibility for setting Council Tax support was devolved to Local Authorities. Council Tax Benefit was abolished and replaced with locally managed Council Tax Reduction Schemes from 1 April 2013. Nationally, CTRS had 10% less government funding than the previous Council Tax Benefit.
- 6.3. This meant that some councils offset the shortfall in funding by reducing the number of people entitled to support, or reducing the amount of support they received. Central government prescribed that pensioners were automatically protected from any changes to Council Tax Benefit and so they continued to receive a maximum of a 100% Council Tax Reduction.
- 6.4. Following financial modelling looking at claimant volumes, the number of pensioners in the area and anticipated collection figures, the Council proposed to pass the £3.8m shortfall in funding from Central Government on to working age claimants by reducing the maximum level of Council Tax Reduction they could receive from 100% to 80.2%.
- 6.5. Following consultation with Haringey residents and interested groups in the Autumn of 2012, the Council chose to extend the maximum of a 100% Council Tax Reduction to those in receipt of certain disability benefits. The maximum amount of Council Tax Reduction that all remaining working age claimants could receive was capped at 80.2%, and so they had to pay a minimum contribution towards their Council Tax.
- 6.6. The existing CTRS has been in place since 2013. Table 1.0 summarises the trend in caseload since the Council introduced its Council Tax Reduction Scheme.

**Table 1.0 – CTRS trends – (2013/14–2018/19)**

Year	CTRS Caseload	Total amount of CTR paid by the Council (£)
2013/14	32,162	29,747,577.61
2014/15	30,993	28,220,890.91
2015/16	29,156	26,883,880.50

2016/17	27,689	25,680,005.18
2017/18	26,717	25,564,865.61
2018/19	26,377	25,949,826.98

- 6.7. Table 1.0 represents the trend in CTRS caseload since 2013/14. The figures are based on average monthly caseloads from 1 April to 31 March. The figures for 2013/14 and 2018/19 are modelled to reflect a full financial year, however the Council's data for each is limited. The Council's data for 2013/14 only began on 1 August 2013 and the Council's data for 2018/19 is based only on data from April 2018.
- 6.8. The Council must consider whether to revise or replace its CTRS for each financial year, but does not actually have to revise or replace it and can choose to make no changes.
- 6.9. If any revision or replacement is proposed, 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 final decision must be made by Full Council.

### Preferred Option

- 6.10. The Council's preferred option is a combination of:
- Increasing the maximum level of Council Tax Reduction from 80.2% to 100% for working age claimants with children.
  - Updating the CTRS to align with some national welfare changes.
  - Funding the increased cost to the Council from the General Fund budget.
- 6.11. For the purposes of this proposed changes to the CTRS, 'children' means:
- A child (i.e. a person under the age of sixteen); or
  - A young person (i.e. a person aged between sixteen and nineteen) for whom child benefit is payable.

**Table 1.1 – Estimated Total Financial Implications of Preferred Option for 2019/20**

Caseload Category	Caseload	Total Financial Impact (£)	Average change to claimant's annual Council Tax bill (£)
Protected working age	7,084	4,100	-0.58
Households with children	6,134	1,620,200	-264.13
Non-protected working age	4,649	-1,800	0.39
<b>Total</b>	<b>17,867</b>	<b>1,622,500</b>	<b>-90.81</b>

- 6.12. Currently, working age claimants with children who do not currently receive a prescribed disability related benefit or premium, as set out in the CTRS rules, receive up to a maximum of 80.2% Council Tax Reduction. This means that some of these claimants are required to pay 19.8% of their Council Tax



liability, despite having an income below their 'applicable amount', i.e. the amount the law says a person needs to live on.

- 6.13. It is proposed to increase the maximum to 100% Council Tax Reduction. This aims to provide additional financial assistance to a group in particular need. For example, working age claimants with children who currently receive the maximum 80.2% Council Tax Reduction would no longer pay any Council Tax.
- 6.14. National welfare changes can affect the amount of Council Tax Reduction because it is means-tested. The existing means test is based on national welfare entitlement in 2013. The government has made changes to national welfare since 2013 and this means that some of the language and figures used in the existing CTRS are out of date. The proposal would update the means-test.
- 6.15. The proposal to update the CTRS to align with some national welfare changes for all working age claimants (with or without children) comprises the following key changes:
  - a) Updating the amount the government says people need to live on each week;
  - b) Updating income brackets;
  - c) Updating deduction rates; and
  - d) Updating the language.
- 6.16. As a result of the proposal to align with some national welfare 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. However, some claimants who are of working age, are not in receipt of a prescribed disability benefit or premium, have no children in their household and live with a non-dependant adult could pay up to 95p per week more council tax. It is expected that there would be relatively few such people compared to the number of people who would benefit from the proposed changes. The people most likely to be affected are those with multiple non-dependants and those where a non-dependant's gross income remains in the same income band. However, for most people, it is expected that the larger deductions would be off-set by the other proposed changes which make the CTRS more generous.
- 6.17. Case studies showing the estimated impact of the preferred option as a whole (i.e. of *both* the increase to 100% maximum Council Tax Reduction for working-age residents with children and the alignment with some national welfare changes) are provided in Appendix 3.
- 6.18. Further information about the proposal to align with some national welfare changes is provided in Appendix 4.
- 6.19. In respect of the estimated annual saving of -£1,800 for non-protected working age claimants without children:
  - a) This equates to an average decrease in CTR of £0.39 per claimant per year.

- b) Table 1.1 takes into account the projected decrease in caseload in 2019/20 and the extra day in 2019/20 (which is a leap year). As a result of those factors, if no changes to the CTRS were made for non-protected working age claimants without children, the estimated financial implication for that group for 2019/20 would be -£14,800 (i.e. rather than -£1,800). Therefore, the preferred option is to spend £13,000 more on this group than would be spent if no changes were made to the CTRS.

## **Proposed consultation process**

- 6.20. The consultation is proposed to last ten weeks.
- 6.21. It is proposed to target both existing recipients of CTRS and wider council tax payers. The consultation would comprise of:
- Drop-in sessions at public sites (including libraries)
  - Physical copies of the consultation in all of the borough's libraries and two Customer Service Centres
  - Online consultation form via the Council's website
  - Targeted social media campaign
  - Use of physical advertisements across the borough
  - Targeted communication with existing contacts on the Council's CTRS database

## **Policy Context**

- 6.22. The administration made a policy intention to redistribute the burden of Council Tax and to extend the maximum level of Council Tax Reduction to the most vulnerable recipients.
- 6.23. Councils have limited powers to effect change to Council Tax without primary legislation. The Council Tax Reduction Scheme 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.
- 6.24. There is a clear indication from the administration to change the existing Council Tax Reduction Scheme. Therefore, the Council is consulting with the public on a proposed package of changes.

## **Other aspects of the scheme**

- 6.25. The proposed changes to the Council Tax Reduction Scheme do not relate to the application method, the ways to appeal, how to deal with changes of circumstances or notification styles.
- 6.26. The scheme will continue to be run by Haringey Council and remains separate from the Department of Work and Pensions (DWP) Housing Benefit / Universal Credit awards.

## **7. Contribution to strategic outcomes**

---



- 7.1 The proposal contributes to Priority 1 (Enable every child and young person to have the best start in life, with high quality education), Priority 2 (Enable all adults to live healthy, long and fulfilling lives) and Priority 4 (Sustainable Housing, Growth and Employment).
- 7.2 The preferred option would extend the maximum level of financial support for households with children, which will ease the financial burden of families in Haringey and promote better outcomes for children and young people.
- 7.3 Any proposals to increase the level of financial support on the scheme will benefit the lives of adults in Haringey. There are clear links between socio-economic and health inequalities, and therefore reducing the financial burden on recipients of Council Tax Reduction will contribute to wider positive life outcomes.
- 7.4 All of the options identified in the report target working age claimants, which include those in work and out of work. The proposals will have wider benefits to the borough's economy as they will provide additional financial support to those in low-paid employment and to those not in employment who may be struggling to find work because of their financial circumstances. In addition, the spender power of those recipients of Council Tax Reduction is likely to increase, which could have positive impacts on the local economy.

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

**8.1 Finance**

- 8.1.1 The Council's preferred option to change the CTRS would create an additional cost to the Council of approximately £1.6m for the 2019/20 financial year. It is noted that the costs would be offset by savings in potential unrecovered costs, calculated at £77,000 in 2017/18.
- 8.1.2 Any other change to the scheme, including the alternative options outlined in the report, would also have financial impacts on the overall cost to fund the scheme.
- 8.1.3 Subject to consultation, the cost would be met from the Council's General Fund. This will add to the cost pressure that will need to be addressed.

**8.2 Procurement**

- 8.2.1 Strategic Procurement notes the contents of this report; however there are no procurement implications.

**8.3 Legal**

- 8.3.1 The Assistant Director of Corporate Governance has been consulted on this report. As set out in section 13A(2) of the Local Government Finance Act 1992, the Council as billing authority must make a localised Council Tax Reduction Scheme in accordance with Schedule 1A to the Act. Each financial

year the Council must consider whether to revise its scheme, or to replace it with another scheme. The Council must make any revision to its scheme, or any replacement scheme, no later than 11 March in the financial year preceding that for which the revision or replacement scheme is to have effect.

- 8.3.2 This report recommends that the existing Scheme is replaced and sets out proposals for consultation. Schedule 1A to the 1992 Act makes further provision about council tax reduction schemes including prescribing the consultation process that must be followed. The Council must, in the following order:
- a. consult any major precepting authority which has power to issue a precept to it,
  - b. publish a draft scheme in such manner as it thinks fit, and
  - c. consult such other persons as it considers are likely to have an interest in the operation of the scheme.
- 8.3.3 The rationale for consulting with the major precepting authority first, in this case the GLA, is to ensure that they have been involved in shaping the proposals within the draft scheme that will be put out to the public for consultation.
- 8.3.4 It is proposed that following consultation with the GLA on the proposals set out in this report, and having considered the GLA's response, a draft scheme will be published and consultation with affected groups will commence.
- 8.3.5 The Council is proposing a ten week public consultation. This timetable is proposed to start on 3 September 2018 and finish on 12 November 2018.
- 8.3.6 Consultation with affected groups will need to take into account the complexity of the reduction scheme that is proposed, ensuring that the proposals can be understood by consultees to enable them to give an informed response. The Council must ensure it allows adequate time for conscientious consideration of the consultation responses in order that these may inform the final proposals, which will be brought to full Council in January 2019. Whilst the Council has until 11 March 2019 to adopt the scheme, it is recognised that in order to allow sufficient time to implement any changes, full Council should consider the proposals earlier, in January 2019.
- 8.3.7 Schedule 1A allows the Government to make regulations about the prescribed requirements for schemes. Any scheme that the Council adopts must comply with these regulations.
- 8.3.8 The Council must ensure that it has due regard to its Public Sector Equality Duty (PSED) under the Equality Act 2010 in considering whether to revise or replace its scheme. A comprehensive Equalities Impact Assessment will be required in order to inform the final proposals put to full Council. Consideration of the PSED will include how the Council will remove or minimise any disadvantage suffered by people with a protected characteristic (by way of their age, disability, gender, gender reassignment, race, religion or belief, sexual orientation, pregnancy or maternity).

## 8.4 Equality

8.4.1 The Council has a public sector equality duty under the Equality Act (2010) to have due regard to:

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

8.4.2 An Equality Impact Assessment (EqIA) has been completed, which assesses the potential impact of the preferred option.

8.4.3 Overall, the equality impacts are assessed as positive to existing and future recipients of Council Tax Reduction, as most of the claimants affected (with whatever protected characteristics) will financially benefit from the changes.

8.4.3 The Council will consult with the public on its preferred option and alternative options. Therefore, at this stage the EqIA remains a working document and it will incorporate the findings from the consultation in the final report taken to full Council in January 2019.

## 9. Use of Appendices

Appendix 1 – Equality impact assessment

Appendix 2 – Consultation document

Appendix 3 – Case studies for Band B properties

Appendix 4 – Summary of proposal to align with some national welfare changes

## 10. Local Government (Access to Information) Act 1985

Background Documents:

Haringey Council Tax Reduction Scheme, 2013

Haringey Council Tax Reduction Scheme – Equality impact assessment, 2013

This page is intentionally left blank

### 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 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	Changes to 2019/20 Council Tax Reduction Scheme
Service area	Shared Service Centre – Revenues & Benefits
Officer completing assessment	Luke Rigg (Policy & Equalities Officer)
Equalities/ HR Advisor	Luke Rigg (Policy & Equalities Officer)
Cabinet meeting date (if applicable)	14 August 2018
Director/Assistant Director	Jon Warlow (Interim Director of Finance)

## 2. Summary of the proposal

*Please outline*

- *The proposal which is being assessed*
- *The key stakeholders who may be affected by the policy or proposal*
- *The decision-making route being taken*

### PLEASE NOTE:

This is a working document, which will be updated and informed by the public consultation that concludes in October 2018.

#### Background information

In 2013, the government formerly abolished Council Tax Benefit (CTB) and replaced it with locally-defined Council Tax Reduction Schemes (CTRS).

The changes did not affect claimants of pensionable age as the government ensured that they would be given the same level of protection that they received under CTB.

In 2012/13, the Council developed its own CTRS and consulted on the following proposed local additions for working age claimants:

- Implement a minimum contribution of 19.8% of a person's Council Tax liability;
- Introduce a £1 minimum award per person;
- Introduce a £10,000 capital savings limit.

As a result of the 2012 public consultation, the Council decided to protect those working-age claimants on a prescribed disability-related benefit or disability premium by creating a 'Protected' category. Those working age claimants in the 'protected' category receive the same maximum level of Council Tax Reduction as those of pensionable age (100%).

Since 2013, the Council's CTRS has remained unchanged.

#### Proposal summary

The Council is proposing to amend its 2019/20 CTRS. The Council has identified its preferred option, which is to:

- Extend the maximum level of support from 80.2% to 100% for working age non protected claimants with children.
- Update the scheme to align with some national welfare changes:
  - Increase the Allowances and Premiums for all Working Age Claimants.
  - Increase the Second Adult Reduction Income Bands.
  - Increase the Non-Dependant Deduction and Income Bands.
  - Update the language used:



- Abolish references to the Employment and Support Allowance Work Related Activity component and replace it with reference to a Work-Related Activity Group.
- Include the Employment and Support Allowance Support component and Armed Forces Independence Payment in the list of prescribed disability-related benefits;
- Replace 'bereavement payment' with 'Bereavement Support Payments' in the list of incomes that are taken into account.

Alongside the preferred option, the Council will consult on alternative options, including:

- No change;
- Increase the maximum level of CTR to 100% for all working age claimants;
- Limit the amount of CTR received in higher value properties to the amount provided in a designated band;
- Alter the capital savings limit.

#### Process

The Council is seeking agreement from the Cabinet to go out to public consultation on the options presented in the Cabinet Report.

If the Cabinet agrees to the proposals, the Council will go out to public consultation for ten weeks (3 September – 12 November 2018).

Following the public consultation, the Council will assess the findings and incorporate any changes, where appropriate, in the final proposal and EqIA. The matter will be taken to Full Council in January 2019.

If the final proposal is approved at January 2019 Full Council, officers will prepare the necessary administrative changes to launch the new CTRS on 1 April 2019.

#### Key stakeholders

The proposals directly impact all current recipients of CTRS as they pertain to changes to:

- The maximum level of financial support;
- The maximum support for specific groups;
- The changes to align with wider national welfare changes.

The proposed changes are also of relevance to wider Council Tax payers in the borough, because increasing the maximum level of Council Tax Reduction and funding it from the Council's General Fund would add to the financial pressure on the Council and could mean that service areas have to make additional savings.

Accordingly, in general, the current preferred option has the potential to impact upon a wide range of protected groups.

The Council will ensure, through the consultation process, that the key stakeholders identified above are informed and engaged on the options presented in the Cabinet report. Moreover, the consultation process will allow residents' input to feed into the final proposal taken to Full Council in January 2019.

#### Duty to vulnerable groups

In 'Localising Support for Council Tax: Vulnerable People – key local authority duties', the government was clear that in addition to their public sector equality duty, there were additional duties of the Council in regards to developing its CTRS. The duties are described in the aforementioned document and include the following key areas:

- Duty under the Child Poverty Act 2010
- Public sector equality duty – disability
- Armed Forces Covenant – war pension and compensation payments
- Duty to prevent homelessness

The EqIA reviews each of these areas in more detail and provides data where they are held.

#### Unrecorded protected characteristics

Although equality data is routinely requested in new applications, this data is not mandatory and so the information the Council holds does not provide a comprehensive overview of CTRS claimants.

The protected characteristics of gender reassignment, sexual orientation, marriage and civil partnership, religion and belief and pregnancy and maternity are not currently recorded in the Council's CTRS database as they do not form part of the application criteria. Prior to the Equality Act 2010, the aforementioned characteristics were not covered by the public sector equality duty, hence there was no requirement to record them in the system and as a result no historical data exists relating to them. The Council takes routine steps to request the data as part of new application processes.

The Council is currently reviewing its practice of recording equality data with a view to ensuring that comprehensive data is available for equality impact assessments.

The consultation will aim to be inclusive and not discriminate on the basis of any protected characteristics. It is planned to include open ended questions, to allow respondents to provide information about equalities issues if they have any concerns.



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	The Council's CTRS database; Census, 2011	N/A
Gender Reassignment	No Council data recorded; EHRC national data	N/A
Age	The Council's CTRS database; GLA Population Projection, 2015	N/A
Disability	The Council's CTRS database; ONS Disability in England & Wales, 2011	N/A
Race & Ethnicity	The Council's CTRS database; Census, 2011	N/A
Sexual Orientation	No Council data recorded; ONS Sub-National Sexual Identity Data, 2013-15	N/A
Religion or Belief (or No Belief)	No Council data recorded; Census, 2011	N/A
Pregnancy & Maternity	No Council data recorded; Census, 2011	N/A
Marriage and Civil Partnership	No Council data recorded; Census, 2011	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.*

As of May 2018, there were 26,487 claimants in receipt of Council Tax Reduction in Haringey. This total has fallen year on year since Council Tax Benefit was abolished in 2013. Table 1.0 summarises the breakdown of the Council's CTRS caseload.

Table 1.0 – Total CTRS caseload (May 2018)

May 2018 CTRS caseload	Pensionable	Vulnerable/ Protected	Working Age Employed	Working Age Other	Total CTR Claimants	Total Working Age (excluding pensioners & vulnerables)	% All CCTR Claimants	% Total Working Age (excluding pensioners & vulnerables)
	8429	7221	5353	5484	26487	10837	100%	40.9%

31.8% of the Council's CTRS caseload is of pensionable age. Those claimants in the pensionable category are assessed against a maximum 100% of their Council Tax liability, which mirrors all Local Authorities in England and Wales. When Council Tax Benefit was abolished, the government stipulated that pensioners would receive the same level of protection under the new CTRS. The Council is not proposing to change any aspect of the CTRS for claimants of pensionable age.

27.3% of the Council's CTRS caseload is of working age but in receipt of a specific disability benefit, and therefore the Council has 'protected'. Those claimants in the 'protected' category are also assessed against a maximum 100% of their Council Tax liability. The Council's preferred new scheme will impact the 'protected' group as it is proposing to update a number of welfare rules and entitlements for all working age claimants.

40.9% of the Council's CTRS caseload is of working age and not 'protected' under the scheme. This group is assessed against a maximum 80.2% of their Council Tax liability. The Council's preferred new scheme will impact this group as it is proposing to update a number of welfare rules and entitlements, which will affect both protected and unprotected working age claimants. The report is also proposing to increase the maximum level of support from 80.2% to 100% for non-protected working age claimants with children, which will impact the aforementioned group.

\* = data withheld because the value is less than 10.

#### Data definitions:

- Protected = working age claimants who are in receipt of a prescribed disability related benefit or premium and therefore subject to up to a maximum 100% CTR
- Pensionable = pensionable age claimants – subject to up to a maximum 100% CTR
- Working Age Employed = working age claimants who are currently in employment
- Working Age Other = working age claimants who are currently not in employment

Table 1.1 – Estimated Average financial implications of the Council's preferred option on affected CTRS claimants, 2019/20

Caseload Category	Caseload	Total Financial Impact (£)	Average change to claimant's annual Council Tax bill (£)



<b>Protected working age</b>	7084	4132.36	-0.58
<b>Households with children</b>	6134	1620196.66	-264.13
<b>Non-protected working age</b>	4649	-1825.24	0.39
<b>Total</b>	17867	1622503.78	-90.81

The above table takes into account the projected decrease in caseload in 2019/20 and the extra day in 2019/20 (which is a leap year). Given those factors, if no changes to the CTRS were made for non-protected working age claimants without children, the estimated financial implication for that group for 2019/20 would be -£14,800.43 (i.e. a much larger saving). Therefore, the preferred option is to spend more on this group than would be spent if no changes were made to the CTRS.

## 1. Sex

Table 1.1 – Total CTRS caseload by Sex (May 2018)

Sex	Pensionable	Protected	Working Age	Working Age Other	Total CTR Claimants	% All CCTR Claimants	Total Working Age	% Total Working Age	Haringey <sup>1</sup>	London <sup>2</sup>
<b>Female</b>	4718	3972	3161	3412	15263	57.6%	6573	60.7%	50.5%	50.9%
<b>Male</b>	3549	3071	2082	1886	10588	40%	3968	36.6%	49.5%	49.1%
<b>Unknown</b>	162	178	110	186	636	2.4%	296	2.7%	N/A	N/A
<b>Total</b>	8429	7221	5353	5484	26487	100%	10837	100%	100%	100%

There are disproportionately more women in receipt of CTR than the Haringey and London population as a whole. This is the case both for working age claimants (protected and non-protected) and all claimants. Therefore, the proposed changes will disproportionately impact women more than men.

## 2. Gender Reassignment

We do not hold data on the number of people who are seeking, receiving or have received gender reassignment surgery, and there is not national data collected for this protected

<sup>1</sup> 2011 Census

<sup>2</sup> 2011 Census

characteristic. The Equality and Human Rights Commission estimate that there is between 300,000-500,000 transgender people in the UK<sup>3</sup>.

At this stage, we do not have any data to suggest that this group would be any more or less likely than the rest of the population to have children or be affected by the proposed changes to update the scheme in line with some national welfare changes. Therefore, it is anticipated that the proposed changes to the CTRS will not have a disproportionate impact on this protected characteristic.

### 3. Age

Table 1.2 – Total CTRS caseload by Age

Age	Pensionable	Protected Working	Working Age Employed	Working Age Other	Total CTR Claimants	Total Working Age (excluding pensioners & vulnerables)	% All CTR Claimants	% Total Working Age (excluding pensioners)		
<b>18-24</b>	*	70	112	300	482	412	1.8%	3.8%		
<b>25-44</b>	*	182	9	3023	233	1	7186	5354	27.1%	49.4%
<b>45-59</b>	60	406	5	2011	234	2	8478	4353	32.0%	40.2%
<b>60-64</b>	208	107	6	206	495	1985	701	7.5%	6.5%	
<b>65+</b>	8158	44	*	16	8219	17	31.0%	0.2%		
<b>Not provided</b>	*	137	*	*	137	*	0.5%	0.0%		
<b>Total</b>	<b>8429</b>	<b>722</b>	<b>1</b>	<b>5353</b>	<b>548</b>	<b>4</b>	<b>26487</b>	<b>10837</b>	<b>100%</b>	<b>100%</b>

38.5% of the Council's CTRS caseload is aged 60 or over, which is higher than the Haringey and London averages.

Table 1.3 – Age breakdown in Haringey and London<sup>4</sup>

Age	Haringey	London
0-15	19.4%	20%
16-64	71.6%	68.6%
65+	9%	11.4%

The percentage of particular age brackets of the population in Haringey broadly match that of the wider London population.

For households where a claimant or their partner is of state pensionable age, the claimant is categorised as 'pensionable' and receives up to 100% Council Tax

<sup>3</sup> <https://www.equalityhumanrights.com/en/trans-inequalities-reviewed/introduction-review>

<sup>4</sup> GLA population projection, 2015

Reduction under the scheme. The proposed changes to the scheme will not impact on this group.

Working age claimants in receipt of a prescribed disability benefit or premium will continue to be 'protected' under the scheme and receive up to 100% maximum Council Tax Reduction.

Therefore, the only impact will be on non-protected working age claimants. This group is predominantly aged between 25 and 44. However, this group is unlikely to be disproportionately impacted as a whole because it appears to be under-represented in the CTRS caseload when compared to the wider Haringey and London populations.

The preferred option includes increasing the maximum entitlement to Council Tax Reduction for working age claimants with children. Therefore, it is also likely to disproportionately impact on children (i.e. those under 16, or young persons aged between 16 and 19 for whom child benefit is payable).

#### 4. Disability

Table 1.5 – Total CTRS caseload by Disability

In receipt of a prescribed disability benefit?	Pensionable	Vulnerable	Working Age Employed	Working Age Other	Total CTR Claimants	% All CTR Claimants
<b>Yes</b>	1546	7221	*	*	8767	33.1%
<b>No</b>	6883	N/A	5353	5484	17720	66.9%

Table 1.6 – Disability data in Haringey, London and England & Wales

	Haringey	London	England & Wales
Day-to-day activity limited a lot	6.8%	6.7%	8.3%
Day-to-day activity limited a little	7.2%	7.4%	9.3%
Day-to-day activity not limited	86.0%	85.8%	82.4%
Day-to-day activity limited a lot: Age 16-64	3.8%	3.4%	3.6%
Day-to-day activity limited a little: Age 16-64	4.6%	4.2%	4.6%
Day-to-day activity not limited: Age 16-64	62.4%	61.5%	56.5%

The proposed changes to bring the CTRS in line with some national welfare changes will affect all working age CTRS claimants. 33.1% of the Council's working age CTRS claimants are protected, i.e. currently in receipt of a prescribed disability related benefit



or premium. This percentage is higher than the Haringey, London and national averages. Therefore, it is likely that the proposal to bring the CTRS in line with some national welfare changes will disproportionately impact on this protected characteristic.

In respect of the proposal to increase the maximum level of CTR for working age claimants with children to 100%, protected working age CTRS claimants (i.e. those currently in receipt of a prescribed disability related benefit or premium) already receive up to a maximum 100% CTR under the existing CTRS. Therefore, this proposal will not affect protected working age claimants. Consequently, it is not considered likely that this proposal will disproportionately impact on this protected characteristic.

It is theoretically possible that there are working age claimants with a disability who are not classed as protected working age claimants, for example because they have not successfully claimed a prescribed disability benefit or premium. This could include, for example, a pensioner who is already entitled to a maximum 100% CTR discount and so does not fall into the category of protected working age CTRS claimants. However, we are unable to ascertain this from the available data. Therefore, there is presently no data to suggest that either:

- a) This would alter the likelihood that this protected characteristic would be disproportionately impacted by the changes to bring the CTRS in line with national welfare changes;
- or
- b) That such a group would be any more or less likely than the rest of the population to have children. Therefore, it is not presently considered that this protected characteristic is likely to be disproportionately affected by the proposal to increase the maximum CTRS for working age claimants with children to 100%.

## 5. Race & Ethnicity

Table 1.6 – Total CTRS caseload by Ethnicity

Ethnicity	Pensionable	Vulnerable	Working Age Employed	Working Age Other	Total CTR Claimants	Total Working Age (excluding)	% All CCTR Claimants	% Total Working Age (excluding)
<b>White British</b>	231	340	179	338	1088	517	4.1%	4.8%
<b>White Other</b>	270	382	487	210	1349	697	5.1%	6.4%
<b>Non White</b>	337	603	574	782	2296	1356	8.7%	12.5%
<b>Unknown</b>	7591	5896	4113	4154	21754	8267	82.1%	76.3%

<b>Total</b>	<b>15650</b>	<b>7221</b>	<b>5353</b>	<b>5484</b>	<b>26487</b>	<b>10837</b>	<b>100%</b>	<b>100%</b>
--------------	--------------	-------------	-------------	-------------	--------------	--------------	-------------	-------------

Table 1.7 – Ethnicity in Haringey and London<sup>5</sup>

Area	Black and Minority Ethnic
Haringey	39.5%
London	40.2%

Race and ethnicity data was not historically recorded as part of the CTRS application process. Therefore, the data provided in table 1.6 does not give a complete overview of the current caseload.

The data in Table 1.7 shows that the Black and Minority Ethnic population in Haringey is approximately the same as for London as a whole.

For those CTRS claimants who provided an ethnicity (see Table 1.6), the majority of working age non-protected claimants and all claimants were 'White Other' and 'Non White'. Therefore, it is likely that the Black and Minority Ethnic population will be disproportionately impacted by any changes to the CTRS, including the preferred option.

## 6. Sexual Orientation

We do not hold ward or borough level data on sexual orientation, and it is not collected nationally through the Census. However, the ONS estimates that 3.7% of Haringey's population are lesbian, gay or bisexual (LGB), which is the 15<sup>th</sup> largest LGB community in the country<sup>6</sup>.

Parliament estimates that in the UK there are around 20,000 dependent children living in same-sex couple families<sup>7</sup>. It is unclear what the figure would be for same-sex single parents.

Therefore, at this stage, it we do not have sufficient data to suggest that people of any particular sexual orientation would be any more or less likely than the rest of the population to have children or be affected by the proposed changes to update the scheme in line with some national welfare changes. Therefore, it is anticipated that the proposed changes to the CTRS will not have a disproportionate impact on this protected characteristic.

## 7. Religion or Belief (or No Belief)

<sup>5</sup> 2011 Census

<sup>6</sup>

<https://www.ons.gov.uk/peoplepopulationandcommunity/culturalidentity/sexuality/articles/subnationalsexualidentityestimates/uk2013to2015#introduction>

<sup>7</sup> <http://researchbriefings.parliament.uk/ResearchBriefing/Summary/SN03372#fullreport>

We do not hold data on religion or belief among Haringey's CTR caseload. However, the borough and region's data can be summarised as the following:

Table 1.8 – Religion in Haringey and London

Religion/Belief	Haringey	London
Christian	45.0%	48.9%
Buddhist	1.1%	1.0%
Hindu	1.8%	5.0%
Jewish	3.0%	1.8%
Muslim	14.2%	12.4%
Sikh	0.3%	1.5%
Other religion	0.5%	0.6%
No religion	25.2%	20.7%
Religion not stated	8.9%	8.5%

The distribution of religions in Haringey broadly tallies with London. There is a slightly higher proportion of residents with no religion than in London.

Therefore, at this stage, we do not have sufficient data to suggest that people of any particular religion or belief would be any more or less likely than the rest of the population to have children or be affected by the proposed changes to update the scheme in line with some national welfare changes.

Therefore, it does not appear likely that the proposed changes to the CTRS will have a disproportionate impact on this protected characteristic.

## 8. Pregnancy & Maternity

Table 1.9 – CTRS caseload by Dependant Category

Dependents Categories	Pensionable	Vulnerable	Working Age Employed	Working Age Other	Total CTR Claimants	Total Working Age (excluding pensioners & vulnerables)	% Total CTR Claimants	% Total Working Age (excluding pensioners & vulnerables)
<b>Those with dependants aged 1 and under</b>	*	120	479	432	1032	911	3%	8%
<b>Those with dependants aged 5 and under</b>	*	446	1585	1238	3275	2823	11%	26%
<b>Those with dependants</b>	69	1516	3511	2165	7261	5676	27%	52%



<b>aged 16 and under</b>								
<b>Those with more than 3 dependants</b>	*	149	415	105	669	520	3%	5%
<b>Count of All Lone Parents with dependants</b>	38	1107	1807	2065	5017	3872	15%	36%

Table 2.0 – Proportion of 0-4 year olds in Haringey and London

	Haringey	London
Proportion of 0-4 year olds	7.1%	7.2%

Table 1.9 provides statistics on a number of scenarios regarding dependants. It should be noted that there will be considerable overlap between the different scenarios (for example, the number of claimants with dependants aged 1 and under is accumulated in the number of claimants with dependants aged 5 and under, etc).

The data shows that the 27% of claimants have a dependant aged 16 and under. Of this, a majority (52%) of non-protected working age claimants have a dependant aged 16 and under. This is higher than the borough and regional averages.

A significant proportion of households on CTR are single-parent households. This proportion increases among non-protected working age claimants, who are currently subject to the 80.2% maximum level of support.

The preferred option includes increasing the maximum entitlement to Council Tax Reduction for working age claimants with children.

Therefore we can infer that the preferred option is likely to disproportionately impact on the group with this protected characteristic.

## 9. Marriage and Civil Partnership

We do not hold data on marriage and civil partnership among Haringey's CTR caseload. However, the borough and region's data can be summarised as follows:

Table 2.1 – Marital and civil partnership status in Haringey and London

Marital and civil partnership status	Haringey	London
Married (heterosexual couples)	32.2%	40%
Civil Partnership	0.6%	0.4%

At this stage, we do not have data to suggest that people who are married or in a civil partnership would be any more or less likely than the rest of the population to have children or be affected by the proposed changes to update the scheme in line with some national welfare changes.

Therefore, it is anticipated that the proposed changes to the CTRS will not have a disproportionate impact on this protected characteristic.

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 Council will use the public consultation to understand the views of current recipients of CTRS in Haringey and wider Council Tax payers. The consultation findings will provide the opportunity to further assess the impact of the proposed changes on groups who share protected characteristics.

The Council will target:

- Existing recipients of CTRS
- Wider Council Tax payers

The consultation will comprise of:

- Drop-in sessions at public sites (including libraries)
- Physical copies of the consultation in all of the borough's libraries and two Customer Service Centres
- Online consultation form via the Council's website
- Targeted social media campaign
- Use of physical advertisements across the borough
- Targeted communication with existing contacts on the Council's CTRS database

The consultation will aim to be inclusive and not discriminate on the basis of any protected characteristics. It is planned to include open ended questions, to allow respondents to provide information about equalities issues if they have any concerns.

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?*

To be completed following the consultation.

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**

Overall, the proposed changes to the scheme are likely to have a positive impact on women, who are disproportionately represented in the current CTRS caseload.

It seems likely from the data that most single parents in the Haringey CTRS caseload are women. The Council's preferred option would provide additional financial support to households with children for non-protected working age claimants.

There may be some women who do not qualify for up to 100% maximum CTR. This cohort may financially lose out as a result of the changes to non dependant income bands and deductions. However, the number of people affected is likely to be comparatively small once the other proposed changes are taken into account (including increases to allowances and premiums) and the maximum financial loss would be a maximum of 95p per week.

Therefore, on balance it is considered that the overall impact on this protected characteristic would be positive.

Positive	X	Negative		Neutral impact		Unknown Impact	
----------	---	----------	--	----------------	--	----------------	--

**2. Gender reassignment**

Overall, the preferred option would leave most affected claimants financially better off than under the existing scheme.



It is anticipated that the proposed changes to the CTRS will not have a disproportionate impact on this protected characteristic. Therefore, it is considered that the impact is likely to be neutral.

Positive		Negative		Neutral impact	X	Unknown Impact	
----------	--	----------	--	----------------	---	----------------	--

3. Age

The preferred option is considered likely to have a disproportionate impact on both children and people aged between 25 and 44. Claimants of pensionable age will not be affected by the proposed changes.

*Children*

Overall, the proposed changes are likely to have a positive impact on children because it is proposed to increase the maximum CTR for working age claimants to 100%. This aims to provide additional financial assistance to a group in particular need. For example, working age claimants with children who currently receive the maximum 80.2% Council Tax Reduction would no longer pay any Council Tax.

Even once the proposed changes to align with some national welfare changes are taken into account, the net result is likely to mean non-protected working age claimants with children will be financially better off.

Child poverty is a significant issue in the borough and the proposed changes will reduce the financial contribution that working households with children are required to pay towards their Council Tax.

Therefore, it is considered likely that the preferred option will have a positive impact for children.

*Adults aged between 25 and 44*

Generally, the preferred option is likely to have a positive financial impact on most adults within this group. This is because more adults are likely to gain from the proposed changes than to not.

There may be some in this group who do not qualify for up to 100% maximum CTR. This cohort may financially lose out as a result of the changes to non-dependant income bands and deductions. However, the number of people affected is likely to be comparatively small once the other proposed changes are taken into account (including increases to allowances and premiums) and the maximum financial loss would be a maximum of 95p per week.

Therefore, on balance it is considered that the overall impact on this protected characteristic would be positive.

Positive	X	Negative		Neutral impact		Unknown Impact	
----------	---	----------	--	----------------	--	----------------	--

4. Disability

It is considered unlikely that persons with a disability would be disproportionately affected by the proposal to increase the maximum CTR to 100% for working age claimants with children because protected working age CTRS claimants are already entitled to a maximum 100% CTR.

It is considered likely that persons with a disability would be disproportionately impacted only by the proposed changes to align the CTRS with some national welfare changes.

There may be some persons with a disability who financially lose out as a result of the proposed changes to align the CTRS with some national welfare changes non dependant income bands and deductions. However, the maximum financial loss would be a maximum of 95p per week and the number of people affected is likely to be comparatively small once the other proposed changes are taken into account (including increases to allowances and premiums).

Therefore, on balance it is considered that the overall impact on this protected characteristic would be positive.

Positive	X	Negative		Neutral impact		Unknown Impact	
----------	---	----------	--	----------------	--	----------------	--

5. Race and ethnicity

It is considered likely that the Black and Minority Ethnic population will be disproportionately impacted by the preferred option.

Generally, the preferred option is likely to have a positive financial impact on most CTRS claimants. There may be some who do not qualify for up to 100% maximum CTR who financially lose out as a result of the changes to non-dependant income bands and deductions. However, the number of people affected is likely to be comparatively small once the other proposed changes are taken into account (including increases to allowances and premiums) and the maximum financial loss would be a maximum of 95p per week.

Therefore, it is thought likely that it would also have an overall positive impact on the Black and Minority Ethnic CTRS claimants.

Positive	X	Negative		Neutral impact		Unknown Impact	
----------	---	----------	--	----------------	--	----------------	--

6. Sexual orientation

Overall, the preferred option would leave most affected claimants financially better off than under the existing scheme.

It is anticipated that the proposed changes to the CTRS will not have a disproportionate impact on this protected characteristic. Therefore, it is considered that the impact is likely to be neutral.

Positive		Negative		Neutral impact	X	Unknown Impact	
----------	--	----------	--	----------------	---	----------------	--

7. Religion or belief (or no belief)

Overall, the preferred option would leave most affected claimants financially better off than under the existing scheme.

It is anticipated that the proposed changes to the CTRS will not have a disproportionate impact on this protected characteristic. Therefore, it is considered that the impact is likely to be neutral.

Positive		Negative		Neutral impact	X	Unknown Impact	
----------	--	----------	--	----------------	---	----------------	--

8. Pregnancy and maternity

The proposed changes are expected to have a positive impact on groups who share this protected characteristic because the proposal will increase the maximum level of CTR from 80.2% to 100% for working age households with children.

Those households with children who fall into the existing pensionable category will not be affected by the proposed changes as their maximum level of CTR and other rules/entitlements remain unchanged and have been defined separately.

Those households with children who fall into the protected working age group will continue to receive up to 100% CTR.

Even once the proposed changes to align with some national welfare changes are taken into account, the net result is likely to mean non-protected working age claimants with children will be financially better off.

Child poverty is a significant issue in the borough and the proposed changes will reduce the financial contribution that working households with children are required to pay towards their Council Tax.

The proposed changes will positively impact this group because for those claimants with children who are not already 'protected' (by falling into the pensionable or protected categories) the maximum level of support will increase from 80.2% to 100%. Moreover, the proposed changes will support single-parent households, who make up



a significant proportion of the CTRS caseload. This will have a positive financial impact on those non-protected working age claimants with children, as they will have less or nothing to pay towards their Council Tax liability.

Therefore, the impact on this protected characteristic is considered likely to be positive.

Positive	X	Negative		Neutral impact		Unknown Impact	
----------	---	----------	--	----------------	--	----------------	--

**9. Marriage and Civil Partnership**

Overall, the preferred option would leave most affected claimants financially better off than under the existing scheme.

It is anticipated that the proposed changes to the CTRS will not have a disproportionate impact on this protected characteristic. Therefore, it is considered that the impact is likely to be neutral.

Positive		Negative		Neutral impact	X	Unknown Impact	
----------	--	----------	--	----------------	---	----------------	--

**10. Groups that cross two or more equality strands e.g. young black women**

N/A

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?

The preferred option will not affect claimants of pensionable age. Pensioners follow a national scheme and their level of entitlement to Council Tax Reduction will not change.

The preferred option will affect working age claimants. The assessment has identified that, where we have data, overall the proposed changes to the existing Council Tax Reduction Scheme would have a positive impact on the groups that share protected characteristics:

- Sex
- Age
- Disability
- Race and Ethnicity
- Pregnancy and Maternity

Proposed changes to maximum level of CTR for non-protected working age claimants in households with children:

- An increase of the maximum level of CTR from 80.2% to 100% will positive impact those households with children who are currently not 'protected' or fall into the pensionable category of the existing scheme. This will either reduce or eliminate any Council Tax liability for households with children, which will have a positive impact on those families, whom the Council deems vulnerable and in particularly difficult financial circumstances.
- The change would play a clear role in fostering equality of opportunity for working age claimants in households with children, but also in fostering equality of opportunity for the children in those households. The preferred option provides support and reduces financial burdens on households, promoting equality of opportunity.

Proposed changes to update the scheme to align with national welfare changes:

Generally, the preferred option is likely to have a positive financial impact on most CTRS claimants. There may be some who do not qualify for up to 100% maximum CTR who financially lose out as a result of the changes to non-dependant income bands and deductions. However, the number of people affected is likely to be comparatively small once the other proposed changes are taken into account (including increases to allowances and premiums) and the maximum financial loss would be a maximum of 95p per week.

a) Proposed changes to allowances and premiums:

The proposal to increase the allowances and premiums will provide additional financial support to all working age claimants, regardless of whether they have children or not.

b) Proposed changes to second adult income bands:

The table below summarises the financial impact of the proposed changes to the second adult reduction income bands and rates.

Current gross weekly income (all second adults)	Current 2AR %	Proposed gross weekly income (all	Proposed 2AR %	Income band increase
---	---------------	-----------------------------------	----------------	----------------------



		second adults)		
Passport benefit	25	Passport benefit	25	N/A
Less than £183.00	15	Less than £201.00	15	£18.00
£183.00 to less than £239.00	7.5	£201.00 to less than £260.00	7.5	£18.00 - £21.00

We can deduce from the above table that second adults with a cumulative gross income of:

- less than £183.00 will continue to qualify for a 15% rate
- £183.00 - £201.00 will see a 7.5% increase (i.e. move up from 7.5% to 15%)
- £201.00 - £239.00 will continue to qualify for a 7.5% rate
- £239.00 - £260.00 will now qualify for a 7.5% rate (do not currently qualify)

Therefore, the proposed changes to the second adult income bands will either increase the rate of second adult reduction or maintain the same reduction. Therefore, no one will lose out financially as a result of this specific change.

#### c) Proposed changes to non-dependant deductions:

There may be a small number of claimants who financially lose out as a result of the updated non-dependant deductions.

The table below summarises the financial impact to individuals affected by the proposed changes to the non-dependant income bands and deduction rates.

Current weekly income	Current weekly deduction	Proposed weekly income	Proposed weekly deduction	Income band increase	Deduction rate increase
Less than £186.00	£3.65	Less than £202.85	£3.90	£16.85	0.25p
£186.00 - £322.00	£7.25	£202.85 - £351.65	£7.90	£16.85 - £29.65	0.65p
£322.00 - £401.00	£9.15	£351.65 - £436.90	£9.95	£29.65 - 35.90	0.80p
£401.00 or more	£10.95	£436.90 or more	£11.90	35.90	0.95p

We can deduce from the above table that each non-dependant with a current weekly income of:

- £436.90 or more will incur an increase of 95p
- £401 - £436.90 will see a decrease of £1.00
- £351.65 to £401.00 will incur an increase of 80p
- £322 - £351.65 will see a decrease of £1.25
- £202.85 - £322.00 will incur an increase of 65p
- £186.00 - £202.85 will see a decrease of £3.35
- £202.84 or less will incur an increase of 25p

The maximum weekly loss that could be experienced as a result of the change to non-dependant deductions is 95p.

In many cases, the overall financial impact on affected claimants is likely to be offset by the increases to allowances and premiums. For working age households with children, any financial loss is likely to be significantly mitigated by the increase to the maximum level of CTR that can be awarded.

#### Duties to particular groups

As above, the preferred option is considered likely to have a positive impact on child poverty and persons with a disability. As most CTRS claimants are considered likely to financially benefit from the preferred option it is thought likely that this would reduce the risk of homelessness by reducing the financial burden on groups in particular need.

Since 2013, the Council's CTRS has reflected armed forces benefits.

Outside the CTRS, the Council holds a range of Council Tax Discounts, Exemptions and Disregards. These powers include support complete Council Tax exemption for residents who are "Severely Mentally Impaired".

#### Additional benefits of the proposed potential changes

- Some claimants will no longer have any remaining Council Tax liability to pay to the Council. The groups most likely to fall into this category are those with children.
- We know that some of the households with children who currently receive up to a maximum of 80.2% Council Tax Reduction are unable to pay their remaining liability and are taken to court (and in some cases referred to Enforcement Agents). By removing the liability, the Council will avoid using enforcement action with some households with children. In 2017/18, 21.8% of all non-protected working age claimants receiving the current maximum 80.2% CTR were summonsed. Moreover, 11.7% of all non-protected working age claimants with children receiving CTR were summonsed. The proposals are likely to reduce the number of cases being summonsed in 2019/20.

#### Additional powers to support vulnerable residents:

- The Council has the discretionary power, under S13A of the Local Government Finance Act, to eliminate the Council Tax liability for residents in extenuating circumstances.

#### Funding the proposed changes:

Should the Cabinet approve the proposed new CTRS, the Council is proposing to fund it through its General Fund. Therefore, the proposals in this report would exacerbate the financial pressures for the wider organisation. As with other cost pressures, the Council will have to explore savings proposals from other services as well as options to generate additional income to pay for the additional costs associated with the proposed 2019/20 CTRS.

At this stage in the development of the Council's next medium term financial strategy it is impossible to identify where those savings might originate. Moreover, the Council does not connect individual savings with individual cost pressures in its budget. Therefore, it is difficult to identify whether certain groups who share protected characteristics would be disproportionately affected by the preferred option to change the CTRS.

The General Fund is used to deliver the Council's Corporate Plan. An outcome of the Corporate Plan is 'A Fair and Equal Borough'. Individuals and groups protected under the Equality Act are most likely to benefit from the delivery of the outcome.

Therefore, the Council can infer that individuals and groups protected under the Equality Act may be disadvantaged and may stand to lose out as a result of the proposed changes. However, the identify of those groups that would financially lose out cannot be predicted with certainty.

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. <u>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.</u>	TBC – following the consultation
Adjust the proposal: the EqIA identifies potential problems or missed opportunities. Adjust the proposal to remove barriers or better promote equality. Clearly <u>set out below</u> 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	TBC – following the consultation
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.	TBC – following the consultation

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

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:

Regardless of the decision in relation to proposed CTRS changes for 2019/20, the Council will continue to provide support to Council Tax payers where vulnerabilities are identified and respond appropriately. This includes:

- Supportive and flexible payment arrangements
- Promotion of wider support available in the Council and with our Voluntary and Community Sector partners across the borough
- Signposting to Citizens Advice Haringey

The Council is currently reviewing its practice of recording equality data with a view to ensuring that comprehensive data is available for equality impact assessments.

The consultation will aim to be inclusive and not discriminate on the basis of any protected characteristics. It is planned to include open ended questions, to allow respondents to provide information about equalities issues if they have any concerns.

--

<b>7. Authorisation</b>	
EqIA approved by ..... (Assistant Director/ Director)	Date 6/8/18 .....

<b>8. Publication</b> <i>Please ensure the completed EqIA is published in accordance with the Council's policy.</i>

Please contact the Policy & Strategy Team for any feedback on the EqIA process.



**COVER PAGE**

# Proposed changes to 2019/20 Council Tax Reduction Scheme

If you are a Haringey resident liable to pay council tax (or who may become so in future) it's important that you read the information below and tell us what you think about the proposed changes.

You may also wish to respond to tell us your views about the financial implications of the proposals for you or the Council.

**Closing date: 12 November 2018**

## **Have your say on our proposed changes to the Council Tax Reduction Scheme**

Haringey Council is consulting with residents on proposals to change the current Council Tax Reduction scheme (CTRS). Please read this consultation booklet to find out more about the proposed changes, and what this could mean for you.

### **Background**

The government abolished Council Tax Benefit in 2013 and every Council was tasked with designing its own local scheme to provide financial support to those residents on low incomes. The scheme is called the Council Tax Reduction Scheme.

The scheme has not changed since it was introduced in 2013.

The Council is proposing to change its scheme as it applies to working age residents in the borough.

The Council is required to consult on its proposals and if the scheme proposals are agreed the council are required to have the new scheme in place by 11 of March 2019 to start on 1 April. If the proposals are not agreed the current CTRS remains the same.

### **What is Council Tax?**

Council Tax is based on the value of your property (in one of eight bands) on 1 April 1991. It part funds local services provided by the council. The level of Council Tax a household is required to pay is based on the defined band of the property you live in, less any discounts or exemptions for which you qualify.

As a London borough we also collect money as part of the Council Tax for the Mayor of London to provide police, fire and public transport services. This amount is included in your council tax bill.

### **What is the Council Tax Reduction Scheme?**

The Council Tax Reduction Scheme is a way of helping people on low or no income pay their council tax bill.

Currently, working age recipients who are not protected under the existing scheme (as explained below) are awarded a reduction of up to 80.2% of their Council Tax bill.

In Haringey, over 26,000 residents currently receive some level of support under the Council Tax Reduction Scheme.

### **Whose entitlement to Council Tax Reduction could be affected?**

All working age CTRS claimants. In addition, working-age residents who are not currently entitled to Council Tax Reduction could become entitled to it. In addition, working-age residents who are not currently entitled to Council Tax Reduction could become entitled to it.

The level of support provided to pensioners by the scheme is determined by the government, therefore if you are a pensioner the level of support you will receive will be unaffected by the consultation proposals.



As part of its existing local scheme, the Council decided to protect working age people who were in receipt of disability related benefits or premiums by providing up to 100% support. The consultation proposals will not affect this group's entitlement to this maximum support.

### **Why are we proposing changes to the Council Tax Reduction Scheme?**

We are proposing to change the Council Tax Reduction Scheme because we want to provide more financial support to a group of our residents who we think most need it.

We also propose to align the scheme with some national welfare changes that have taken place since the scheme was introduced in 2013.

Therefore, we want to consult with the public on our preferred option, as well as alternative options that we've explored.

We want to strike a balance between the need to provide extra financial support to residents we think require it, whilst maintaining a scheme that is financially sustainable for the Council's wider budget.

### **What is the Council's preferred option to change the Council Tax Reduction Scheme?**

**Our preferred option (a) is a combination of changes to prioritise additional support:**

- Increasing the maximum level of Council Tax Reduction from 80.2% to 100% for working age residents with children;  
and
- Updating the scheme to align with some national welfare changes, some of which would affect the level of Council Tax Reduction for working-age claimants and some of which would not.

For the purposes of this consultation document, 'children' means:

- A child (i.e. a person under the age of sixteen); or
- A young person (i.e. a person aged between sixteen and nineteen) for whom child benefit is payable.

There are case studies showing the likely effect of the preferred option under the sub-heading 'Case Studies' below. They show the likely effect of *both* the increase to 100% maximum Council Tax Reduction for working-age residents with children *and* the alignment with some national welfare changes.

Further information about the proposal to align with some national welfare changes can be found on the Council's website [www.haringey \(TBC\)](http://www.haringey.gov.uk).

### **Why would updating the scheme to align with some national welfare changes affect the level of Council Tax Reduction?**

Council Tax Reduction is intended for residents who have a low income. Therefore, it is means-tested.

The existing means-test for working-age claimants is based on national welfare entitlement in 2013. The government has made changes to national welfare since 2013. This means that some of the language and figures used in the existing CTRS are out of date.

Therefore, the Council is proposing to update the means-test.

This would include:

- Updating the amount the government says you need to live on per week;
- Updating income brackets;
- Updating deduction rates; and
- Updating the language used.

The proposal to align with some national welfare changes would mostly either financially benefit working-age CTRS claimants or make no change to CTRS entitlement.

However, changes to income brackets and deduction rates could mean some working-age CTRS claimants pay up to 95p per week more Council Tax. This could happen if you live with a non-dependant adult, are not in receipt of a prescribed disability benefit or premium, and have no children in your household. Non-dependant adults are normally adult children or relatives who are working.

The people most likely to be affected are those living with multiple non-dependants. However, for most people, it is expected that changes which could have meant they pay up to 95p per week more Council Tax would be off-set by the other proposed changes that make the CTRS more generous.

### **Why is this the Council's preferred option?**

We recognise that since Council Tax Benefit was abolished in 2013, some residents have increasingly struggled to pay contributions towards their Council Tax. We want to provide additional financial support to residents who have children because we believe that it balances affordability with the need to provide more financial assistance to those in most need. By raising the maximum level of support to 100% for these families, we would raise the entitlement of working age residents with children to the same entitlement that working age residents in receipt of disability related benefits currently receive under our local Haringey scheme.

We also propose to update our scheme to bring it in line with some national welfare changes that have taken place since 2013. This is proposed in order to make the CTRS up to date, easier to understand and reflect changes to inflation. These changes are automatically made for pensioners each year but has not been updated for working-age CTRS claimants since 2013. Most people without children would also receive additional financial support based on the changes we are proposing.

We are not proposing to bring the Council Tax Reduction Scheme in line with all national welfare changes, for example the two child limit. This is because we think that would worsen the financial position of residents who are already in particular need.

We think the proposal to align with some national welfare changes balances the benefit of making the CTRS easy to understand by reflecting the national welfare scheme, and the desire to provide additional financial support to residents who are the least well-off.

### **How much will the preferred change cost?**

The proposed changes to the Council Tax Reduction Scheme would mean an additional, ongoing annual cost to the Council. This is estimated to be £1.6m in 2019/20.

### **Funding the preferred option**

An increased cost to the Council of the scheme could realistically be funded from its General Fund budget; or through raising council tax; or using the Council's reserves, or a combination of the three.

We would propose to meet this cost from the Council's General Fund Budget. This is its Council-wide budget for the revenue costs of all Council services, except its landlord role. Regardless of whether Council Tax Reduction is increased, service areas will have to make further savings from 2019/20 due to ongoing reduction in our funding position and cost pressures. Increasing the level of Council Tax Reduction would add to the financial pressure on the Council and could mean that service areas have to make additional savings. The implications of this would have to be addressed by the Council, along with other budget changes, when setting its 2019/20 Budget and new Medium Term Financial Strategy in February 2019. This could lead to some Council services that you receive having reduced funding as a result of Council Tax Reduction being increased.

Our understanding of further future service budget cuts being necessary is based on the Council's current financial forecast for 2019/20. This model already assumes that our Council Tax would increase by 2.99% for that year, although no decision has been made on this. To generate further Council Tax income to the General Fund would require us to put Council Tax up by more than 2.99% and, under government rules, this would necessitate a local referendum to be held and a higher increase supported. We do not propose to do this to fund the Council Tax Reduction scheme.

We are also not proposing to use the Council's reserves because they can only be used once and do not provide an ongoing funding solution. We therefore do not consider it prudent to use them to meet the ongoing financial commitment of a council tax support.

We recognise these potential consequences of having to fund the proposed change to the CTRS but believe that increasing the support it provides is important for our most financially vulnerable residents.

### **What alternative changes to the Council Tax Reduction Scheme were considered?**

- b. No change to the Council Tax Reduction Scheme**
- c. Increase the maximum level of CTR from 80.2% to 100% for all Working Age Claimants**
- d. Limit the amount of CTR received in higher value properties to the amount provided in a designated band**
- e. Alter the capital savings limit**

It should be noted that the Council could also *reduce* the maximum level of Council Tax Reduction from the existing rate (80.2%). However, this would not be consistent with the Council's stated purpose to provide increased support to residents in need and so is not put forward as an option here.

### **Option (b) No change to the existing Council Tax Reduction Scheme**

We are not recommending this because we are committed to providing additional financial support to residents in receipt of Council Tax Reduction to alleviate the financial burden of families and other claimants.

### **Option (c) Increase the maximum level of Council Tax Reduction from 80.2% to 100% for all Working Age Claimants**

We are not recommending pursuing this option because it would be a significant additional annual cost (£843,000) to the Council's budget. This would increase the additional annual cost of the scheme from an estimated £1.6m to £2.44m in 2019/20, and is considered to be more than the Council can currently afford. Our preferred option strikes a balance between providing additional support to residents most in need and the financial impact on the Council and its services.

### **Option (d) Limit the amount of Council Tax Reduction received in higher value properties to the amount provided in a designated band**

The Council could "cap" the level of support based on the Council Tax liability of a designated Band. For example, if the limit was set at Band D, the maximum support claimant could receive would be no more than they would get if they lived in a Band D property, even if they lived in a higher Band property.

We are not recommending pursuing this option because it would significantly increase Council Tax bills for residents who are affected by the cap (those in bands above the limit). We recognise that claimants in receipt of Council Tax Reduction are financially burdened and need support.

### **Option (e) Alter the capital savings limit**

Currently, if a resident has more than £10,000 in capital they do not qualify for support under the Council Tax Reduction Scheme.

We are not recommending changes to the capital savings limit because we believe the £10,000 limit strikes the right balance between recognising residents have a need to save and develop sustainable long-term financial plans, and ensuring the scheme reaches the most vulnerable residents.

## Case studies

The below table gives examples of how claimants in Band B properties would be affected by the Council's preferred option.

It shows the likely effect of *both* the increase to 100% maximum Council Tax Reduction for working-age residents with children *and* the alignment with some national welfare changes.

Equivalent case studies for other property bands can be found on the Council's website [www.haringey \(TBC\)](http://www.haringey.gov.uk).

	Weekly household income	Weekly Council Tax charge	Weekly amount to pay in 2018/19	Estimated weekly amount to pay in 2019/20	Annual amount to pay in 2018/19	Estimated annual amount to pay in 2019/20	Change in annual amount to pay
Couple with 2 children; living on wages and Child and Working Tax Credits; living in a Band B property	£250.15	£23.51	£5.34	£0.00	£278.24	£0.00	−£278.24
Working lone parent with 1 child and 1 non-dependant looking for work; living on wages and Child Tax Credits; living in a Band B property	£119.52	£23.51	£8.30	£3.90	£432.80	£203.91	−£228.89
Working couple with 2 children and 1 non-dependant studying full time; living on wages and Child and Working Tax Credits; living in a Band B property	£277.35	£23.51	£7.18	£1.72	£374.18	£89.93	−£284.25
Single person on Universal Credit; living with 1 working non-dependant who earns £350 a week; living in a Band B property	£58.10	£23.51	£13.80	£12.55	£719.78	£656.40	−£63.38
Out of work couple; one receives the middle-rate care component and higher-rate mobility component of Disability Living Allowance and the other receives Carer's Allowance; living in a Band B property	£179.85	£23.51	£7.26	£6.29	£378.56	£328.88	−£49.68
Couple each working 25 hours a week living with a non-dependant couple who both work 16 hours a week and earn £100 each; living on wages; living in a Band B property	£374.88	£23.51	£21.74	£19.98	£1133.71	£1044.64	−£89.07
Single person on Jobseeker's Allowance (Income-based); living in a Band B property; qualifies for single person discount	£73.10	£17.63	£3.49	£3.49	£182.00	£182.50	£0.50

**When does the consultation end?**

Our consultation ends on **12 November 2018**.

**How can I have my say?**

**Online** – completing the questionnaire online at [www.haringey \(TBC\)](#)

**By email** – emailing [CTRSconsultation@haringey.gov.uk](mailto:CTRSconsultation@haringey.gov.uk)

**By post** – completing and returning a copy of this questionnaire to: Consultation, 5th Floor, River Park House, 22High Road, Wood Green, London N22 8HQ

**Pick up a copy in your local library or come to one of our drop-in sessions:**

Location	Date and Time
TBC	
TBC	
TBC	
TBC	

I  
f  
  
y  
o  
u

have any questions, or would like extra paper copies of this questionnaire and supporting information, you can contact us by email or letter:

E-mail: [CTRSconsultation@haringey.gov.uk](mailto:CTRSconsultation@haringey.gov.uk)

Write to: Consultation, 5<sup>th</sup> floor, River Park House, 225 High Road, Wood Green, London N22 8HQ

**What are the next steps?**

We will publish the results of this consultation and the following steps on our website: [www.haringey/CTRSconsultation \(TBC\)](#)

The consultation will run for 10 weeks from 3 September to 12 November 2018. The easiest way to let us have your views is by completing the online survey form at [www.haringey/CTRSconsultation \(TBC\)](#)

If you have any questions about the consultation or would like to request a paper copy please email [CTRSconsultation@haringey.gov.uk](mailto:CTRSconsultation@haringey.gov.uk)

## Consultation Questionnaire

**1. To what extent do you agree with the following aspects of the Council's preferred option?**

- a. Increasing the maximum level of Council Tax Reduction from 80.2% to 100% for working age residents with children

- Strongly Agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

- b. Updating the scheme to align with some national welfare changes

- Strongly Agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

**2. Do you think the Council should consider one of the alternative options mentioned on page 4?**

- Yes
- No
- No Opinion

**3. If your answer is yes, please let us know which alternative you would prefer:**

- No change to the Council Tax Reduction Scheme
- Increase the maximum level of Council Tax Reduction from 80.2% to 100% for all Working Age Claimants
- Limit the amount of Council Tax Reduction received in higher value properties to the amount provided in a designated band
- Alter the capital savings limit

**4. If you would prefer one of the above alternatives, please tell us why:**

**5. Do you think there are alternatives (other than those above) that would better provide support to those in need?**

**6. The Council is proposing that if an increase in Council Tax Reduction support was put in place for 2019/20, the additional costs would be met by its services making further savings. Do you have any comments on how you think the Council Tax Reduction Scheme should be paid for?**

**7. Do you have any general comments about the overall consultation proposals (whether the preferred option, the identified alternative options, or any other options)?**



Appendix 3 – Case Studies for Band B properties

	Weekly household income	Weekly Council Tax charge	Weekly amount to pay in 2018/19	Estimated weekly amount to pay in 2019/20	Annual amount to pay in 2018/19 *	Estimated annual amount to pay in 2019/20 **	Change in annual amount to pay
<b>Couple with 2 children; living on wages and Child and Working Tax Credits; living in a Band B property</b>	£250.15	£23.51	£5.34	£0.00	£278.24	£0.00	-£278.24
<b>Working lone parent with 1 child and 1 non-dependant looking for work; living on wages and Child Tax Credits; living in a Band B property</b>	£119.52	£23.51	£8.30	£3.90	£432.80	£203.91	-£228.89
<b>Working couple with 2 children and 1 non-dependant studying full time; living on wages and Child and Working Tax Credits; living in a Band B property</b>	£277.35	£23.51	£7.18	£1.72	£374.18	£89.93	-£284.25
<b>Single person on Universal Credit; living with 1 working non-dependant who earns £350 a week; living in a Band B property</b>	£58.10	£23.51	£13.80	£12.55	£719.78	£656.40	-£63.38
<b>Out of work couple; one receives the middle-rate care component and higher-rate mobility component of Disability Living Allowance and the other receives Carer's Allowance; living in a Band B property</b>	£179.85	£23.51	£7.26	£6.29	£378.56	£328.88	-£49.68
<b>Couple each working 25 hours a week living with a non-dependant couple who both work 16 hours a week and earn £100 each; living on wages; living in a Band B property</b>	£374.88	£23.51	£21.74	£19.98	£1133.71	£1044.64	-£89.07
<b>Single person on Jobseeker's Allowance (Income-based); living in a Band B property; qualifies for single person discount</b>	£73.10	£17.63	£3.49	£3.49	£182.00	£182.50	£0.50

This page is intentionally left blank

## Appendix 4 – Summary of proposal to align with some national welfare changes

**Summary of proposal to align with some national welfare changes**

It is proposed to update the CTRS to align with some national welfare changes that have taken place since 2013.

Council Tax Reduction is intended for residents who have a low income. Therefore, it is means-tested.

The existing means-test for working-age claimants is based on national welfare entitlement in 2013. The government has made changes to national welfare since 2013. This means that some of the language and figures used in the existing CTRS are out of date.

Therefore, the Council is proposing to update the means-test.

This would include:

- Updating the amount the government says people need to live on per week;
- Updating income brackets;
- Updating deduction rates; and
- Updating the language used.

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.

The proposal to align with some national welfare changes would mostly either financially benefit working-age CTRS claimants or make no change to CTRS entitlement.

However, changes to income brackets and deduction rates could mean some working-age CTRS claimants pay up to 95p per week more Council Tax. This could happen if you live with a non-dependant adult, are not in receipt of a prescribed disability benefit or premium, and have no children in your household. Non-dependant adults are normally adult children or relatives who are working.

The people most likely to be affected are those living with multiple non-dependants. However, for most people, it is expected that changes which could have meant they pay up to 95p per week more Council Tax would be off-set by the other proposed changes that make the CTRS more generous.

**Updating the amount the government says people need to live on per week**

When working out whether someone is entitled to Council Tax Reduction, the Council compare the applicant's weekly income to the amount the government says they need to live on. This is called the applicable amount, and it is calculated by adding together the relevant personal allowances and premiums. (A personal allowance is the amount the government says someone needs to live on per week. A premium is added to this if, for example, they are a carer.)

## Appendix 4 – Summary of proposal to align with some national welfare changes

If their income is less than the applicable amount, they are more likely to get a reduction on their Council Tax. If their income is higher than the applicable amount, they are less likely to get a reduction on their Council Tax.

Personal allowances and premiums, and the resulting applicable amounts, have all increased since 2013 (i.e. the government have said people need more money to live on in 2018 than they did in 2013).

Therefore, if this is updated, more people will be deemed to earn less than the applicable amount and be entitled to Council Tax Reduction.

The table below shows the proposed changes to allowances and premiums:

<b>Allowances</b>	<b>Current weekly rates</b>	<b>Proposed weekly rates</b>	<b>Weekly Increase</b>
Single person	71.70	73.10	1.40
Single parent	71.70	73.10	1.40
Couple	112.55	114.85	2.30
Child allowance	65.62	66.90	1.28
<b>Premiums</b>	<b>Current weekly rates</b>	<b>Proposed weekly rates</b>	<b>Weekly Increase</b>
Carer	33.30	36.00	2.70
Disability - couple	44.20	47.80	3.60
Disability - single	31.00	33.55	2.55
Disability - child	57.89	62.86	4.97
Enhanced disability - child	23.45	25.48	2.03
Enhanced disability - couple	21.75	23.55	1.80
Enhanced disability - single	15.15	16.40	1.25
Family	17.40	17.45	0.05
Severe disability - single	59.50	64.30	4.80
Severe disability - couple	119.00	128.60	9.60

## Appendix 4 – Summary of proposal to align with some national welfare changes

<b>Support component</b>	<b>34.80</b>	<b>37.65</b>	<b>2.85</b>
--------------------------	--------------	--------------	-------------

### Updating income brackets

A Council Tax bill can be reduced in certain circumstances if a resident has a second adult living with them who is not their partner and their combined weekly income is less than a certain amount (currently £239 per week).

This type of reduction is known as the second adult reduction.

The government has increased the income brackets used for pensioners to reflect inflation. For example, the top bracket for pensioners has increased from £239 to £260 per week since 2013.

If this is updated for working-age residents in the CTRS, more people would have an income under £260 per week than have an income under £239 per week. Therefore, more people would be eligible for second adult reduction.

No claimant is expected to be financially worse off as a result of this proposed change.

The table below shows the proposed changes to second adult reduction:

<b>Current gross weekly income (all second adults)</b>	<b>Current rate of Second Adult reduction on Council Tax bill</b>	<b>Proposed gross weekly income (all second adults)</b>	<b>Proposed rate of Second Adult reduction on Council Tax bill</b>	<b>Income band increase</b>
Passport benefit	25%	Passport benefit	25%	N/A
Less than £183.00	15%	Less than £201.00	15%	£18.00
£183.00 to less than £239.00	7.5%	£201.00 to less than £260.00	7.5%	£18.00 - £21.00

Based on the above, second adults (non-dependants) with a combined gross income of:

- less than £183.00 will continue to qualify for a 15% rate
- £183.00 - £201.00 will see a 7.5% increase (i.e. move up from 7.5% to 15%)
- £201.00 - £239.00 will continue to qualify for a 7.5% rate
- £239.00 - £260.00 will now qualify for a 7.5% rate (and do not currently qualify)

### Updating deduction rates

Appendix 4 – Summary of proposal to align with some national welfare changes

Council Tax Reduction is normally reduced for every non-dependant who lives with the applicant. Non-dependants are normally adult children or relatives who are working. The amount of Council Tax Reduction is reduced because it is assumed they will contribute to Council Tax bills.

The amount by which it is reduced depends on the income of each non-dependant. The higher the income bracket they fall into, the larger the amount deducted.

The government has increased the income brackets used for pensioners to reflect inflation. If the income brackets were updated for working-age claimants, more non-dependants would fall into lower income brackets and have a smaller deduction applied.

It is also proposed to increase the deduction rates to match the rates for pensioners.

This would mean that, if a non-dependant’s income stays in the same bracket, a larger amount will be deducted from the Council Tax Reduction. In some circumstances, this could mean a claimant would be liable to pay more Council Tax.

The people most likely to be affected are those with multiple non-dependants and those where a non-dependant’s gross income remains in the same income band. However, for most people, it is expected that the larger deductions would be off-set by the other proposed changes which make the CTRS more generous.

The table below shows the proposed changes to non-dependant deduction rates and income bands:

Current weekly income	Current weekly deduction	Proposed weekly income	Proposed weekly deduction	Income band increase	Deduction rate increase
Less than £186.00	£3.65	Less than £202.85	£3.90	£16.85	0.25p
£186.00 - £322.00	£7.25	£202.85 – £351.65	£7.90	£16.85 - £29.65	0.65p
£322.00 - £401.00	£9.15	£351.65 – £436.90	£9.95	£29.65 - 35.90	0.80p
£401.00 or more	£10.95	£436.90 or more	£11.90	35.90	0.95p

Looking at the above, each non-dependant with current weekly income of:

- £436.90 or more will incur an increase of 95p
- £401 – £436.90 will see a decrease of £1.00
- £351.65 to £401.00 will incur an increase of 80p
- £322 - £351.65 will see a decrease of £1.25
- £202.85 - £322.00 will incur an increase of 65p
- £186.00 - £202.85 will see a decrease of £3.35
- £202.84 or less will incur an increase of 25p

### **Updating the language used**

The following proposed changes would not affect anyone's entitlement to Council Tax Reduction:

- The government have abolished the Work Related Activity component of Employment and Support Allowances, and replaced it with reference to a Work Related Activity Group. Therefore, it is proposed to amend the references to this in the CTRS.
- The current CTRS does not refer to Employment and Support Allowance Support component or Armed Forces Independence Payment in the list of prescribed disability benefits. However, these benefits are still taken into account in practice. Therefore, it is proposed to make this clearer by including reference to them in the CTRS.
- The government has brought in Bereavement Support Payments. Therefore, it is proposed to replace 'bereavement payment' with 'Bereavement Support Payments' in the list of incomes that are taken into account.



This page is intentionally left blank

Report for: **Cabinet 14<sup>th</sup> August 2018**

Title: **Award of contract for temporary heating system and district heating on Broadwater Farm**

Report  
Authorised by: **Helen Fisher, interim Director of Housing, Regeneration and Planning**

Lead Officer: **Dan Hawthorn, Director of Housing and Growth**

Ward(s) affected: **West Green**

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

## **1. DESCRIBE THE ISSUE UNDER CONSIDERATION**

- 1.1. Cabinet will be aware of the situation on Broadwater Farm, where 11 of the 12 blocks have failed key structural tests relating to Large Panel System blocks. This report concerns the works to provide an alternative form of heating and hot water to the nine medium-rise blocks on the estate, which have all failed a test which means that they do not meet the required standards to have piped gas.
- 1.2. In addition to works to the nine medium rise blocks, the existing district heating system at Kenley is being upgraded as the pipework supplying Kenley runs across the estate and to facilitate works to the nine medium rise blocks this pipework is being disconnected.
- 1.3. Enabling works to achieve this are already under way. On 20th April 2018 the then Cabinet Member for Housing, Regeneration and Planning approved the first phase of the works through the appointment of Engie LTD (formerly Keepmoat LTD) through the LHC framework (N7 - workstream three) pursuant to Contract Standing Order 16.02 for design and enabling works for a new district heating system on the Broadwater Farm estate. This report seeks approval for phases two (a temporary system) and three (a permanent system).
- 1.4. The gas supplier (Cadent - the trading name of National Grid Gas Distribution Ltd), which has a statutory responsibility to ensure the safe supply of gas, have informed Homes for Haringey that they will switch off the gas supply to all the blocks that have failed the appropriate structural test for buildings with piped gas by the end of October. It is essential, therefore, that before this deadline there is an alternative source of heat and hot water to the medium-rise blocks. This will be achieved by first providing temporary boilers for each block by the end of October 2018, following which the estate will be switched to a new central energy centre by mid-2019. If the work is not completed before the end of October, then alternative accommodation may need to be provided for the 728 households living in the medium-rise blocks which would be extremely costly and hugely disruptive for residents.

- 1.5. This report seeks approval pursuant to Contract Standing Order 7.01b for the second stage of the works, relating to the installation and commissioning of the remaining works, including the temporary boilers to enable the gas to be switched off to the blocks and the permanent solution.
- 1.6. The report also considers the implications of the works for leaseholders, and recommends that leaseholders are not recharged for the works for the reasons set out in section six of the report.

## **2. CABINET MEMBER INTRODUCTION**

- 2.1. Since the health and safety issues at Broadwater Farm became known, the Council has taken decisive action to manage the risks and ensure the safety of residents.
- 2.2. This report relates to the medium-rise blocks on the estate, which have failed a test relating to blocks with piped gas. The risks have already been significantly reduced by the actions taken to date, including the replacement of gas cookers and installation of interrupter valves. However the only way to fully mitigate this risk is to remove piped gas to the blocks entirely. Homes for Haringey have already started the work to achieve this, and this report recommends the approval of a contract to carry out the next stages of the work.

## **3. RECOMMENDATIONS**

It is recommended that Cabinet:

- 3.1. Approves the direct award of the works contract at an estimated value of £12.6m to Engie LTD (formerly Keepmoat LTD) through the LHC framework (N7 - workstream three) for the works required to install and commission a temporary heating system across Broadwater Farm and latterly install and commission the full energy system.
- 3.2. Approve as required by Section 1 – Financial Regulations paragraph 5.23 (b) the virement of £3.210m from the HRW leaseholder acquisition budget to the Broadwater Farm heating scheme.
- 3.3. Approve as required by Section 1 – Financial Regulations paragraph 5.23 (b) the virement of £4.008m from the Building Regulations Review budget to the Broadwater Farm heating scheme.
- 3.4. Agree the budget of £13.0m for the Broadwater Farm heating scheme.
- 3.5. Agrees not to seek to recharge leaseholders their proportion of the cost of these capital works linked to the provision of temporary heating systems and the full energy centre upgrade.
- 3.6. Note that unrecovered leaseholder charges will be no greater than £2m.

## **4. REASONS FOR DECISION**

- 4.1. The nine medium-rise blocks on Broadwater Farm (Croydon, Debden, Hawkinge, Hornchurch, Lympne, Manston, Martlesham, Rochford, and Stapleton) have failed

structural tests for Large Panel System buildings with piped gas. A gas leak and explosion in one of these blocks could lead to progressive collapse of the building and significant loss of life.

- 4.2. The following steps have been taken to mitigate the risks arising from the findings of the structural test
  - The replacement of gas cookers with electric cookers in 464 flats in nine medium-rise blocks (the remaining flats already had electric cookers)
  - The installation of gas interrupter valves in all the 728 flats in nine medium-rise blocks which will switch off the gas if a leak is detected
- 4.3. To mitigate the risk more fully, piped gas must be removed from the blocks entirely. Heat and hot water will be supplied to the medium-rise blocks initially through temporary boilers installed at the foot of each block. These blocks will then be connected to a renewed estate-wide district heating system. The temporary boilers need to be commissioned before the end of October 2018, as this is the date the gas provider has said that it will switch off gas to the blocks.
- 4.4. Although a tenth block, Kenley, does not have piped gas and is served by a district heating system, the system at Kenley will also be upgraded as the works to the medium rise blocks will require the disconnection of the Kenley pipework.
- 4.5. In April 2018 a design and enabling contract was let to progress design of the new heating systems and essential enabling works, such as the erection of scaffold, the removal of redundant pipework and the forward order of Heat Interface Units.
- 4.6. The design is now sufficiently progressed to award the works contract. A direct award is being made as there is insufficient time to run a mini-competition. A direct award is permissible under the terms of framework selected. The proposed contractor - Engie – is ranked 2<sup>nd</sup> on the framework. The contractor ranked 1<sup>st</sup> has been approached and they have formally declined the offer to undertake the work.
- 4.7. Legal Services has advised as to recoverability of the costs of these works from leaseholders through the service charge provisions in their leases. Although the level of leaseholder charges depends on individual calculations for each leasehold property, it is likely that this will lead to approximately £2m of leasehold charges being unrecovered.

## **5. ALTERNATIVE OPTIONS CONSIDERED**

- 5.1. It is not an option to do nothing, as the blocks do not currently meet building regulations and the works are therefore essential to more fully mitigate the risks identified. The works also need to be completed by the October deadline that the energy suppliers have set for the removal for the gas supply to the blocks. If the work is not completed before the end of October, then alternative accommodation may need to be provided for the 728 households living in the medium-rise blocks.
- 5.2. Homes for Haringey could have run a full procurement process instead of using the LHC framework. This was discounted as there was not enough time to undertake a

full procurement exercise to meet the end of October deadline for completing temporary works.

- 5.3. Homes for Haringey could have run a mini-competition using the LHC framework. This option was discounted as there is not enough time to run a mini-competition to meet the end of October deadline for completing temporary works..
- 5.4. Homes for Haringey could have delivered the project in-house, but Homes for Haringey do not have the necessary skills in-house to make this option viable.

## **6. BACKGROUND INFORMATION**

6.1. In the summer of 2017, Homes for Haringey initiated Structural surveys on the Broadwater Farm estate. The survey results were received in December 2017, and identified that the following blocks do not meet the required building regulations for blocks with piped gas supplies:

- Rochford, Stapleford, Martlesham, Debden, Croydon, Hawkinge, Manston, Lympe, and Hornchurch.

6.2. The surveys also identified that two of the other blocks on the estate, Tangmere and Northolt, had failed a lower test which means that there's a risk from a lower impact event such as a vehicle strike or bottled gas explosion. At its meeting on 26 June 2018 Cabinet made a number of decisions relating to Tangmere and Northolt, including to consult residents on its preferred option to demolish the blocks and rebuild the homes on the estate.

6.3. Starting in December 2017, Homes for Haringey put in place a first phase of mitigating measures. Further background on the mitigations is contained in the report to June Cabinet on Broadwater Farm. They were:

- The replacement of gas cookers with electric cookers in all the 725 flats in nine medium-rise blocks
- The installation of gas interrupter valves in all the 725 flats in nine medium-rise blocks which will switch off the gas if a leak is detected

6.4. These mitigation measures have reduced the risk of an explosion from the piped gas in the buildings, and mean that it is not necessary for residents to be rehoused from these blocks. In order to mitigate the risk of a gas explosion more comprehensively, piped gas needs to be removed from the blocks completely.

6.5. An options appraisal was carried out to determine the most appropriate solution to this issue. This appraisal considered three options: strengthening the blocks to meet the required standard; upgrading the estate for electric heating and hot water, or installing a new district heating system. The consulting engineers appointed recommended the provision of a new district heating system and this recommendation was subsequently discussed and agreed with the Council officers and the estate's residents' association.

6.6. This work must be done urgently as while piped gas remains within the nine buildings outlined above there is a risk, although very low, of progressive collapse in the event of a gas explosion. The district heating works will remove piped gas from

the blocks entirely. Furthermore, the gas supplier Cadent, which has a statutory responsibility to ensure the safe supply of gas, has stated that the gas supply to these blocks will be switched off completely by the end of October 2018. This means that at the end of October, if a new temporary system is not in place, residents within the medium rise blocks will have no heating or hot water.

- 6.7. However, there is not enough time to install a permanent district heating solution before the end of October 2018. Therefore, a temporary system will be installed, with boilers at the foot of each block. These blocks will then be connected to a renewed estate-wide district heating system by mid-2019.
- 6.8. On 20 April 2018 the then Cabinet Member for Housing approved the appointment of contractors to carry out design and enabling works for a new district heating system. The scope of this initial work included:
- Temporary heating system design
  - Full system design
  - Design of other associated and necessary mechanical and electrical works, including the supply of new cold water boosted supplies
  - Removal of redundant pipework
  - Site setup and resident respite facilities
  - Advance order of essential materials
- 6.9. The design for the temporary system and full system are now sufficiently progressed to award the 2<sup>nd</sup> stage contract. The contract does not include costs to provide any works to either Tangmere or Northolt. Should a decision be taken to refurbish these blocks officers will consider the best approach to undertaking these works.
- 6.10. The cost estimate includes some provisional sums to account for upgrade of energy centre, trenching across the estate for new pipework and new boosted cold water supplies. This represents around 20% of the costs. The advice from the project quantity surveyor is that these are reasonable and of limited risk
- 6.11. The scope of works within the 2<sup>nd</sup> stage includes:
- The installation of new external and internal risers on each block (10 blocks – nine medium rise listed above and renewal of existing system in Kenley).
  - The installation of new Heat Interface units (HIU) in each flat
  - The installation of temporary boiler plant to provide hot water to each flat via the risers and HIUs
  - The decommissioning and removal of all existing gas boilers and gas meters from each flat
  - The maintenance of the temporary system while it is in place ahead of the commissioning of the main energy centre
  - The excavation of trenches and laying new pipework across the estate to link each block to main energy centre
  - The upgrade of the main energy centre on the estate to provide the output necessary to provide district heating to all flats affected
- 6.12. It should be noted that decommissioning and installing a new temporary heating system across 10 blocks in 11 months is an exceptionally challenging project. The



normal lead and design time for such a project would be between 12 and 18 months, ahead of construction works. All efforts are being made to ensure the project is delivered within the timetable set out by Cadent.

### **The Broadwater Farm District Heating system**

- 6.13. The estate was constructed between 1967 and 1970. While it was being constructed Ronan Point (a London Borough of Newham block) partially collapsed following a gas explosion in a kitchen, which led to the Government imposing, by Circular, standards for LPS construction, which remain in place.
- 6.14. Officers believe that at the time the Circular was issued, one of the two tower blocks, Northolt, was under construction; the other, Kenley, had yet to start. Kenley's design was modified to meet the Circular standards, and Northolt was modified for the same purpose. The construction history of the other blocks is not clear.
- 6.15. When constructed all blocks had heating and hot water supplied by a district heating system. At that point the DHS consisted of centralised oil-fired boilers supplying secondary plant at each block, from which heating pipework was taken to each flat.
- 6.16. By the 1990s alternative methods of provision were being investigated due to maintenance issues with the system and in particular the pipework around the estate, and in May 1992 a report was produced "on the Mechanical Engineering Services" (the "BDS report") setting out the state of the system and options for future heating.
- 6.17. At that point, 1,036 of 1,063 flats on the estate were connected to the system.
- 6.18. The plant, both primary and secondary and the connecting pipework, was operated and maintained on behalf of the Council under contract by BP
- 6.19. Given reasonable maintenance the report suggested that the heating plant would have a 30-year (+/-5 yrs) lifespan, and the block/flat distribution pipework could be expected to outlive the plant.
- 6.20. The plant was considered generally well-maintained, but the report criticised the condition and maintenance of the block/flat distribution pipework.
- 6.21. The BDS report set out 3 options:
  - Replacement of the existing scheme, upgraded and redesigned
  - Replacement of the DHS by decentralised group schemes
  - Replacement with individual gas-fired central-heating/hot water schemes
- 6.22. The first two options would have involved distribution pipework remaining within the blocks, although conversion to a 2-pipe design was envisaged. The third option involved complete removal of all the existing plant and pipework and replacement by individual gas boilers and pipework within the flats.
- 6.23. The current position is that the two tower blocks are heated by central gas-fired plant; all other blocks are heated by individual gas boilers.

- 6.24. Records do not reveal when the changeover from the DHS to the current position happened. Nor do they show whether any part of the original system continues in operation in the two tower blocks.
- 6.25. The heating system in the two tower blocks is coming to the end of its economic life and will require replacement in the near future. The extent to which lack of maintenance has contributed to the present position is not clear. It is proposed that the existing district heating system at Kenley is upgraded as part of the work recommended in this report, as the pipework supplying Kenley runs across the estate and to facilitate works to the nine medium rise blocks this pipework needs to be disconnected.
- 6.26. The urgency of removal of the individual gas-fired boilers from the low to medium rise blocks has led to the requirement for a temporary solution before the new permanent system can be brought on line.

### **Consultation**

- 6.27. The residents' association has been engaged on these works and all residents have been written to notifying them of the decision to install a district heating system.
- 6.28. Officers have agreed to establish a residents' steering group and its first meeting is scheduled. Through the steering group we will discuss with residents the future billing and metering arrangements for the district energy system and the progress with the works.
- 6.29. Further consultation and engagement events will be undertaken throughout the duration of the works including drop in events and door knocking.

### **Tender**

- 6.30. These works are being procured through the LHC framework (N7 - workstream 3). The LHC framework was tendered through the OJEU process and Haringey Council is able to access and utilise the framework.
- 6.31. The Framework makes provision for a direct award according to the ranking of a supplier. On this occasion, the first ranked supplier declined to undertake the works. The second ranked supplier Engie were approached to undertake the works. Engie accepted the opportunity to undertake the works.
- 6.32. The proposed contractor Engie, whilst the second ranked supplier on the Framework offer the lowest rates of all suppliers on the framework, providing the lowest direct call off rates compared to all the other suppliers.

### **Supervision and Management costs**

- 6.33. Fees and services have been set for this project in accordance with the pricing framework for consultancy services with Ridge LLP. Ridge were appointed by the Council via an OJEU compliant tender process to undertake consultancy services for all housing investment works.

- 6.34. The Ridge contract allows for the draw down of different specialisms to support construction works.
- 6.35. The following services are being provided:
- Project Management
  - Cost consultancy
  - Principal Designer
  - Mechanical and Electrical Designer

#### **Project team**

- Project Manager: Ridge LLP
- Cost consultant: Ridge LLP
- Principal Designer: Ridge LLP
- Mechanical and Electrical designer: Ridge LLP
- Client Representative: Homes for Haringey
- Clerk of Works: Homes for Haringey
- Tenancy Management: Homes for Haringey
- Estate Services: Homes for Haringey
- Leasehold services: Homes for Haringey

#### **Leasehold implications**

- 6.36. As a result of applications made under the Right to Buy legislation, there are 116 leaseholders living in the properties affected by the works described in this report.
- 6.37. Under the terms of their lease the lessee is required to make a contribution towards the cost of maintaining in good condition the main structure, the common parts and common services of the building. Such contributions are recovered by the freeholder through the lessees service charge account.
- 6.38. Officers have considered whether charges for this work could be recovered from leaseholders and have concluded that whilst this could be possible, there is a significant risk of challenge to any attempt to recover the costs of these works through the service charge, with the risk of incurring irrecoverable legal costs. On balance, therefore, officers recommend that leaseholders are not recharged for the capital works.

#### **Sustainability comment**

- 6.39. The procurement of materials and components to be used during the programme will involve the selection of products that have a minimal impact on the environment.
- 6.40. The scheme will be carefully designed where possible to allow for minimising waste during the construction and consideration given to the useful life of the products.
- 6.41. The contractor is registered and complies with the Considerate Constructors Scheme.

- 6.42. In addition to the above, Homes for Haringey have engaged specialist advice around district heating systems to ensure that design, installation and commissioning of the system meets best practice in the market.

### **Conservation areas**

- 6.43. Properties within this project are not within a conservation area.

### **Health and Safety implications**

- 6.44. The contractor has been assessed as competent under the Construction Health and Safety Assessment scheme (CHAS), which is an industry wide body. They also comply with the requirements of the Council's Health and Safety policy.
- 6.45. The Construction (Design and Management) Regulations 2015 apply to this project and the contractor's Construction Phase Health and Safety Plan will be checked and approved by the Principal Designer before works commence on site.

### **HRA Capital Programme**

- 6.46. Officers have reviewed the HRA capital programme and projected spend for 2018/19.
- 6.47. The £3.210m budget for the HRW leaseholder acquisition is being funded from the general fund so no expenditure will be incurred. It is recommended that the budget is transferred to the Broadwater Farm heating scheme.
- 6.48. There is a £6.0m budget which was set aside in case there were any immediate actions arising from the Dame Judith Hackett review of building regulations. As the review has been published and there were no immediate financial implications arising from the review, it is proposed to transfer £4.008m to the Broadwater Farm heating scheme.

## **7. CONTRIBUTION TO STRATEGIC OUTCOMES**

- 7.1. Priority 5 of the Council's Corporate Plan is to "Create homes and communities where people choose to live and are able to thrive" and within this says that the Council "will effectively manage existing housing and provide excellent services to residents".
- 7.2. Objective 4 of the Haringey Housing Strategy 2017-2022 identifies that a key priority is to "Provide stable, safe well-managed homes in decent environments". Ensuring that all residents live in safe homes is essential to delivering this priority.

## **8. STATUTORY OFFICER COMMENTS**

### **Finance**

- 8.1. This report recommends the appointment of Engie LTD (formerly Keepmoat LTD) through the LHC framework (N7 - workstream three) for the works required to install

and commission a temporary heating system across Broadwater Farm and latterly install and commission the full energy system.

- 8.2. This report recommends the waiving of all recharges to leaseholders for capital works linked to the provision of temporary heating systems and the full energy centre upgrade. The unrecovered leaseholder charges, for the reasons explained under paragraph 4, will be no greater than £2m.
- 8.3. The contractor was appointed in April 2018 under a pre construction services agreement (PCSA) to undertake the detailed design development for the scheme. It is estimated that £1.5m has been expended under the PCSA to date. Officers are advising that the design is sufficiently detailed and costs sufficiently firm to enable the award of the substantive contract to undertake the works. It should be noted that there are still some provisional sums (costs that have yet to be fully confirmed) within the cost plan. The advice from the project quantity surveyor is that these are reasonable and of limited risk.
- 8.4. Within the approved 2018/19 HRA capital programme there is a budget for Broadwater Farm of £11.5m. At its meeting in June 2018 Cabinet made a range of decisions in relation to Tangmere and Northolt blocks which committed a substantial proportion of the available Broadwater Farm budget. After allowing for these commitments, £5.718m, there is a residual budget of £5.782m.
- 8.5. The estimated cost of the works is £12.6m (inclusive of the cost of the PCSA) to which must be added the costs of delivering the scheme (project management, quantity surveying services etc.) which is estimated at £0.4m. This results in an overall scheme cost of £13.0m which when compared to the residual budget of £5.782m leaves a shortfall of £7.218m.
- 8.6. In order for the scheme to proceed sufficient resources need to be identified to fund the proposed expenditure and virements (transfers) undertaken. Authority to vire between budget heads over £250k is a power reserved for Cabinet.
- 8.7. Officers are advising that the £3.210m budget for the HRW leaseholder acquisition will not incur any expenditure this year as the costs are being met from the general fund capital programme and that the budget should be vired into the Broadwater Farm heating scheme.
- 8.8. Officers are also advising that the £6.0m building regulations review budget can be utilised and that £4.008m of that budget can be vired into the Broadwater Farm heating scheme. If these virements are accepted then the budget will be sufficient to cover the proposed expenditure.

	£m	£m
Scheme cost		13.000
Original budget	11.500	
Commitments June 2018	5.718	
Residual budget		5.782
HRW budget virements		3.210
Building Regulations Review		4.008

Revised budget		13.000
----------------	--	--------

### **Procurement**

- 8.9. Strategic Procurement confirms Haringey Council can access the LHC Energy Efficiency Framework N 7 (the Framework) being proposed for commissioning the works stated in this report.
- 8.10. Strategic Procurement confirms the LHC makes provision for direct award under the LHC Framework. Direct awards are to be applied to the overall winning Appointed Company according to the original weighting applied by the LHC when establishing the Framework. The first ranked bidder has confirmed they were not able to meet the requirements stated within the timescales. Therefore the second ranked bidder Engie (according to the original Framework ranking was approached), who have confirmed they can meet the requirements.
- 8.11. Engie were the lowest priced provider on the Framework, enabling the Council to reduce the cost of the works when compared to directly awarding to the first ranked bidder.
- 8.12. Calling off from the LHC Framework would comply with CSO 7.01 b) (by selecting one or more contractors from a Framework or similar arrangement established by a public sector body).

### **Legal**

- 8.13. The Assistant Director of Corporate Governance has been consulted in the drafting of this report.
- 8.14. Pursuant to the Council's Contract Standing Order (CSO) 7.01(b) and Regulation 33 of the Public Contracts Regulations 2015, the Council may select one or more Contractors from a Framework established by a public body where the Council has been named in the OJEU Contract Notice.
- 8.15. The terms of the LHC Framework Agreement provide for contracts to be awarded by way of direct award or undertaking a mini-competition and if a contract is to be awarded by way of direct award, the first ranked bidder takes precedence. It has been confirmed that the first ranked bidder was approached but is unable to meet the contract requirements and hence the recommended award to the second ranked bidder.
- 8.16. Pursuant to CSO 9.07.1(d), Cabinet may approve the award of a contract if the value of the contract is valued at £500,000 or more and as such Cabinet has the power to approve the award of the Call-Off contract in this Report.
- 8.17. The lease requires the Council (relevantly) to maintain and repair: the structure of each block; the water and gas mains pipework and the electricity mains cabling to each block; and boilers and heating and hot water apparatus (if any) in each block excluding heating apparatuses serving any individual flat.
- 8.18. It also requires the Council to supply hot water for domestic purposes and (from 1 October to 30 April) for heating where boilers and other installations serving the



block existed at the date of the Lease; but there are provisions limiting liability for interruption, none of which are engaged in the current circumstances.

- 8.19. The service charge provisions in the lease require leaseholders to contribute towards the costs incurred by the Council in complying with its duties above, and also towards improvement and, where necessary, replacement of the heating and hot water systems serving the building.
- 8.20. The service charge provisions also require leaseholders to pay the costs of the energy used in providing heating and hot water.
- 8.21. Statute provides that service charges can only be recovered if reasonably incurred and the works carried out are of a reasonable standard.
- 8.22. Due to the circumstances giving rise to the inherent defects which prevents the use of piped gas, recovery of the costs of a renewed district heating system to replace individual gas-fired systems (in all the blocks save Kenley and Northolt) could face considerable legal obstacles.
- 8.23. Recovery in full of the costs of the system from Kenley and Northolt leaseholders would depend upon showing that the systems now serving the blocks had reached the end of their economic life.
- 8.24. In either event, the cost of the temporary system may not be recoverable from any leaseholder.
- 8.25. The Assistant Director of Corporate Governance sees no legal reasons preventing the approval of the recommendations in the report.

### **Equalities**

- 8.26. 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.
- 8.27. 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.
- 8.28. The Council and Homes for Haringey are confident that the correct process has been followed to ensure that the contractor will have the correct equalities policies in place. The first stage of LHC framework (N7 - workstream 3) included the criteria 'Equal opportunity and diversity policy and capability'.

- 8.29. Broadwater Farm's tenant and leaseholder population as a whole has the following demographic key features.
- 8.30. Compared to the borough's population as a whole there are:
- Slightly more women
  - Significantly more Black African/Caribbean/Black British residents
  - Significantly fewer White British residents
- 8.31. Compared to council owned and HfH managed properties as a whole there are:
- Slightly more men
  - Slightly fewer residents with disabilities
  - More Black African/Caribbean/Black British residents
  - Slightly fewer White British residents
- 8.32. Ensuring the safety of all residents is a priority for the Council, and ensuring the safety of all tenants and leaseholders is a priority for the Council and Homes for Haringey. This decision will help to ensure that residents living on Broadwater Farm, among whom those with protected characteristics are overrepresented, are living in safe homes.

## **9 USE OF APPENDICES**

Part B - contains Information relating to the financial or business affairs of any particular person (including the authority holding that information).

## **10. LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985**

- 10.1. Cabinet Member Signing 20 April 2018 'Award of contract for design and enabling works for Broadwater Farm Estate district heating system':  
<https://www.minutes.haringey.gov.uk/ieListDocuments.aspx?CId=435&MId=8795>
- 10.2. BDS Report on the Mechanical Engineering Services dated May 1992

This page is intentionally left blank

**Report for:** Haringey Council Cabinet 14 August 2018

**Title:** Authority to delegate award of contract for provision of a single wide area network service

**Report authorised by :** Director for Customers, Transformation and Resources

**Lead Officer:** Ed Garcez, Chief Digital and Information Officer

**Ward(s) affected:** All

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

## **1. Describe the issue under consideration**

- 1.1 The London Boroughs of Haringey, Camden and Islington share delivery of ICT services through the Shared Digital service. Following a review of the ICT service, the councils have recently decided to divest delivery of some ICT services to local ICT teams and Shared Digital would retain delivery responsibility for five areas: data centres (including data centre network and internet connections), a managed print service, mobile data and voice services; service desk and desktop; and, Office 365.
- 1.2 The council relies in a wide area network to connect computers and other devices across council sites and to establish connections with other third parties (e.g. cloud service providers). This contract will allow the council to procure network related services which could be managed directly or through the shared service with Camden and Islington.
- 1.3 Haringey, Camden and Islington have already approved the procurement strategy for the wide area network service, which will be provided through a single supplier at the Shared Digital Joint Committee (SDJC) meeting of 30th October 2017. However, the procurement process was delayed whilst the Councils considered and approved the future delivery model for ICT services noted above
- 1.4 The procurement will allow the Council to achieve the transformation, delivering a more resilient, higher available service with the cost effectiveness of a shared procurement. This contract will be available to Haringey directly for sovereign services and also available to Shared Digital for services to be delivered on behalf of Haringey, Camden and Islington.
- 1.5 This report seeks approval to delegate to the Executive of the London Borough of Camden authority to award a contract on behalf of the three Councils for the provision of network services to a single supplier.

## **2. Cabinet Member Introduction**

At its meeting on 17<sup>th</sup> July, Cabinet approved a new delivery model for the Shared Digital Service and subsequent termination of the Shared Digital Joint Committee. We noted in that report that, ahead of the new delivery model being in place, any decisions previously reserved for the Joint Committee would instead be reserved for Cabinet. This is such a decision.

Network services is a service which can be locally delivered. However, the rationale for undertaking a joint procurement with the Shared Digital councils remains as we: share data centres; can draw economies of scale from collaborating on this procurement; and, due to improvement in network technology can still retain operational control of our respective networks following procurement.

This report seeks approval to enable that joint procurement and ensure the process can be completed at pace, enabling us to start the transformation of network services across all three Councils, supporting future savings initiatives.

### **3. Recommendations**

- 3.1 It is recommended that the Cabinet delegate to the Executive of the London Borough of Camden, authority to award a contract for the provision of network services to a single supplier on behalf of all three councils.

### **4. Reasons for decision**

- 4.1 The delivery of this procurement exercise was delayed whilst decisions were made over the future shape and focus of ICT services across the three Councils.
- 4.2 At the Cabinet meeting on 17<sup>th</sup> July, the Council approved the new model for delivery of local and Shared Digital services and the SDJC has been disbanded. Under the previous terms of reference for the SDJC, the decision to award the contract for the Wide Area Network service would have been taken by the SDJC. This decision making authority has been reserved for Cabinet until the new services agreement and TUPE transfer process completes in October 2018.
- 4.3 This report seeks permission to delegate the award of contract to the Executive of the London Borough of Camden ensuring that the contract can be awarded as soon as practical.
- 4.4 This decision will not affect the future delivery of networks services at a local level as the services can be delivered and managed as a sovereign service for each Council, but continuing the procurement jointly will generate savings and enable future transformation work to be completed.
- 4.5 For Haringey any further delay in undertaking the procurement could place delivery of the programme at risk as the refresh and move to a new service will take a significant time, perhaps as long as 18 months.

### **5. Alternative options considered**

- 5.1 There are two options available currently: delegate the decision or retain individual Council approvals:

**i) Delegate award of contract to the Executive of the London Borough of Camden - recommended**

- 5.2 In the same way that other services have been contracted with a single supplier, there is an opportunity for the three Councils to enter into a strategic relationship

with the successful bidder, which would have the advantage of aggregating the Councils' influence on the supplier to deliver a high quality service and drive competitive pricing through economies of scale. By delegating the contract award decision to the Executive of the London Borough of Camden, this would increase the pace at which the procurement activity can be completed, enabling transition to the service more quickly.

- 5.3 The Councils can choose at a later stage to either enter into a single contract with the successful bidder or call off individual contracts.
- ii) Retain individual approval of contract award – not recommended
- 5.4 It is recognised that each Council will want to be able to influence the decision on what technology is used to delivery network services and also who the successful supplier would be. All three councils approved the procurement strategy for the services; and, by having an evaluation panel made up of representatives across all three Councils this requirement can be met. The project, which is running against a deadline to refresh the existing services, has already been significantly delayed. Further delays whilst the three Councils complete contract award governance would place effective delivery of the programme at risk.

## **6. Background information**

- 6.1 Since late 2016, the London Boroughs of Camden, Haringey and Islington have shared provision of ICT services, through Shared Digital. A recent review of the arrangement has led to the councils agreeing that some services would be better provided at a local level and others should continue to be delivered through the Shared Digital service.
- 6.2 The review recognised that collaborative working had generated significant savings whilst improving the quality of service delivered to each council and wherever possible the councils would consider collaborating further, where it was evident that by working together there would be opportunities to improve the quality of service provided or costs reduced through joint procurements.
- 6.3 Shared Digital retains delivery responsibility for five service areas: data centres, a managed print service, mobile data and voice services; service desk and desktop; and, Office 365.
- 6.4 In 30th October 2017, the Shared Digital Joint Committee (SDJC), the Councils' Members led strategic board for Shared Digital, considered and approved a report which proposed a transformation and convergence of the Councils' network services, specifically their wide area networks.
- 6.5 A strategic partner selected after a competition from an existing framework agreement would provide the network. This would ensure that the Councils were able to engage with an experienced partner who understood the Councils' requirements, one which had returned a competitively priced tender.
- 6.6 The decision was taken in light of the need to modernise the existing infrastructure and decommission legacy telephony circuits and lines by 2025. The business benefits of moving to a single shared network design, would be:
- increased resilience and security;
  - improved flexibility and scalability; and,
  - alignment with the Councils' ICT transformation programmes.



- 6.7 Whilst some elements of network services will be locally provided, the rationale for undertaking the procurement exercise collaboratively remains as the Councils share data centres; there are economies of scale, which will drive better pricing, and it supports both sovereign and Shared Digital longer term savings initiatives.
- 6.8 Additionally, with the use of more modern technology there are a number of options available on the market which would allow the Councils to contract jointly, have a single supplier and still retain operational sovereignty of service delivery.
- 6.9 This report seeks approval to delegate to the Executive of the London Borough of Camden the right to award a contract on behalf of all three Councils for a single supplier to provide the Councils' wide area networks.

## **7. Contribution to strategic outcomes**

- 7.1 WAN services are a core ICT infrastructure service. The service enables council staff to access software applications and data held within the council's data centres.
- 7.2 The procurement activity will deliver a more resilient, higher available and more cost effective service to our residents and local businesses, ensuring that the council can interact with residents and local businesses effectively.

## **8. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities) Equality**

- 8.1 The Council has a public sector equality duty under the Equality Act (2010) to have due regard to the need to:
  - a) Tackle discrimination and victimisation of persons that share the characteristics protected under S4 of the Act. These include the characteristics of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex (formerly gender) and sexual orientation;
  - b) Advance equality of opportunity between people who share those protected characteristics and people who do not;
  - c) Foster good relations between people who share those characteristics and people who do not.
- 8.2 The report states that this decision will not affect the future delivery of networks services at a local level, as the services will be delivered and managed as a sovereign service for each Council.
- 8.3 The Council's Equal Opportunities Policy (2012) details how equality considerations are factored into the procurement process. The tendering process requires the contractors to demonstrate their compliance with the Equality Act (2010).

### **Legal**

- 8.4 This report seeks authority to delegate the award of the WAN contract to Camden's Executive. The terms on which Camden's Executive will be entitled to exercise these functions, including any relevant restrictions on "delegation" of decision-making power within Camden, depend upon the terms of the

arrangements which transfer the relevant functions to Camden's Executive rather than upon the constitution of any Council. In default of specific provision, Camden's Executive can arrange for these functions to be discharged in accordance with Camden's Constitution. Therefore Camden's scheme of delegation and Camden Council's Contract Standing Orders will apply to the decisions taken by Camden pursuant to the recommendations in this report.

### **Finance**

- 8.5 The recommendation to delegate to Camden the award of a contract for the provision of network services to a single supplier on behalf of all three councils is enabled by Haringey's July 17th Cabinet report, under paragraph 6.14b. This enables Haringey to benefit from shared procurement opportunities.
- 8.6 This procurement supports the potential for future integration of wide area networks by having the same technical specifications and contractual terms across the three councils. This will support the management of the Shared functions outlined in paragraph 6.5.2. Camden follows the relevant procurement regulations and its own internal procedures in reaching the award of this contract and so best value can be demonstrated.
- 8.7 The award of this contract will need to be contained within existing agreed delegated budgets.

### **9. Use of Appendices**

- 9.1 There is no appendix to this report.

### **10. Local Government (Access to Information) Act 1985**

- 10.1 The procurement strategy referred to in this report was approved at: Shared Digital Joint Committee, 30<sup>th</sup> October 2017: Agenda Item 11 - Network Service Transformation
- 10.2 Approval of the new ICT delivery model outlined in this report was approved at: Cabinet, 17<sup>th</sup> July 2018: Agenda Item 12 Shared Digital Service Implementation

This page is intentionally left blank

**Report for:** Cabinet, 14 August 2018

**Title:** **Award of Contract to provide Joint Advocacy Services for the London Boroughs of Barnet, Enfield and Haringey (Including Independent Mental Health Advocacy (IMHA); Independent Mental Capacity Advocacy (IMCA) and Care Act Advocacy)**

**Report authorised by :** Charlotte Pomery, Assistant Director Commissioning

**Lead Officer:** Sam Jacobson, Commissioning Manager

**Ward(s) affected:** All

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

## **1. Describe the issue under consideration**

- 1.1 This report seeks approval from Cabinet, following the withdrawal of the 1<sup>st</sup> ranked bidders for Lots 1 and 2 for the provision of Joint Advocacy Services for the London Boroughs of Barnet, Enfield and Haringey, to award contracts for these services to the 2<sup>nd</sup> ranked bidders for Lots 1 and 2 respectively in accordance with Contract Standing Order 9.07.1 (d).
- 1.2 The contracts will be awarded for; LOT 1 – Independent Mental Health Advocacy (IMHA), LOT 2 – Independent Mental Capacity Advocacy / Deprivation of Liberty Safeguards and Care Act Advocacy (IMCA/DoLs/CA).
- 1.3 The contracts shall run for a period of three (3) years with the option to extend for a further period of one year plus one year.

## **2. Cabinet Member Introduction**

- 2.1 The Cabinet is asked to approve the establishment of contracts in relation to the provision of statutory advocacy services for adults, for the boroughs of Haringey, Barnet and Enfield. These services support some of the most vulnerable people to be involved in key decisions about their care and support.
- 2.2 As cabinet member for Adult Social Care I support these recommendations for the award of contracts and arrangements for the joint commissioning of these

sets of services which will support effective and efficient delivery of services to vulnerable adults and children.

### 3. Recommendations

- 3.1. That cabinet approves the award of contracts in respect of the provision of Joint Advocacy Services for the London Boroughs of Barnet, Enfield and Haringey to Bidder B and Bidder C for an initial period of 3 years with an option to extend for a further period of one plus one year.
- 3.2. Subject to approval being granted the London Borough of Haringey will enter into contractual agreements jointly with the London Boroughs of Barnet and Enfield, and award contracts to the successful bidders.

### 4. Reasons for decision

- 4.1. The current contracts for IMHA / IMCA and Care Act expire on 30<sup>th</sup> September 2018.
- 4.2. A full tender process was carried out for the services and the award of contract approved by Cabinet in February 2018. Following the Cabinet decision, award notifications were issued and the process for establishing contracts with the 1<sup>st</sup> ranked tenderer was commenced to ensure the start of contracts in July 2018.
- 4.3. This provider withdrew from the tender in May 2018 and as such officers have extended our current contracts for IMHA/IMCA and Care Act Advocacy services until 30<sup>th</sup> September 2018 with a view to ensuring enough time for effective transition arrangements to be put in place with the incumbent providers and incoming providers.
- 4.4. Cabinet is asked to agree to award to the 2<sup>nd</sup> ranked tenderers following the withdrawal of the winning tenderer

### 5. Alternative options considered

- 5.1. **Haringey to commission advocacy services independently:**  
This option was considered but it was deemed more beneficial to jointly commission the services with neighbouring boroughs in order to benefit from economies of scale associated with collaborative procurements.
- 5.2. **Haringey, Enfield and Barnet to re-commission IMHA, IMCA and Care Act Advocacy services again via a new procurement process, extending our existing contracts until 2019.**  
The option of undertaking a 2<sup>nd</sup> procurement exercise for these services following the withdrawal of the 1<sup>st</sup> ranked bidder has been explored with the boroughs of Barnet and Enfield but discounted because officers believe the market in these services is such that the outcome from any subsequent tender exercise is unlikely to be markedly different. Officers do not expect additional providers beyond those who engaged in the procurement to partake

in a tender exercise. Officers are also concerned that interim arrangements do not provide the necessary certainty for operational staff and indeed residents who access advocacy services as services can be required over a long period of time (12 months plus). To ensure continuity of advocate is available to residents the sooner long-term contracts can be established the better.

**5.2. Do nothing**

This is not an option as these are statutory services

**6. Background Information**

6.1. Local authorities have statutory obligations to make provision available for IMHA (Mental Health Act 2007), IMCA (Mental Capacity Act 2010) and Care Act Advocacy (Care Act 2014)

6.2. The Council currently commissions IMCA and IMHA services with the London boroughs of Barnet and Enfield in a single contract. This service was originally commissioned from 1<sup>st</sup> April 2014. The three boroughs currently have separate arrangements for Care Act Advocacy and Children's Advocacy.

6.3. The three-borough IMCA and IMHA arrangements allows Barnet, Enfield and Haringey to benefit from the economies of scale a shared contract brings. The arrangement is also beneficial as advocates currently deliver their service to clients residing across the three local authority areas.

6.4. All three boroughs have agreed that there is value in both re-commissioning IMCA and IMHA on a three-borough footprint, and also incorporating other statutory advocacy services into this arrangement. Barnet have decided not to incorporate their Care Act Advocacy and Children's Advocacy arrangements because they have contracts mid-term for these services; however Enfield agreed to re-commission their Care Act Advocacy and Children's advocacy arrangements with Haringey.

6.5. On 5<sup>th</sup> September 2017 the Council agreed via Lead Member Cabinet Member Signing for Haringey to lead on the procurement of these services on behalf of the three boroughs.

6.6. On 13<sup>th</sup> February 2018, the Council agreed via Cabinet to award contracts to the 1<sup>st</sup> ranked tenderer or winning tenderer in this exercise.

6.7. In May 2018, this tenderer withdrew from the contract, citing issues with the viability of their tender submission. Further information is contained in Part B (exempt part of this report).

**6.8. Procurement process**



- 6.6.1 The services provided under this contract are considered to be Health and Social care services and are therefore subject to Light Touch Regime under the Public Contract Regulations 2015. An open tender process was carried out in accordance with the Council's Contract Standing Orders and procurement Code of Practice.
- 6.6.2 The procurement process was managed by Haringey Council supported by a team of representatives from commissioning and procurement within the London Boroughs of Barnet and Enfield.
- 6.6.3 A prior Information Notice was published in the Official Journal of the European Union (OJEU) on 31<sup>st</sup> August 2017 setting out the councils' intentions to procure the services within the next 12 months.
- 6.6.4 A market engagement event was held on 14th September 2017, to communicate commissioning intentions and offer potential suppliers the opportunity to raise any questions and present their views before proceeding to the next stage of the commissioning programme. Following the market engagement event, it was decided that an open tender process was the most efficient and cost effective way to approach the provider market.
- The tender was advertised by publishing a contract notice in Official Journal of the European Union (OJEU) and on contract finder on 3<sup>rd</sup> November 2017. The Invitation to Tender (ITT) and supporting documents were uploaded on Delta (e-tendering portal) where following a registration process, the potential tenderers could access the tender documents and submit their tenders electronically
- 6.6.5 By the closing date of 7<sup>th</sup> December 2017, 20 organisations had accessed the documents and registered their interest on the Delta E-sourcing portal. A total of 11 tenders was received (4 tenders for Lots 1 and 2 respectively, and 3 tenders for Lot 3.
- 6.6.6 Tenders were evaluated on the basis of the Most Economically Advantageous Tender (MEAT) methodology with a split of 60% price and 40% quality. For quality evaluations, a 60% pass mark was set to ensure all bids considered met an acceptable quality standard. The evaluation criteria and weighting were set out within the invitation to tender documents and clarified.
- 6.6.7 Quality was evaluated with method statements covering the following areas:
- Delivery and implementation
  - Staffing and training
  - Practice
  - Business continuity
  - Outcomes monitoring
  - Awareness raising and business engagement
  - Social value
- 6.6.8 The tables below detail scores for the tenderers by Lot. Further information about the tender evaluation is contained in Part B (exempt part) of the report.

**Lot 1 – IMHA services**

Tenderer	Quality Scores (out of 400 points)	Price Scores (out of 600 points)	Total scores (out of 1000 points)	Rank
1 <sup>st</sup> ranked tenderer – withdrew from process	272	600	872	1
Bidder A	296	400	696	3
Bidder B	332	417	749	2
Bidder C	336	356	692	4

**Lot 2 – IMCA / DoLS and Care Act Advocacy services**

Tenderer	Quality Scores (out of 400 points)	Price Scores (out of 600 points)	Total scores (out of 1000 points)	Rank
1 <sup>st</sup> ranked tenderer – withdrew from process	280	600	880	1
Bidder A	268	391	659	4
Bidder B	328	415	743	3
Bidder C	360	461	821	2

**7. Transition arrangements and contract management**

- 7.1. The contracts for Lots 1 and 2 are scheduled to start on 1st October 2018, allowing for a period of transition between the incumbent providers and the successful tenderers.
- 7.2. Tenderers were asked to provide an implementation plan as part of their submission, including provision for service handover, which will be monitored by representatives from across the 3 boroughs to ensure timely service commencement.
- 7.3. Contract management will be incorporated into the contract. Key performance indicators are included within the service specification and will be monitored by representatives of the 3 boroughs on a quarterly basis.

**8. Contribution to strategic outcomes**

- 8.1. The project is directly linked to the Corporate Plan, in particular Priority 1, 'Enable every child and young person to have the best start in life, with high

quality education' and Priority 2 'Empower all adults to live healthy, long and fulfilling lives'.

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

**9.1. Finance** (ref: CAPH18-20)

The full annual cost for the IMHA contract of £52,000 will be met from existing resources within the Commissioning department.

£94,672 of the Care Act & IMCA contract cost will also be met from existing resources within the Commissioning department.

**9.2. Procurement**

9.2.1 As a service under health and social care category this tender was subject to Schedule 3 of the Public Contracts Regulation 2015 or 'Light Touch' regime. The opportunity was duly advertised in the Official Journal of the European Union given the aggregated contract value

9.2.2 The tender process was carried out in line with the requirements of both the Council's Contract Standing Orders and Procurement Code of Practice

9.2.3 This request to award to alternative tenderers has been made due to the winning bidder's withdrawal despite due diligence undertaken in the tender process. Moreover, a further procurement process would not have yielded any additional benefit as the market for this provision is both specialised and limited

9.2.4 The awards represents the best value available on the open market, with set hourly rates for the contract duration

9.2.5 The contracts shall be robustly monitored against key performance indicators to ensure best value, requisite service standards are met and outcomes are delivered to vulnerable service users

**9.3. Legal**

9.3.1 The Assistant Director of Corporate Governance notes the contents of the report.

9.3.2. Pursuant to CSO 9.07.1(d), Cabinet may approve the award of a contract if the value of the contract is £500,000 or more and as such Cabinet has the power to approve the award of the Contract in this Report.

9.3.3. The Assistant Director of Corporate Governance sees no legal reasons preventing the approval of the recommendations in the report.

## **9.4. Equality**

9.4.1. 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.

9.4.2. By their nature independent advocacy services advance equality of opportunity between people that share protected characteristics because it provides support and representation for vulnerable adults and children, including people with disabilities, to participate fully in decisions for them and about them. Such services also help to prevent discrimination and harassment from occurring.

9.4.3. The contract specifications clearly set out the provider's responsibilities under the Equality Act 2010, including a requirement to ensure that the service is accessible to all sections of the community.

9.4.4. The contractor's compliance with the Equality Act 2010 will be quality assured through regular contract monitoring and service review.

## **10. Use of Appendices**

10.1. None

## **11. Local Government (Access to Information) Act 1985**

11.1. Not Applicable

This page is intentionally left blank

**Report for:** Cabinet – 14<sup>th</sup> August 2018

**Title:** Award of Contract for Out of Home advertising

**Report authorised by :** Erica Ballmann – Assistant Director, Strategy & Communications

**Lead Officer:** Eleri Salter – Commercial Manager, Strategy & Communications

**Ward(s) affected:** All

**Report for Key/**

**Non Key Decision:** Key decision

1. Describe the issue under consideration

1.1 This report seeks Cabinet approval to enter into a contract for the provision of Digital Street Advertising to the preferred Contractor, Supplier A. This is for a period of 10 years pursuant to Contract Standing Order (CSO) 9.07.1(d) or a contract income value of £2.05 million with an option to extend for a further 5 years for a total contract income value of £3 million (contract value).

## 2. Cabinet Member Introduction

The Council has a duty to communicate and engage with all Haringey residents. Part of that duty involves ensuring that residents are aware of services that are available, activity and events that are taking place in the borough and any key messages the Council and partners need to convey.

One channel used for this communication activity is on-street sites such as poster sites. The existing contract, which has run for over 20 years and includes 29 static single and double-sided poster sites, does not offer best value for the Council or residents. It currently costs the Council to utilise these sites and it is an outdated method of communication. Therefore, it was decided to review the current contract and set out an invitation to tender (ITT) and procurement process to deliver not only a more current method of communication but also engage in a contract that could deliver a commercial return.

### **3. Recommendations**

3.1 That Cabinet approves this request for the Council to enter into a contract with Supplier A for the Provision of Digital Street Advertising in accordance with CSO 9.01.1 (Tender Process) as permitted under CSO 9.07.1(d) (Award Process) for a period of 10 years from 1 October 2018 – September 2028 for a contract income value of £2.05 million. There is an option to extend for a further 5 years for a total contract income value of £3 million.

### **4. Reasons for decision**

4.1 The current contract will soon expire and there is a requirement for the Council to use all possible channels to communicate with residents.

4.2 The Council is increasingly seeking opportunities to generate income and therefore contribute towards achieving the savings targets set in the medium term financial strategy.

4.3 The appointment of the Supplier (Supplier A) will allow the Council to achieve the aims set in 4.1 and 4.2.

4.4 Through the new contractual arrangement, the Council will receive an expected income of £3 million over a 15-year period. This is in contrast to the current contract, which costs the Council £13,600 per annum in business rates and £495 for each campaign or use of the poster sites.

4.5 The current contract allows for 29 double-sided paper panels (58 screens in total). These panels will initially be replaced with 15 double-sided digital screens (30 screens in total). The advantage of digital screens over paper screens is that they can significantly increase the volume of commercial advertising. Smaller, local retailers will be able to buy digital screen space time for their own advertising (currently this is not the case) and corporate messages can be displayed for up to 15% of the assets' inventory.

4.6 As a result of 4.5, the Council will be meeting its objective of decluttering its pavements of unnecessary street furniture. The reduced number of screens will actually generate a sizeable income stream for the Council. This is a good example of the Council achieving its "more for less" initiative.

4.7 In order to ensure compliance with EU procurement legislation and to ensure value for money, Strategic Procurement led an Open Tender exercise in accordance with CSO 9.01.1. The tender was advertised in the Official Journal of the European Union (OJEU) and Contract Finder. The Competition was based on:



Price 50%  
Quality 50%

The above evaluation weighting was applied to ensure the Council’s requirement for high quality, sensitive, accurate and critical data was met by the winning supplier.

**Responses**

Two bids were received following the Open Tender Process.

**Suppliers**

The following is the summary of the outcome of the tender evaluation and clarification process for all Suppliers that tendered.

Supplier	Price Score	Quality Score	Final Score	Ranking
Supplier B	23	40	63	2nd
Supplier A	50	47	97	1st

The procurement was led by Shashi Sharma (Procurement Delivery Manager) and evaluated by:

- Eleri Salter - Commercial Manager
- Neil Evison - Senior project manager
- Michael Molony - Strategic Procurement Partner

**5. Alternative options considered**

**5.1 Do nothing**

This was not an option as the income (£3 million) generated by this contract would contribute to the Council’s aim of increasing income where possible and appropriate.

**5.2 Use of Frameworks as an alternative to an Open Tender process**

This was not considered as an option as there was no existence of any Framework Agreements that accommodated this provision.

**6. Background information**

6.1 The current contract for the Provision of Screen Advertising has been in operation since 28 July 1992 at a cost of £13,600 per annum business rates, and £495 per display of corporate messages to the Council. The contract expires on 30 September 2018.

6.2 The current contract deploys a paper only screen display. It is possible to be more agile and effective using a digital display.

6.3 The number of assets within the original contract will be fewer, meaning our highways and planning teams will be able to work closely with Supplier A to offer suitable locations within our streetscapes. Supplier A would like to increase the number of assets within the Borough during the term of the contract and will work again with the relevant services within the Council to help deliver this. With each new asset, the London borough of Haringey will generate a guaranteed return revenue per annum per screen.

6.4 As the frequency of adverts or messages can be changed up to 30 times a day, it means we can cover a wider range of our corporate messages that can be tailored for different locations as needed. Detailed evaluation reports will be received for each campaign. There is also an opportunity for the Council to send messages to residents via beacons in the screens which send notifications to mobile phones, encouraging residents to sign up for *My Account*.

6.5 Supplier A not only highlighted in its scoping of the Borough the key pivotal points such as Alexandra Palace and Tottenham Hotspur FC Stadium, but also focused on the Council's high footfall points and community areas such as Green Lanes. Whilst Supplier A would of course aim to maximise revenue with national advertisers, Supplier A is also keen to work alongside SMEs, offering them an affordable out-of-home advertising platform. Supplier A would work with developments in technology using beacons and forward-facing cameras, and allow the council to use 15% of the inventory for our corporate messages at no cost.

6.6 Alongside its commercial returns, there will be a £60k innovation fund set aside for the Council to use for community projects or environmental initiatives such as *City Trees* – a borough-led initiative aimed at improving air quality.

## **7. Contribution to strategic outcomes**

7.1 This procurement exercise has contributed to achieving a significant amount of income to the Authority. Moreover, the contract allows the Council to advertise its services to resident at nil cost.

## **8. Statutory Officers comments**

### **8.1 Finance**

The annual income from this contract award is expected to approximately £175,000 in year one and has the potential to increase by inflation rates per year for the duration of the contract. There is also a one off signing on fee of £100,000.

Additionally, cost avoidance of £13,000p.a. of business rates, which the Council is currently, paying for existing advertising sites will be achieved, as these costs will be met by the terms of the new contract.

## **8.2 Procurement**

This procurement (Open Tender) was led by Strategic Procurement (Corporate supplies & Services) in accordance with CSO 9.01.1, and is therefore supportive of the recommendations made in this report.

## **8.3 Legal**

**8.3.1** The Assistant Director of Corporate Governance notes the content of the report.

**8.3.2** By virtue of CSO 9.01.1 and in accordance with CSO 9.01.2(a) an open tender procedure was followed in accordance with the Public Contract Regulations 2015.

**8.3.3** CSO 9.07.1 (d) gives the Cabinet power to award a contract where the value of the contract is £500,000 or more and as such the Cabinet has the power to approve the award of the contract in this Report.

**8.3.4** The Assistant Director of Corporate Governance sees no legal reasons preventing the approval of the recommendations in the report

## **9. Equalities (if applicable)**

Not applicable

## **10. Use of Appendices**

Part B contains Information relating to the financial or business affairs of any particular person (including the authority holding that information).

## **11.0 Local Government (Access to Information) Act 1985**

Not applicable

This page is intentionally left blank

**Report for:** Cabinet, 14 August 2018

**Title:** Changes to Council Tax Discounts for Unoccupied and Unfurnished Properties and Vacant Properties requiring or undergoing Major Repair or Structural Alteration

**Report authorised by :** Jon Warlow, Director of Finance (interim)

**Lead Officer:** Luke Rigg, Policy & Equalities Officer

**Ward(s) affected:** All wards

**Report for Key/**

**Non Key Decision:** Reports to the Cabinet should be classified according to the definition of a key decision set out in the Council's Constitution (Part 4, Section D, Rule 12 Access to Information Rules).

**1. Describe the issue under consideration**

The report summarises the proposed cessation of two of the Council's discretionary Council Tax discounts related to (i) unoccupied and unfurnished properties, and (ii) vacant properties requiring or undergoing major repair or structural alteration.

**2. Cabinet Member Introduction**

- 2.1 Our manifesto was clear that we are committed to redistributing the burden of Council Tax, ensuring the greatest weight is placed on the broadest shoulders. This includes exploring and evaluating the scope of the existing discretionary reliefs we provide in the borough to ensure that we are targeting support at those residents in particular need.
- 2.2 We have had to raise more money and spend more efficiently just to stand still. In Haringey, we have maintained a balanced budget despite significant cuts to our funding. However, until there is a change in government, we will face further restrictions on our ability to support residents in acute need.
- 2.3 In this financial context, we believe it is right to cease providing two of the Council's discretionary Council Tax discounts. Since 2013, a number of our neighbouring boroughs have ceased the discounts.
- 2.4 The proposal will create significant savings for the Council and contribute to the delivery of vital services and support for the most vulnerable residents.

**3. Recommendations**

3.1 That the Cabinet recommends to Full Council 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.

#### **4. Reasons for decision**

4.1 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.

4.2 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.

4.3 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.

4.4 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.

4.5 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.

4.6 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.

#### **5. Alternative options considered**

##### **No Change**

5.1 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.

5.2 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

- 5.3 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.
- 5.4 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

- 5.5 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.

## 6. Background information

- 6.1 In 2013, Councils were given the power to set their own Council Tax discounts for (i) unoccupied and unfurnished properties and (ii) vacant properties requiring or undergoing major repair or structural alteration.

### Unoccupied and unfurnished properties

- 6.2 Under the current Haringey Council Tax Discount arrangements, Council Tax payers can receive 100% Council Tax reduction for a maximum period of one month if their unoccupied property is unfurnished. If the property remains unoccupied and unfurnished after one month then the full Council Tax charge is due.
- 6.3 In the event that the property remains unoccupied and unfurnished for a period of two years, a premium of 50% becomes due and the Council Tax will increase to 150%.
- 6.4 In contrast, properties that are unoccupied and furnished do not receive a reduction in Council Tax.

**Table 1.1 – Unoccupied and unfurnished properties discount – uptake and cost (2015/16-2017/18)**

Year	Number of transactions	Total value of CT discount transactions granted (£)
2015/16	6,308	339,000
2016/17	5,227	308,400
2017/18	5,552	338,000

### Vacant properties requiring or undergoing major repair or structural alteration



- 6.5 As with the unoccupied and unfurnished discount currently offered, in April 2013 the Council introduced a new local discount for vacant properties that require or are undergoing major repair and or structural alterations.
- 6.6 Council Tax payers can receive a 50% Council Tax reduction for a maximum period of 12 months.

**Table 1.2 – Vacant properties requiring or undergoing major repair or structural alteration – uptake and cost (2015/16-2017/18)**

Year	Number of transactions	Total value of CT discounts granted (£)
2015/16	1,111	135,400
2016/17	951	109,400
2017/18	859	121,200

**Table 1.3 – Wider costs of administering both property discounts**

Discount	Number of applications in (2017/18)	Officer time per application	Total officer time (2017/18)	Total cost (£)
100% CT reduction for a maximum period of 1 month	5,552	3 minutes	278 hours	3,330
Uninhabitable – 50% CT reduction for 12 months	150	10 minutes	25 hours	299.50

**Table 1.4 – Total cost of the two discounts in 2017/18:**

Discounts	Total cost (£)
Unoccupied and Unfurnished; Vacant requiring/undergoing major repair/structural alteration	462,800

## 7. Contribution to strategic outcomes

- 7.1 The proposal contributes to the Council's Medium Term Financial Strategy as it provides significant savings, which can be used to support the delivery of future services.

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

### 8.1 Finance

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

## **8.2 Procurement**

8.2.1 Strategic Procurement notes the contents of this report; however there are no procurement implications.

## **8.3 Legal**

8.3.1 The Assistant Director of Corporate Governance has been consulted on this report.

8.3.2 Section 11A(4A) of the Local Government Finance Act 1992 gives the Council the power to determine council tax discounts for prescribed classes of dwellings, which may be set anywhere between 0% and 100% based on local circumstances. The Council Tax (Prescribed Classes of Dwellings) (England) Regulations 2003 provide that a Class C dwelling is one that is unoccupied and substantially unfurnished. A Class D dwelling is one that is vacant and either requires or is undergoing major repair work to render it habitable; has undergone such work in the past six months; or is undergoing structural alteration.

8.3.3 This report recommends using that power to remove two discretionary discounts. Any such determination will be made by Full Council.

8.3.4 There is no statutory requirement for consultation. However, section 11A(6) of the Local Government Finance Act 1992 requires that the determination be published in a local newspaper within 21 days of the determination.

8.3.5 The Council must ensure that it has due regard to its Public Sector Equality Duty (PSED) under the Equality Act 2010 in considering whether to maintain, change or remove the discounts.

## **8.4 Equality**

8.4.1 The Council has a public sector equality duty under the Equality Act 2010 to have due regard to the need to:

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

8.4.2 The decision relates to two discretionary Council Tax discounts. For the people who currently benefit from those discounts, the Council has records only of their names and the nature of the property they are inhabiting. Therefore, the protected characteristics of those individuals receiving the discounts are currently unknown. This is because the discounts relate to the circumstances of properties in a specific time period, rather than to the circumstances of the people.

8.4.3 In relation to the nature of the property, the Council can break down current properties receiving the discounts as:

- Haringey-owned vacant properties;
- Housing Association properties;
- Private individual-owned properties; or
- Company-owned properties

8.4.4 The Council holds data on individuals and groups who share protected characteristics for the borough as a whole. This information is available publicly on the Council's website ([https://www.haringey.gov.uk/sites/haringeygovuk/files/equalities\\_profile\\_of\\_haringey.pdf](https://www.haringey.gov.uk/sites/haringeygovuk/files/equalities_profile_of_haringey.pdf)). However, a comparatively small number of individuals currently receive the discounts. Therefore, it is not considered possible to state with any reasonable degree of certainty whether or not the people currently benefitting from the discounts reflect the population as a whole.

8.4.5 It is considered reasonable to suggest that:

- a) It is unlikely that there would be many recipients under the age of eighteen who have unoccupied properties and currently benefit from the discount, therefore children are unlikely to be disproportionately impacted by the decision; and
- b) There is no reason to think that any other group who share a particular protected characteristic would be overrepresented in the cohort of recipients of the two Council Tax discounts or disproportionately impacted by their removal.

8.4.6 When administering Council Tax, the Council seeks to identify vulnerabilities and respond appropriately. The Council will continue to monitor the impact of the proposed changes.

8.4.3 As part of the Council's procedures to respond appropriately to identified vulnerabilities, it promotes and implements a range of discounts, disregards and exemptions, which seek to support residents who cannot pay the full Council Tax liability. The Council will continue to promote these relief options to maximise uptake and help residents who need additional financial support.

## 9. Use of Appendices

None

## 10. Local Government (Access to Information) Act 1985

---

N/A

This page is intentionally left blank

**Report for:** Cabinet 14 August 2018

**Title:** Delegated Decisions and Significant Actions

**Report authorised by :** Zina Etheridge, Chief Executive  
Bernie Ryan AD Corporate Governance

**Lead Officer:** Ayshe Simsek

**Ward(s) affected:** Non applicable

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

**1. Describe the issue under consideration**

To inform the Cabinet of delegated decisions and significant actions taken by Directors.

The report details by number and type decisions taken by Directors under delegated powers. Significant actions (decisions involving expenditure of more than £100,000) taken during the same period are also detailed.

**2. Cabinet Member Introduction**

Not applicable

**3. Recommendations**

That the report be noted.

**4. Reasons for decision**

Part Three, Section E of the Constitution – Responsibility for Functions, Scheme of Delegations to Officers - contains an obligation on officers to keep Members properly informed of activity arising within the scope of these delegations, and to ensure a proper record of such activity is kept and available to Members and the public in accordance with legislation. Therefore, each Director must ensure that there is a system in place within his/her business unit which records any decisions made under delegated powers.

Paragraph 3.03 of the scheme requires that Regular reports (monthly or as near as possible) shall be presented to the Cabinet Meeting, in the case of executive functions, and to the responsible Member body, in the case of non executive functions, recording the number and type of all decisions taken under officers' delegated powers. Decisions of particular significance shall be reported individually.

Paragraph 3.04 of the scheme goes on to state that a decision of "particular significance", to be reported individually by officers, shall mean a matter not

within the scope of a decision previously agreed at Member level which falls within one or both of the following:

- (a) It is a spending or saving of £100,000 or more, or
- (b) It is significant or sensitive for any other reason and the Director and Cabinet Member have agreed to report it.

**5. Alternative options considered**

Not applicable

**6. Background information**

To inform the Cabinet of delegated decisions and significant actions taken by Directors.

The report details by number and type decisions taken by Directors under delegated powers. Significant actions) decisions involving expenditure of more than £100,000) taken during the same period are also detailed.

Officer Delegated decisions are published on the following web page <http://www.minutes.haringey.gov.uk/mgDelegatedDecisions.aspx?bcr=1>

**7. Contribution to strategic outcomes**

Apart from being a constitutional requirement, the recording and publishing of executive and non executive officer delegated decisions is in line with the Council's transparency agenda.

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

Where appropriate these are contained in the individual delegations.

**9. Use of Appendices**

The appendices to the report set out by number and type decisions taken by Directors under delegated powers. Significant actions (Decisions involving expenditure of more than £100,000) taken during the same period are also detailed.

**10. Local Government (Access to Information) Act 1985**

Background Papers

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

Delegated Decisions and Significant Action Forms

Those marked with ♦ contain exempt information and are not available for public inspection.



The background papers are located at River Park House, 225 High Road, Wood Green, London N22 8HQ.

To inspect them or to discuss this report further, please contact Ayshe Simsek on 020 8489 2929.

This page is intentionally left blank

## Commissioning

### Significant decisions

◆ denotes background papers are Exempt.

No	Date approved by Director	Title	Decision
1.	17/07/18	<b>Joint procurement of the provision of NHS Complaints Advocacy – for the commissioning and delivery of services for residents in the London Borough of Haringey</b>	London Borough of Haringey shall enter into an access agreement with Southwark Council for the provision of pan-London NHS Complaints Advocacy, which will be delivered by Phower. The contract shall run for a period of 3 years commencing 1 <sup>st</sup> April 2017 with an option to extend for a further period of one year. The total contract cost to Haringey is £171,800 across the lifetime of the contract. This comprises a core payment of £18,400 in year 1, reduced to £16,800 thereafter and spot payments totalling approximately £25,000 per annum in remote/intensive cases
2.	17/07/18	<b>Variation to existing contract for the provision of a Strategic Partner – Voluntary and Community Sector</b>	In 2016, Haringey Council entered into contract with Bridge Renewal Trust and Moracle Foundation for the provision of a Strategic Partner – Voluntary and Community Sector (SP). The contract is for 4 years (including anticipated extension of one year) at a value of £150,000 per year or £600k over the life of the contract This seeks agreement to vary the SP contract with minor adjustments to the service specification and a revised payment schedule in recognition of the additional costs arising through the transfer, and management, of the Volunteer Centre.
3.			
4.			

### Delegated Action

Type	Number

Corporate Board Officer/Assistant Director Signature

*Charlotte Pavey*

Date 3rd August 2018

This page is intentionally left blank

**DIRECTOR OF ADULTS AND HEALTH**

**Significant decisions - Delegated Action – July 2018**

◆ denotes background papers are Exempt.

No	Date approved by Director	Title	Decision
1.	180730	DA - AMHP & Assessment and Safeguarding Team	

**Delegated Action**

Number
180703 Request to Waive CSO 8.02 allowed under CSO10.01.1b for Bid acceptance and contract award - Thunderbrain Productions. Contract value £25,000.00.
180706 REVISED - Award of Contract - disabled adaptations work
180710 Approval of extension of contract (AS) - Decision Waiver and Report. Contract value £39,600.00.
180717 Implementation of CSO 8.03 under CSO 10.01.2a - social work degree or post qualifying programme. Contract value £21,915.00.
180719 Disabled Adaptations Contract - 11 Boreham Rd. Contract value £18,811.24.
180719 Disabled Adaptations Contract - works at 1C Clarement Rd. Contract value £7,877.50.
180723 REVISED CSO 10.02.1 extension of the IMCAIMHA contract with Voiceability. Contract value £47,674.00.
180723 HSAB Award of Contract re Safeguarding Adults Review (SAR) July '18-July'19. Contract value ££12,000.00.
180730 Disabled Adaptations Contract - 3 Burlington Court, 43 Burlington Rd. Contract value £30,000.00.
180731 CSO 8.03 & 9.01 under CSO 10.01.2 appt of Nurse Consultant from Mallinson Associates for OGNH. Contract value £54,000.00.
180731 Waive CSO 8.03 & 9.01 allowed under CSO 10.01.2 for AT Project with TEC Services Association CIC. Contract value £83,000.00.

Submission authorised by: B. F. Tarka  
 Beverley Tarka – Director of Adults and Health

Date: 2nd August 2018

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is exempt



This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is exempt

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is exempt

This page is intentionally left blank

By virtue of paragraph(s) 3, 5 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is exempt

This page is intentionally left blank